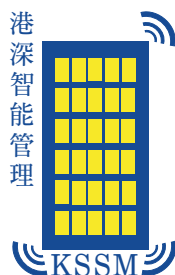


*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**Kong Shum Smart Management Group (Holdings) Limited**  
**港深智能管理集團(控股)有限公司**

*(Formerly known as Shi Shi Services Limited 時時服務有限公司)*  
*(incorporated in the Cayman Islands with limited liability)*  
(Stock Code: 8181)

**ANNOUNCEMENT OF ANNUAL RESULTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of the companies listed on GEM and the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

*This announcement, for which the directors (the “Directors”) of Kong Shum Smart Management Group (Holdings) Limited (formerly known as Shi Shi Services Limited) (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

The board of directors (the “Board”) of the Company is pleased to present the audited consolidated annual results of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 March 2025, together with the audited comparative figures for the corresponding year in 2024 are set out as follows:

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

*For the year ended 31 March 2025*

		<b>2025</b>	<b>2024</b>
	<i>Notes</i>	<b><i>HK\$'000</i></b>	<b><i>HK\$'000</i></b>
<b>Revenue</b>	<b>3</b>	<b>563,500</b>	588,740
Cost of services		<u>(469,694)</u>	<u>(485,048)</u>
<b>Gross profit</b>		<b>93,806</b>	103,692
Other losses, net	<b>4</b>	<b>(3,493)</b>	(9,495)
Impairment loss of financial assets		<b>(5,133)</b>	(2,166)
Administrative expenses		<b>(79,435)</b>	(110,963)
Other operating expenses		<u><b>(29,274)</b></u>	<u>(27,752)</u>
<b>Loss from operations</b>		<u><b>(23,529)</b></u>	<u>(46,684)</u>
Finance income		<b>3,348</b>	1,480
Finance costs		<u><b>(283)</b></u>	<u>(447)</u>
Finance income – net	<b>6</b>	<b>3,065</b>	1,033
Share of loss of associates		<u><b>(8,285)</b></u>	<u>(423)</u>
<b>Loss before tax</b>		<u><b>(28,749)</b></u>	<u>(46,074)</u>
Income tax expense	<b>8</b>	<u><b>(1,019)</b></u>	<u>(530)</u>
<b>Loss for the year</b>	<b>7</b>	<u><b>(29,768)</b></u>	<u>(46,604)</u>
<b>Other comprehensive expense, net of tax</b>			
<i>Items that may be reclassified to profit or loss:</i>			
Exchange differences on translation of foreign operation		<b>(483)</b>	(3,870)
Reclassification of foreign currency translation reserve to profit or loss upon disposal of subsidiaries		<u><b>(511)</b></u>	<u>–</u>
<b>Other comprehensive expense for the year</b>		<u><b>(994)</b></u>	<u>(3,870)</u>
<b>Total comprehensive expense for the year</b>		<u><u><b>(30,762)</b></u></u>	<u><u>(50,474)</u></u>

		2025	2024
	Notes	HK\$'000	HK\$'000
<b>Loss for the year attributable to:</b>			
Owners of the Company		(29,410)	(46,437)
Non-controlling interests		(358)	(167)
		<u>(29,768)</u>	<u>(46,604)</u>
<b>Total comprehensive expense for the year attributable to:</b>			
Owners of the Company		(30,404)	(50,307)
Non-controlling interests		(358)	(167)
		<u>(30,762)</u>	<u>(50,474)</u>
<b>Loss per share</b>			
Basic (HK\$)	9	<u>(0.026)</u>	<u>(0.041)</u>
Diluted (HK\$)	9	<u>(0.026)</u>	<u>(0.041)</u>

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

# **CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

*As at 31 March 2025*

		2025	2024
	Notes	HK\$'000	HK\$'000
<b>Non-current assets</b>			
Property, plant and equipment		65,604	62,257
Investment properties		–	32,300
Right-of-use assets		3,771	5,919
Goodwill		785	785
Deposits placed for life insurance policies		4,556	9,515
Deferred tax assets		134	2,520
Investments in associates	10	–	8,285
Prepayments	11	25,371	–
		<u>100,221</u>	<u>121,581</u>
<b>Current assets</b>			
Prepayments, trade and other receivables	11	130,785	137,794
Pledged bank deposits		4,000	4,000
Cash and cash equivalents		34,675	40,761
Current tax assets		1,050	925
		<u>170,510</u>	<u>183,480</u>
<b>Current liabilities</b>			
Trade and other payables	12	65,133	62,932
Contract liabilities		1,436	2,054
Bank and other loans		2,000	2,998
Lease liabilities		2,995	3,962
Current tax liabilities		1,226	1,413
		<u>72,790</u>	<u>73,359</u>
<b>Net current assets</b>		<u>97,720</u>	<u>110,121</u>
<b>Total assets less current liabilities</b>		<u>197,941</u>	<u>231,702</u>

		2025	2024
	Notes	HK\$'000	HK\$'000
<b>Non-current liabilities</b>			
Lease liabilities		798	2,176
Deferred tax liabilities		73	1,694
		<u>871</u>	<u>3,870</u>
<b>NET ASSETS</b>		<u><b>197,070</b></u>	<u><b>227,832</b></u>
<b>Equity</b>			
Share capital	13	11,290	11,290
Reserves		181,816	212,220
		<u>193,106</u>	<u>223,510</u>
<b>Equity attributable to owners of the Company</b>		<b>193,106</b>	223,510
Non-controlling interests		3,964	4,322
		<u>197,070</u>	<u>227,832</u>
<b>TOTAL EQUITY</b>		<u><b>197,070</b></u>	<u><b>227,832</b></u>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2025

	Attributable to owners of the Company								
	Share capital	Share premium account*	Merger reserve*	Property revaluation reserve*	Foreign currency translation reserve*	Retained profits (accumulated losses)*	Total	Non-controlling interests	Total equity
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 April 2023	11,290	190,444	4,750	2,426	(1,126)	66,033	273,817	4,489	278,306
Total comprehensive expense for the year	–	–	–	–	(3,870)	(46,437)	(50,307)	(167)	(50,474)
At 31 March 2024 and 1 April 2024	11,290	190,444	4,750	2,426	(4,996)	19,596	223,510	4,322	227,832
Transfer (note)	–	–	–	(2,426)	–	2,426	–	–	–
Total comprehensive expense for the year	–	–	–	–	(994)	(29,410)	(30,404)	(358)	(30,762)
At 31 March 2025	11,290	190,444	4,750	–	(5,990)	(7,388)	193,106	3,964	197,070

\* These reserve accounts comprise the consolidated reserve of approximately HK\$181,816,000 (2024: approximately HK\$212,220,000) in the consolidated statement of financial position.

*Note:* The Group disposed of the property in April 2024. The revaluation surplus in relation to the property is transferred to retained profits at the time of disposal.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*For the year ended 31 March 2025*

## 1. GENERAL INFORMATION

Kong Shum Smart Management Group (Holdings) Limited (the “Company”) was incorporated in the Cayman Islands with limited liability. Its shares are listed on GEM of The Stock Exchange of Hong Kong Limited. The address of its registered office is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The address of its principal place of business is Unit J, 6/F, Kaiser Estate, Phase 2, 51 Man Yue Street, Hunghom, Kowloon, Hong Kong.

Pursuant to a special resolution passed at the extraordinary general meeting of the Company held on 27 January 2025, the English name of the Company has been changed from “Shi Shi Services Limited” to “Kong Shum Smart Management Group (Holdings) Limited” and the Chinese name “港深智能管理集團(控股)有限公司” has been adopted and registered as the dual foreign name of the Company in place of its previous Chinese name “時時服務有限公司”.

The Company is an investment holding company. The principal activities of its subsidiaries are the provision of property management and related services and properties investment.

The consolidated financial statements are presented in Hong Kong Dollars (“HK\$”), and all values are rounded to thousand (HK\$’000), unless otherwise stated.

## 2. BASIS OF PREPARATION AND ADOPTION OF NEW AND REVISED HKFRS ACCOUNTING STANDARDS

- (i) These consolidated financial statements have been prepared in accordance with all applicable HKFRS Accounting Standards issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance Cap. 622. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited.

The measurement basis used in the preparation of the consolidated financial statements is the historical cost basis.

### (ii) Changes in accounting policies

In current year, the Group has applied the following amendments to HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) which are effective for the Group’s consolidated financial statements for the current accounting period:

- Amendments to HKAS 1, Presentation of Financial Statements – Classification of Liabilities as Current or Non-current and Amendments to HKAS 1, Presentation of Financial Statements – Non-current Liabilities with Covenants
- Hong Kong Interpretation 5 (Revised), Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause
- Amendments to HKFRS 16, Leases – Lease Liability in a Sale and Leaseback
- Amendments to HKAS 7, Statement of Cash Flows and HKFRS 7, Financial Instruments: Disclosures – Supplier Finance Arrangements

The adoption of new or amended HKFRS Accounting Standards did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(iii) **Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 March 2025**

Up to the date of issue of these consolidated financial statements, the HKICPA has issued a number of new or amended standards, which are not yet effective for the year ended 31 March 2025 and which have not been adopted in these consolidated financial statements. These developments include the following which may be relevant to the Group.

	<b>Effective for accounting periods beginning on or after</b>
– Amendments to HKAS 21, The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability	1 January 2025
– Amendments to HKFRS 9, Financial Instruments and HKFRS 7, Financial Instruments: Disclosures – Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
– Amendments to HKFRS 9 and HKFRS 7 – Contract Referencing Nature-dependent Electricity	1 January 2026
– Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
– HKFRS 18, Presentation and Disclosure in Financial Statements	1 January 2027
– HKFRS 19, Subsidiaries without Public Accountability: Disclosures	1 January 2027
– Amendments to HK-Int 5, Presentation of financial statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
– Amendments to HKFRS 10 and HKAS 28, Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The directors of the Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

### 3. REVENUE

The Group is principally engaged in the provision of property management and related services and properties investment during the year. An analysis of the Group's revenue recognised during the year is as follows:

	<b>2025 HK\$'000</b>	<b>2024 HK\$'000</b>
Provision of property management and related services	<u>562,152</u>	<u>586,947</u>
Revenue from contracts with customers	<b>562,152</b>	586,947
Rental income from investment properties	<u>1,348</u>	<u>1,793</u>
Total revenue	<u><b>563,500</b></u>	<u><b>588,740</b></u>



Disaggregation of revenue from contracts with customers:

**Provision of property management and related services**

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>For the year ended 31 March</b>		
<b>Geographical markets</b>		
Hong Kong	546,926	561,243
The People's Republic of China (the "PRC")	15,226	25,704
	<u>562,152</u>	<u>586,947</u>
<b>Major services</b>		
Property management services	499,188	526,221
Stand-alone security services	62,964	60,726
	<u>562,152</u>	<u>586,947</u>

For the years ended 31 March 2025 and 2024, all revenue from provision of property management services and stand-alone security services are recognised over time.

Property management services fees and stand-alone security services fees are recognised on a monthly basis when the services are rendered. The amount for which can be reliably estimated and it is probable that the income will be received. The property management services fees and stand-alone security services fees are due on the end of each month.

**4. OTHER LOSSES, NET**

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Fair value loss of investment properties	(1,000)	(8,328)
Gain on disposal of subsidiaries	2,638	–
Impairment of investment at fair value through profit or loss	–	(2,184)
Gain on disposal of property, plant and equipment	100	125
Loss on disposal of investment properties	(6,100)	–
Others	869	892
	<u>(3,493)</u>	<u>(9,495)</u>

## 5. SEGMENT INFORMATION

### (a) Reportable segments

The Group has two (2024: three) reportable segments. The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies. The following summary describes the operations in each of the Group's reportable segments:

- (i) Provision of property management and related services; and
- (ii) Properties investment.

Given the insignificant revenue generated in money lending business of the Group during the previous years, and the expiration of the money lender license held by the Group with effect from 16 June 2024, the Group has ceased its money lending business. As a result, the Group's reportable segments have been changed from three segments to two segments.

The accounting policies of the operating segments are the same as those described in note 3 to the consolidated financial statements in the Company's 2025 Annual Report. Segment profits or losses do not include corporate income and expenses and share of loss of associates which are not directly attributable to the business activities of any operating segment.

Segment assets include all assets but do not include investments in associates and corporate assets which are not directly attributable to the business activities of any operating segment and are not allocated to a segment. Segment liabilities include all liabilities but do not include corporate liabilities which are not directly attributable to the business activities of any operating segment and are not allocated to a segment. Segment non-current assets do not include deferred tax assets and financial instruments.

The Group accounts for intersegment sales and transfers as if the sales or transfers were to third parties, i.e. at current market prices.

**(i) Business segments**

	For the year ended 31 March 2025		
	Provision of property management and related services <i>HK\$'000</i>	Properties investment <i>HK\$'000</i>	Total <i>HK\$'000</i>
Reportable segment revenue:			
Revenue from external customers	<u>562,152</u>	<u>1,348</u>	<u>563,500</u>
Reportable segment loss	<u>(8,014)</u>	<u>(6,604)</u>	<u>(14,618)</u>
Depreciation of property, plant and equipment	10,020	65	10,085
Depreciation of right-of-use assets	4,307	–	4,307
Fair value loss on investment properties	–	1,000	1,000
Income tax expense	825	126	951
Interest revenue	2,894	–	2,894
Interest expense	283	–	283
Additions to property, plant and equipment	<u>14,429</u>	<u>98</u>	<u>14,527</u>
	At 31 March 2025		
	Provision of property management and related services <i>HK\$'000</i>	Properties investment <i>HK\$'000</i>	Total <i>HK\$'000</i>
Reportable segment assets	269,634	346	269,980
Reportable segment liabilities	<u>72,905</u>	<u>–</u>	<u>72,905</u>

For the year ended 31 March 2024				
	Provision of property management and related services <i>HK\$'000</i>	Properties investment <i>HK\$'000</i>	Money lending business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Reportable segment revenue:				
Revenue from external customers	<u>586,947</u>	<u>1,793</u>	<u>–</u>	<u>588,740</u>
Reportable segment (loss)/profit	<u>(31,517)</u>	<u>(6,941)</u>	<u>325</u>	<u>(38,133)</u>
Depreciation of property, plant and equipment	8,920	131	–	9,051
Depreciation of right-of-use assets	4,009	–	122	4,131
Amortisation of intangible assets	33	–	–	33
Fair value loss on investment properties	–	8,328	–	8,328
Income tax expense	313	205	12	530
Interest revenue	1,000	–	480	1,480
Interest expense	445	–	2	447
Additions to property, plant and equipment	7,853	7	–	7,860
Additions to investment properties	<u>–</u>	<u>228</u>	<u>–</u>	<u>228</u>
At 31 March 2024				
	Provision of property management and related services <i>HK\$'000</i>	Properties investment <i>HK\$'000</i>	Money lending business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Reportable segment assets	257,582	33,244	4,686	295,512
Reportable segment liabilities	<u>75,638</u>	<u>347</u>	<u>46</u>	<u>76,031</u>

(ii) Reconciliations of reportable segment revenue, profit or loss, assets and liabilities:

<b>Year ended 31 March</b>	<b>2025 HK\$'000</b>	<b>2024 HK\$'000</b>
<b>Revenue</b>		
Reportable segment revenue and consolidated revenue	<u>563,500</u>	<u>588,740</u>
<b>Profit or loss</b>		
Reportable segment loss	(14,618)	(38,133)
Unallocated other income	531	–
Share of loss of associates	(8,285)	(423)
Unallocated corporate expenses	<u>(6,377)</u>	<u>(7,518)</u>
<b>Consolidated loss before tax</b>	<u>(28,749)</u>	<u>(46,074)</u>
<b>At 31 March</b>	<b>2025 HK\$'000</b>	<b>2024 HK\$'000</b>
<b>Assets</b>		
Reportable segment assets	269,980	295,512
Unallocated cash and cash equivalents	488	986
Other unallocated corporate assets	<u>263</u>	<u>8,563</u>
<b>Consolidated total assets</b>	<u>270,731</u>	<u>305,061</u>
<b>Liabilities</b>		
Reportable segment liabilities	72,905	76,031
Unallocated corporate liabilities	<u>756</u>	<u>1,198</u>
<b>Consolidated total liabilities</b>	<u>73,661</u>	<u>77,229</u>

(b) **Geographical information**

The Group is domiciled in Hong Kong and the PRC. The following tables provide an analysis of the Group's revenue from external customers and non-current assets excluding deferred tax assets and deposits placed for life insurance policies.

	<b>Revenue</b>		<b>Non-current assets</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>
Hong Kong	548,274	563,036	55,848	67,926
The PRC	<u>15,226</u>	<u>25,704</u>	<u>39,683</u>	<u>41,620</u>
	<u>563,500</u>	<u>588,740</u>	<u>95,531</u>	<u>109,546</u>

(c) **Information about major customers**

An analysis of the Group's revenue from major services is set out in note 3 above. No customer accounted for 10 percent or more of the total revenue for the years ended 31 March 2025 and 2024.

## 6. FINANCE INCOME, NET

	2025 HK\$'000	2024 HK\$'000
Bank interest income	251	676
Interest income from bond receivable	454	480
Interest income from deposits placed for life insurance policies	221	324
Interest income from other receivable	2,422	–
	<hr/>	<hr/>
Finance income	3,348	1,480
	<hr/>	<hr/>
Interest expenses on bank borrowings	21	36
Interest on lease liabilities	262	411
	<hr/>	<hr/>
Finance costs	283	447
	<hr/>	<hr/>
Finance income, net	3,065	1,033
	<hr/>	<hr/>

## 7. LOSS FOR THE YEAR

The Group's loss for the year is arrived at after charging:

	2025 HK\$'000	2024 HK\$'000
Staff costs (including directors' remuneration):		
– Salaries, wages and allowances	439,572	453,871
– Retirement benefits scheme contributions ( <i>note i</i> )	10,569	11,737
	<hr/>	<hr/>
	450,141	465,608
	<hr/>	<hr/>
Auditors' remuneration	750	730
Depreciation of property, plant and equipment	10,085	9,051
Depreciation of right-of-use assets	4,307	4,131
Write-off of other receivables	–	127
Amortisation of intangible assets	–	33
Impairment of property, plant and equipment	–	25,927
Impairment of intangible assets	–	122
Impairment of goodwill	–	315
Expenses related to short-term lease	420	420
	<hr/>	<hr/>

*Note:*

- (i) For the year ended 31 March 2025, no forfeited contribution in respect of the defined contribution retirement plans were utilised by the Group to reduce the contribution payable to the plans (2024: nil). As at 31 March 2025, no forfeited contribution under these plans is available to reduce future contribution (2024: nil).

## 8. INCOME TAX EXPENSE

For the years ended 31 March 2025 and 2024, Hong Kong Profit Tax is calculated under two-tier profit tax system under first HK\$2 million of estimated assessable profits is taxed at a rate of 8.25% and remaining estimated assessable profits is taxed at 16.5%. The Group should elect one of the Hong Kong subsidiaries to apply the two-tier profit tax rate.

The PRC corporate income tax is calculated at a rate of 25% unless otherwise specified, on the estimated assessable profits arising from the operation of the PRC subsidiaries.

	2025 HK\$'000	2024 HK\$'000
Current tax – Hong Kong Profits Tax		
– Provision for the year	250	322
Current tax – the PRC		
– Provision for the year	4	111
Deferred tax	765	97
	<u>1,019</u>	<u>530</u>

## 9. LOSS PER SHARE

### Basic loss per share

The calculation of basic loss per share attributable to owners of the Company is based on the loss for the year attributable to owners of the Company of approximately HK\$29,410,000 (2024: loss of approximately HK\$46,437,000) and the weighted average number of ordinary shares of 1,128,986,665 (2024: 1,128,986,665) in issue during the year.

### Diluted loss per share

Diluted loss per share are same as basic loss per share as the Company did not have any dilutive potential ordinary share outstanding during the year ended 31 March 2025 and 31 March 2024.

## 10. INVESTMENTS IN ASSOCIATES

	2025 HK\$'000	2024 HK\$'000
Unlisted investment in Hong Kong		
Share of net assets	–	8,285
Goodwill	22,649	22,649
	<u>22,649</u>	<u>30,934</u>
Less: impairment loss	(22,649)	(22,649)
	<u>–</u>	<u>8,285</u>

Below is the information of the associates. The associates are accounted for in the consolidated financial statements using the equity method.

Name	Dakin Holding Inc.		Sky Asia Construction Engineering Limited			
	2025	2024			2025	2024
Principal place of business/ country of incorporation	Hong Kong/ BVI	Hong Kong/ BVI	Hong Kong/ Hong Kong		Hong Kong/ Hong Kong	
Principal activities	Provision of financial services in Hong Kong			Vessel operation		
% of ownership interests/voting rights held by the Group	30%/30%	30%/30%	33%/33%		33%/33%	
	Dakin Holding Inc.		Sky Asia Construction Engineering Limited		Total	
	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 31 March:						
Non-current assets	48,782	19,092	11,304	20,556	60,086	39,648
Current assets	7,686	6,097	752	27,365	8,438	33,462
Non-current liabilities	(12,576)	(8,649)	(19,889)	(1,727)	(32,465)	(10,376)
Current liabilities	(62,710)	(27,024)	(926)	(21,086)	(63,636)	(48,110)
Net (liabilities)/assets	(18,818)	(10,484)	(8,759)	25,108	(27,577)	14,624
Group's share of net assets	–	–	–	8,285	–	8,285
Goodwill	22,649	22,649	–	–	22,649	22,649
Less: impairment	(22,649)	(22,649)	–	–	(22,649)	(22,649)
Group's share of carrying amount of interests	–	–	–	8,285	–	8,285
Year ended 31 March:						
Revenue	3,901	4,493	2,479	4,753	6,380	9,246
Loss for the year	(8,334)	(8,499)	(33,867)	(1,281)	(42,201)	(9,780)
Total comprehensive loss	(8,334)	(8,499)	(33,867)	(1,281)	(42,201)	(9,780)
Dividend received from associate	–	–	–	–	–	–

The Directors have performed impairment review on the investments in Dakin Holdings Inc. (“Dakin”) and Sky Asia Construction Engineering Limited (“Sky Asia”). Based on performance of Dakin and Sky Asia, impairment of nil and nil was recorded for the year ended 31 March 2025 and 2024, respectively.

The Group has not recognised loss for the year amounting to HK\$2,500,000 (2024: HK\$2,550,000) and HK\$2,890,000 (2024: nil) for Dakin and Sky Asia, respectively. The accumulated losses not recognised were HK\$8,530,000 (2024: HK\$3,140,000).



# 11. PREPAYMENTS, TRADE AND OTHER RECEIVABLES

	<i>Notes</i>	<b>2025</b> <b>HK\$'000</b>	2024 HK\$'000
Trade receivables	(a)	<b>62,348</b>	95,617
Less: Impairment on trade receivables		<b>(11,827)</b>	(8,622)
		<b>50,521</b>	86,995
Bond receivable	(b)	–	4,000
Prepayments, deposits and other receivables	(c)	<b>105,635</b>	46,799
		<b>156,156</b>	137,794
Less: Prepayments – non-current		<b>(25,371)</b>	–
Amounts shown as current assets		<b>130,785</b>	137,794

## Notes:

- (a) The Group does not grant credit terms to its customers (2024: nil). The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by the senior management and directors.

The aging analysis of trade receivables, based on the invoice date, and net of allowance, is as follows:

	<b>2025</b> <b>HK\$'000</b>	2024 HK\$'000
1 to 30 days	<b>34,122</b>	40,522
31 to 60 days	<b>10,199</b>	29,690
61 to 90 days	<b>1,707</b>	5,411
Over 90 days	<b>4,493</b>	11,372
	<b>50,521</b>	86,995

Reconciliation of loss allowance for trade receivables:

	<b>2025</b> <b>HK\$'000</b>	2024 HK\$'000
At the beginning of the reporting period	<b>8,622</b>	6,824
Allowance for the year	<b>3,330</b>	2,166
Exchange difference	<b>(125)</b>	(368)
At the end of the reporting period	<b>11,827</b>	8,622

As at 31 March 2025, trade receivables of approximately HK\$50,521,000 (2024: approximately HK\$86,995,000) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default.

Receivables that were past due but not impaired relate to a number of customers that have good settlement records with the Group. Based on past experience, the Directors are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

- (b) As at 31 March 2024, bond receivable of HK\$4,000,000 represented a one-year 12% coupon bond, unsecured and was redeemed in February 2025.
- (c) Details of the prepayments, deposits and other receivables are as follows:

	<i>Notes</i>	<b>2025</b> <b>HK\$'000</b>	2024 HK\$'000
Prepayments	(i)	<b>37,784</b>	2,278
Deposits		<b>17,329</b>	10,432
Other receivables	(ii)	<b>50,522</b>	34,089
		<b>105,635</b>	46,799
Less: Prepayments – non-current	(iii)	<b>(25,371)</b>	–
Amounts shown as current assets		<b>80,264</b>	46,799

*Notes:*

- (i) As at 31 March 2025, prepayments of approximately HK\$128,000 (2024: nil) represented rental prepaid to a related company controlled by a director of the Company, Dr. HO Ying Choi.
- (ii) As at 31 March 2025, other receivables included loans and interests receivables from a supplier of approximately HK\$39,122,000 (2024: nil). The loans are unsecured, bear interests at 8% per annum and repayable on demand. The amounts due were fully settled before 20 June 2025.

The remaining other receivables included amounts paid on behalf of incorporated owners of buildings for property management.

- (iii) As at 31 March 2025, prepayments of approximately HK\$25,371,000 (2024: nil) classified as non-current assets represented amount prepaid for purchase of property, plant and equipment.

## 12. TRADE AND OTHER PAYABLES

	<b>2025</b> <b>HK\$'000</b>	2024 HK\$'000
Trade payables	<b>2,338</b>	2,420
Building management deposits received	<b>8,205</b>	8,110
Accruals and other payables	<b>54,590</b>	52,402
	<b>65,133</b>	62,932

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

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
1 to 30 days	1,170	1,227
31 to 60 days	1,117	1,129
Over 90 days	51	64
	<u>2,338</u>	<u>2,420</u>

Details of the accruals and other payables are as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Accrued staff cost and staff benefits	28,421	32,960
Accrued expenses	2,516	3,826
Other payables	23,653	15,616
	<u>54,590</u>	<u>52,402</u>

### 13. SHARE CAPITAL

Ordinary shares of HK\$0.01 each	Number of shares	<i>HK\$'000</i>
<b>Authorised:</b>		
Ordinary shares of HK\$0.01 each		
At 1 April 2023, 31 March 2024 and 31 March 2025	5,000,000,000	50,000
<b>Issued and fully paid:</b>		
Ordinary shares of HK\$0.01 each		
At 1 April 2023, 31 March 2024 and 31 March 2025	1,128,986,665	11,290

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maximise the return to the shareholders through the optimisation of the debt and equity balance.

The Group sets the amount of capital in proportion to risk. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the payment of dividends, issue new shares, buy-back shares, raise new debts, redeem existing debts or sell assets to reduce debts.

The Group monitors capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt divided by adjusted capital. Net debt is calculated as total debts less cash and cash equivalents. Adjusted capital comprises all components of equity (i.e. share capital, share premium, retained profits and other reserves).

#### 14. DIVIDEND

No dividend was paid or proposed for the years ended 31 March 2025 and 2024, nor has any dividend been proposed since the end of the reporting period and up to the date of this announcement.

#### 15. RELATED PARTY TRANSACTIONS

##### (a) Parent entities

The Group is controlled by the following entities:

Name	Type	Ownership interest	
		2025	2024
Dr. HO Ying Choi	Ultimate parent and controlling party	66.00%	N/A
Mr. Huang Liming	Ultimate parent and controlling party	N/A	55.45%

##### (b) Related party transactions

In addition to those related party transactions and balances disclosed elsewhere in the consolidated financial statements, the Group had the following transactions with its related parties during the year:

	2025 HK\$'000	2024 HK\$'000
(i) Rental paid to a related company controlled by a director of the Company, Dr. HO Ying Choi	384	–
(ii) Gain on disposal of property, plant and equipment to a related company controlled by the spouse of a former director, Mr. HUANG Liming	–	133
(iii) Emoluments paid to directors	10,029	6,357

In April 2024, the Group has disposed of an indirect wholly-owned subsidiary, 時時健康管理(淄博)有限公司, to a related company controlled by the spouse of a former director, Mr. HUANG Liming, at a consideration of RMB10,000.

##### (c) Key management personnel remuneration

Members of key management personnel during the year comprised only the Directors whose remuneration is as follows:

	2025 HK\$'000	2024 HK\$'000
Fees, salaries, allowances and other benefits	9,974	6,309
Retirement benefit scheme and contributions	55	48
	10,029	6,357

## 16. CONTINGENT LIABILITIES

### (a) Performance bond and incorporated owners' fund

Performance bond has been issued by a bank and an insurance company as the Group maintains certain incorporated owners' funds in the form of client accounts which were held on trust for and on behalf of the incorporated owners. These client accounts are not recognised as assets and associated liabilities in the financial statements of the Group. At the end of reporting period, the directors of the Company do not consider it probable that a claim on the performance bonds will be made against the Group.

As at 31 March 2025, the amount of outstanding performance bond was approximately HK\$23.0 million (2024: approximately HK\$29.2 million).

As at 31 March 2025, the aggregate amount of the bank balances in the client accounts not dealt with in the consolidated financial statements of the Group is approximately HK\$61.3 million (2024: approximately HK\$64.4 million).

### (b) Legal cases

In carrying out the ordinary course of business, the Group is subject to the risk of being named as defendant in legal actions, claims and disputes in connection with its business activities. The nature of the legal proceedings initiated against the Group generally include (i) claims for employees' compensation by the Group's employees; (ii) claims for personal injury caused by the negligence of the Group and owners' corporations of the properties by passersby, residents or other users of the respective properties; (iii) claims for property damage or economic loss caused by the negligence of the Group and owners' corporations of the properties by residents or other users of the respective properties; and (iv) claims for property damage caused by the negligence of individual flat owners by other residents or users of the respective properties. The Group maintains insurance cover and, in the opinion of the directors of the Company, based on current evidence, any such existing claims have no material financial impact to the Group as at 31 March 2025.

## 17. CAPITAL COMMITMENTS

The Group's capital commitments at the end of the reporting period are as follows:

	2025 HK\$'000	2024 HK\$'000
Property, plant and equipment		
– Contracted but not provided for	2,961	–

## MANAGEMENT DISCUSSION AND ANALYSIS

### OVERVIEW

The Group is principally engaged in the provision of property management and related services primarily targeting residential properties and properties investment. The Group operates under the brand name of “Kong Shum” in Hong Kong and provides a range of property management and related services in Hong Kong and the PRC including security, repair and maintenance, cleaning, financial management, administrative and legal support. Under an established functional structure with various departments, the Group has dedicated teams to carry out the aforementioned property management and related services. The Group also employs a team of security staff to provide security services as part of the services provided under property management contracts or under stand-alone security services contracts. For the year ended 31 March 2025, the Group provided property security services for 12 properties under stand-alone security services contracts in Hong Kong. The operating arm of the Group’s security services is mainly Q & V Security Company Limited.

For the properties investment business, the Group recorded rental income from investment properties of approximately HK\$1.3 million for the year ended 31 March 2025 (2024: HK\$1.8 million).

### FINANCIAL REVIEW

#### Summary Financial Performance

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>	Change
<b>Revenue</b>	<b>563,500</b>	588,740	-4.3%
Cost of services	(469,694)	(485,048)	-3.2%
Gross profit	<b>93,806</b>	103,692	-9.5%
<b>Gross profit margin</b>	<b>16.6%</b>	17.6%	N/A
Other losses, net	(3,493)	(9,495)	-63.2%
Impairment loss of financial assets	(5,133)	(2,166)	137.0%
Share of loss of associates	(8,285)	(423)	1,858.6%
Administrative expenses	(79,435)	(110,963)	-28.4%
Other operating expenses	(29,274)	(27,752)	5.5%
Finance costs	(283)	(447)	-36.7%
Finance income	<b>3,348</b>	1,480	126.1%
Loss before tax	(28,749)	(46,074)	-37.6%
Income tax expense	(1,019)	(530)	92.3%
<b>Loss for the Year</b>	<b>(29,768)</b>	(46,604)	-36.1%
<b>Net loss margin</b>	<b>-5.3%</b>	-7.9%	N/A

## REVENUE

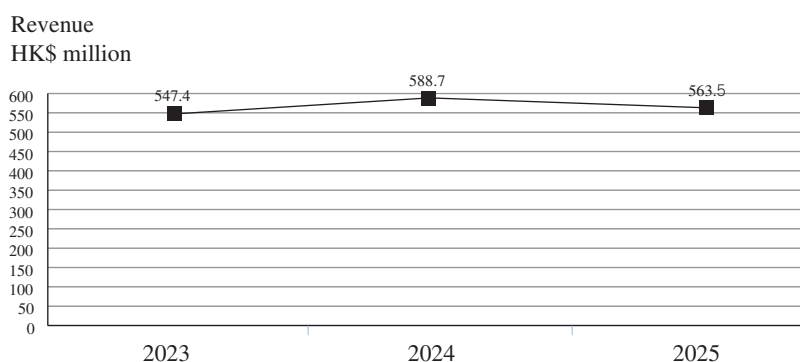
For the year ended 31 March 2025, the Group's revenue was derived from its operations in Hong Kong and the PRC of approximately HK\$548.3 million (2024: HK\$563.0 million) and HK\$15.2 million (2024: HK\$25.7 million), respectively. The Group derived revenue of approximately HK\$60.7 million and HK\$63.0 million respectively from stand-alone security services contracts for the years ended 31 March 2024 and 2025 respectively, representing approximately 10.3% and 11.2% of its total revenue.

The following table sets out the Group's revenue by contract type for the years ended 31 March 2025 and 2024 respectively:

	2025		2024	
	<i>HK\$ million</i>	<i>Percentage</i>	<i>HK\$ million</i>	<i>Percentage</i>
Property management services contracts	499.2	88.6%	526.2	89.4%
Stand-alone security services contracts	63.0	11.2%	60.7	10.3%
Rental services	1.3	0.2%	1.8	0.3%
	<b>563.5</b>	<b>100.0%</b>	<b>588.7</b>	<b>100.0%</b>

The Group's revenue decreased by approximately 4.3% from approximately HK\$588.7 million for the year ended 31 March 2024 to approximately HK\$563.5 million for the year ended 31 March 2025. The decrease was primarily attributable to the decrease of its property management service contract in both Hong Kong and the PRC for the year ended 31 March 2025. The number of property management service contracts obtained by Hong Kong decreased by 11 from 421 during the year ended 31 March 2024 to 410 for the year ended 31 March 2025, and revenue generated from property management services contracts recorded a decrease of approximately 5.1% to approximately HK\$499.2 million. The stand-alone security services contracts recorded an increase of approximately 3.8% to approximately HK\$63.0 million for the year ended 31 March 2025.

The following graph sets out the Group's revenue for the years ended 31 March 2023, 2024 and 2025.



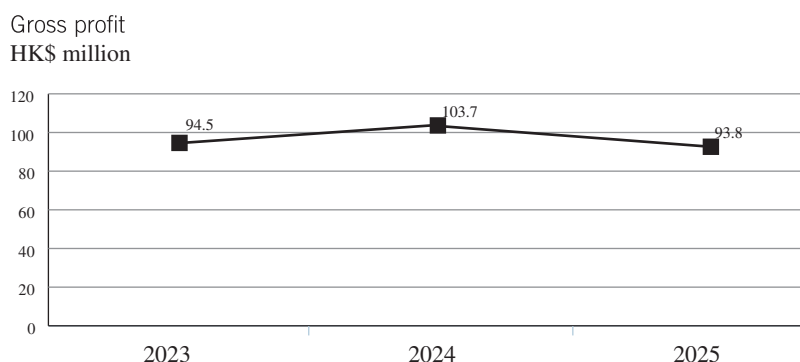
## COST OF SERVICES

The total cost of services amounted to approximately HK\$485.0 million and HK\$469.7 million for the years ended 31 March 2024 and 2025 respectively. Decrease in cost of services during the year of approximately 3.2% was primarily in line with the decrease in revenue.

## GROSS PROFIT

The gross profit of the Group decreased by approximately 9.5% from approximately HK\$103.7 million for the year ended 31 March 2024 to approximately HK\$93.8 million for the year ended 31 March 2025. The gross profit margin was approximately 17.6% and 16.6% for the year ended 31 March 2024 and 2025 respectively.

The following graph sets out the Group's gross profit for the years ended 31 March 2023, 2024 and 2025.



## LOSS ATTRIBUTABLE TO OWNERS OF THE COMPANY

The loss attributable to owners of the Company was decreased by approximately 36.6% from approximately HK\$46.4 million for the year ended 31 March 2024 to approximately HK\$29.4 million for the year ended 31 March 2025. The net loss margin are approximately -5.3% and -7.9% for the years ended 31 March 2025 and 2024 respectively.

In addition to the abovementioned decrease in gross profit, the decrease in net loss for the year ended 31 March 2025 was mainly due to the net effect of:

- (i) decrease in administrative expenses of approximately HK\$31.6 million, resulting from a decrease of approximately HK\$5.8 million in staff costs and premises expenses, and no impairment losses on various assets during the year, compared to approximately HK\$26.4 million for the year ended 31 March 2024;
- (ii) increase in gain on disposal of subsidiary of approximately HK\$2.6 million; and
- (iii) increase in share of loss of associates of approximately HK\$7.9 million.



## ADMINISTRATIVE EXPENSES

The Group's administrative expenses for the year ended 31 March 2025 were approximately HK\$79.4 million (2024: HK\$111.0 million), representing a decrease of approximately 28.4% as compared to the corresponding year in 2024 mainly as a result of the decrease in staff cost incurred for the year ended 31 March 2025, and the impairment loss on various assets of approximately HK\$26.4 million recorded for the year ended 31 March 2024 but no similar items in 2025.

## OTHER OPERATING EXPENSES

The Group's other operating expenses for the year ended 31 March 2025 were approximately HK\$29.3 million (2024: HK\$27.8 million), representing an increase of approximately 5.5% as compared to the corresponding year in 2024 as a result of increase in depreciation and amortisation expenses, insurance fee and legal and professional fees during the year.

The following table sets out other operating expenses by nature for the years indicated.

	<b>2025</b> <b>HK\$'000</b>	<b>2024</b> <b>HK\$'000</b>
Auditors' remuneration	<b>750</b>	730
Consultancy fee	<b>152</b>	172
Depreciation and amortisation	<b>10,085</b>	9,107
Exchange difference	<b>22</b>	130
Insurance fee	<b>5,222</b>	4,588
Legal and professional fee	<b>3,677</b>	2,962
Office expenses	<b>2,992</b>	3,233
Registration, licence and subscription fee	<b>269</b>	265
Travelling and entertainment expenses	<b>6,105</b>	6,565
	<b>29,274</b>	27,752

## LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

	For the year ended/ as at 31 March	
	2025	2024
	HK\$'000	HK\$'000
<b>Financial position</b>		
Current assets	<b>170,510</b>	183,480
Current liabilities	<b>72,790</b>	73,359
Net current assets	<b>97,720</b>	110,121
Total assets	<b>270,731</b>	305,061
Bank and other loan and lease liabilities	<b>5,793</b>	9,136
Bank balances and cash (include pledged bank deposits)	<b>38,675</b>	44,761
Total equity	<b>197,070</b>	227,832
<b>Key Ratios</b>		
Return on equity (1)	<b>-14.0 %</b>	-18.4%
Return on assets (2)	<b>-10.3 %</b>	-13.9%
Current ratio (3)	<b>2.34 times</b>	2.50 times
Gearing ratio (4)	<b>2.9 %</b>	4.0%
Net Debt to equity ratio (5)	<b>0 %</b>	0%
Debtors turnover day (6)	<b>44.5 days</b>	54.8 days
Creditors turnover day (7)	<b>31.9 days</b>	34.3 days

### Notes:

- (1) Return on equity is calculated as the loss for the year divided by average total equity.
- (2) Return on assets is calculated as the loss for the year divided by average total assets.
- (3) Current ratio is calculated as the current assets divided by current liabilities.
- (4) Gearing ratio is calculated as the total debt divided by total equity. For the avoidance of doubt, total debt represents bank borrowings, and lease liabilities.
- (5) Net debt to equity ratio is calculated as the total debt net of cash and bank balances and divided by total equity. For the avoidance of doubt, total debt represents bank and other loan, and lease liabilities.
- (6) Debtors' turnover day is calculated as average trade receivables divided by revenue times number of days in the period.
- (7) Creditors' turnover day is calculated as average trade payables divided by cost of services times number of days in the period.

The Group maintained sufficient working capital as at 31 March 2025 with bank balances and cash of approximately HK\$34.7 million (2024: HK\$40.8 million).

As at 31 March 2025, the Group had bank and other loan, obligations under finance lease and lease liabilities of approximately HK\$5.8 million (2024: HK\$9.1 million).

As at 31 March 2025, the Group's net current assets amounted to approximately HK\$97.7 million (2024: HK\$110.1 million). The Group's operations are financed principally by revenue generated from its business operations, available cash and bank balances.

## **RETURN ON EQUITY**

The return on equity increased from approximately -18.4% for the year ended 31 March 2024 to approximately -14.0% for the year ended 31 March 2025, mainly due to the absence of the impairment loss on various assets this year, compared to the impairment loss of approximately HK\$26.4 million on various assets last year.

## **RETURN ON ASSETS**

The return on assets increased from approximately -13.9% for the year ended 31 March 2024 to approximately -10.3% for the year ended 31 March 2025, mainly due to the absence of the impairment loss on various assets this year, compared to the impairment loss of approximately HK\$26.4 million on various assets last year.

## **CURRENT RATIO**

The Group's current ratio decreased from approximately 2.50 times for the year ended 31 March 2024 to approximately 2.34 times for the year ended 31 March 2025.

## **GEARING RATIO**

The Group's gearing ratio, defined as the total debt (i.e. bank and other loan and lease liabilities) divided by total equity, as at 31 March 2025 is approximately 2.9% (2024: 4.0%).

## **DEBTORS' TURNOVER DAY**

The debtors' turnover day decreased from approximately 54.8 days for the year ended 31 March 2024 to approximately 44.5 days for the year ended 31 March 2025 due to decreased collecting time on trade debtors.

## **CREDITORS' TURNOVER DAY**

The creditors' turnover day decreased by 2.4 days from approximately 34.3 days for the year ended 31 March 2024 to approximately 31.9 days for the year ended 31 March 2025.

## **DIVIDEND**

The Directors do not recommend the payment of a final dividend for the year ended 31 March 2025 (2024: Nil).

## **OPERATIONAL REVIEW**

### **Outlook**

The general property market in Hong Kong is still expanding. Public opinion voices concern over the housing stock production and the speeding up of the completion of construction of properties in the near future is expected to solve the demand on housing. It is envisaged that the property management business will expand simultaneously. On the other hand, even though strong competition and soaring cost resulting from statutory minimum wage revision and inflation are unavoidable, the Directors are confident that the Group is now on an appropriate stage to increase its market share.

During the year, the Group has recorded revenue of approximately HK\$499.2 million (2024: HK\$526.2 million) from its property management services in Hong Kong and the PRC. Looking forward, the provision of property management services in Hong Kong and the PRC will continue to be the core business of the Group.

### **Human Resources**

As at 31 March 2025, the Group had a total of 1,407 employees (2024: 1,680 employees). The Group's staff costs for the year ended 31 March 2025 amounted to approximately HK\$450.1 million (2024: HK\$465.6 million). To ensure that the Group is able to attract and retain staff capable of attaining the best performance levels, remuneration packages are reviewed on a regular basis. In addition, discretionary bonus is offered to eligible employees by reference to the Group's results and individual performance.

### **Services Contracts**

For the year ended 31 March 2025, there were in total 410 service contracts (covering around 84,208 households) comprising 387 property management service contracts, 12 stand-alone security service contracts and 11 facility management service contracts in Hong Kong.

## **Client Accounts**

As at 31 March 2025, the Group held 152 (31 March 2024: 63) client accounts amounting to approximately HK\$61.3 million (31 March 2024: HK\$64.4 million) on trust for and on behalf of customers. These client accounts are opened in the names of the Group and the relevant properties. The management fees received from the tenants or owners of the properties were deposited into these client accounts and the expenditure of these customers was paid from these client accounts.

## **Performance Bond**

As at 31 March 2025, a bank and an insurance company issued 11 (31 March 2024: 14) bond certificates amounting to approximately HK\$23.0 million (31 March 2024: HK\$29.2 million) on behalf of the Group to the clients as required in the service contracts.

## **Capital Expenditure**

The Group purchased property, plant and equipment amounting to approximately HK\$14.53 million (for direct additions) for the year ended 31 March 2025 (2024: HK\$7.86 million).

## **Capital Commitments**

Details of capital commitments of the Group are set out in note 17 to the consolidated financial statements of this announcement.

## **Contingent Liabilities**

Details of contingent liabilities of the Group are set out in note 16 to the consolidated financial statements of this announcement.

## **Foreign Currency Risk**

The Group has certain exposure to foreign currency risk as the Group's deposits placed for life insurance policies are denominated in United States dollar ("US\$").

The Group considers the risk exposure to foreign currency fluctuation is limited as long as the HK\$ remains pegged to the US\$.

The Group has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in the functional currencies of the group entities. The Group currently does not have a foreign currency hedging policy in respect of foreign currency assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

## **Significant Investments Held, Material Acquisitions and Disposals of Subsidiaries, Associates, Joint Ventures and Future Plans for Material Investments or Capital Asset**

The Group had no significant investment during the two years ended 31 March 2024 and 31 March 2025. There was no material acquisition nor disposal of the Group during the two years ended 31 March 2024 and 31 March 2025.

### **Charges over Assets of the Group**

As at 31 March 2025, the deposits placed for life insurance policies and bank deposits amounted to approximately HK\$8.6 million (2024: deposits placed for life insurance policies and bank deposits amounted to HK\$13.5 million) were pledged to a bank to secure banking facilities granted to the Group. In addition, the Group had certain motor vehicles acquired under lease. Carrying values of the right-of-use assets (motor vehicles) amounted to approximately HK\$0.7 million and HK\$1.0 million were under lease liabilities as at 31 March 2025 and 31 March 2024 respectively.

The deposits placed for life insurance policies are denominated in United States dollars, a currency other than the functional currency of the Group.

### **Use of Proceeds from the Listing**

The actual net proceeds from the issue of new shares of the Company under the Placing as set out in the Prospectus were approximately HK\$17.5 million, which was different from the estimated net proceeds of approximately HK\$24.4 million (estimated on the assumption that the placing price would be the mid-point of the stated range as stated in the prospectus of the Company dated 30 September 2013 (“Prospectus”). For the period from 20 September 2013 until 31 March 2025, the Group has applied the net proceeds as follows:

	<b>Net proceeds (HK\$ million)</b>		
	<b>Available</b>	<b>Utilised</b>	<b>Unutilised</b>
Repayment of bank loans	7.5	7.5	–
Implementation of old district property management scheme	4.3	–	4.3
Expansion of the property management portfolio	5.7	5.7	–
	<u>17.5</u>	<u>13.2</u>	<u>4.3</u>

The unutilised balance of the net proceeds will be applied in the manner consistent with that mentioned in the Prospectus.

The Group expect the remaining proceed of HK\$4.3 million will be fully utilised by the year ending 31 March 2026.

## **RISKS RELATING TO THE GROUP AND ITS BUSINESS**

The Group faces intense competition which may adversely affect its market share and profitability. The property management industry in Hong Kong is competitive and the competition may exert some pressure on the service fees of property management companies. The Group may therefore be required to reduce its fees or maintain low service fees in view of the market pressure so as to retain customers or pursue new business opportunities. The Group's revenue stream and profitability may also be adversely affected if the customers terminate the service contracts with the Group, whether by serving written notice or for the reason of breach or material breach of the terms or conditions thereunder, prior to the expiry date.

## **CORPORATE GOVERNANCE PRACTICES**

The Board and the management of the Group are committed to upholding high standards of corporate governance. The Board considers that enhanced public accountability and corporate governance are beneficial for the healthy growth of the Group, improving customer and supplier confidence and safeguarding the interests of shareholders of the Company.

The Company has adopted the Corporate Governance Code (the "CG Code") as set out in Appendix C1 to the GEM Listing Rules. The principles adopted by the Company emphasise a quality Board, sound internal controls, transparency and accountability to all shareholders of the Company. The Company engaged a third-party professional firm to conduct an internal control review for the year ended 31 March 2025.

## **COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE**

During the year ended 31 March 2025, the Company has complied with all CG Code except for the following deviations:

CG Code provision C.2.1 stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing.

The Company has not officially had a chief executive officer since 8 September 2015. Daily operation and management of the Company are monitored by the executive Directors as well as the senior management. The Board is of the view that although there is no chief executive officer of the Company, the balance of power and authority is ensured by the operation of the Board, which comprises experienced individuals who meet from time to time to discuss issues affecting the operations of the Company. The Board believes that the present arrangement is adequate to ensure an effective management and control of the Company's business operations. The Board will continue to review the effectiveness of the Company's structure as business continues to grow and develop in order to assess whether any changes, including the appointment of a chief executive officer, are necessary.

Code provision C.2.7 of the CG Code requires that the chairman of the Board shall at least annually hold meetings with non-executive Directors (including independent non-executive Directors) without the executive Directors present.

As Dr. HO Ying Choi serves as both the Chairman and an executive Director concurrently, this code provision does not apply, resulting a deviation. However, the Chairman of the Board is of the view that independent non-executive Directors can communicate their views to all executive Directors more directly and effectively during Board meetings. Accordingly, the Board considers this deviation to have no material impact on its operations.

## **DIRECTORS' SECURITIES TRANSACTIONS**

The Group adopted the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding Directors' securities transactions in securities of the Company. The Company also had made specific enquiry of all Directors and the Company was not aware of any non-compliance with the required standard of dealings and its code of conduct regarding securities transactions by Directors during the year ended 31 March 2025.

## **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES**

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 31 March 2025.

## **AUDIT COMMITTEE**

The Company has established an audit committee (the "Audit Committee") with written terms of reference, available on the Company's website, in compliance with the GEM Listing Rules. The Audit Committee is currently composed of all the independent non-executive Directors, namely, Mr. CHAN Fei Fei (chairman), Mr. LAM Frank Pun Yuen and Mr. MAK Siu Hong.

The Audit Committee has reviewed the audited consolidated financial statements of the Group for the year ended 31 March 2025 and has recommended their approval to the Board.

## **SCOPE OF WORK OF BEIJING XINGHUA CAPLEGEND CPA LIMITED**

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and the related notes thereto for the year ended 31 March 2025 as set out in the preliminary announcement have been agreed by the Group's auditors, Beijing Xinghua Caplegend CPA Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The Work performed by Beijing Xinghua Caplegend CPA Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Beijing Xinghua Caplegend CPA Limited on the preliminary announcement.



## CLOSURE OF REGISTER OF MEMBERS

For determining the identity of the shareholders to attend and vote at the forthcoming annual general meeting of the Company to be held on Monday, 28 July 2025 (the “2025 AGM”), the register of members of the Company will be closed from Wednesday, 23 July 2025 to Monday, 28 July 2025, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the 2025 AGM, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar and transfer office in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong, for registration not later than 4:00 p.m. on Tuesday, 22 July 2025.

By Order of the Board  
**Kong Shum Smart Management Group (Holdings) Limited**  
**Dr. HO Ying Choi**  
*Chairman*

Hong Kong, 26 June 2025

*As at the date of this announcement, the executive Directors are Dr. HO Ying Choi (Chairman) and Ms. HO Siu Chun, and the independent non-executive Directors are Mr. LAM Pun Yuen Frank, Mr. CHAN Fei Fei and Mr. MAK Siu Hong.*

*This announcement will remain on the “Latest Listed Company Information” page on the website of The Stock Exchange of Hong Kong Limited at [www.hkexnews.hk](http://www.hkexnews.hk) for at least 7 days from the date of its posting and will also be published on the Company’s website at [www.kongshum.com.hk](http://www.kongshum.com.hk).*