Kato (Hong Kong) Holdings Limited
嘉濤（香港）控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2189)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2026

FINANCIAL HIGHLIGHTS

- The Group recorded a total revenue for the Year of approximately HK$353.8 million, representing an increase of approximately 11.6% as compared to the Previous Year.

- The Group recorded a profit attributable to the owners of the Company for the Year of approximately HK$34.2 million, representing an increase of approximately 56.4% as compared to the Previous Year.

- The Board has recommended a final dividend of HK3.0 cents per share for the Year, which is subject to the approval of the Shareholders at the forthcoming annual general meeting.

ANNUAL RESULTS

The board (the "**Board**") of directors (the "**Directors**") of Kato (Hong Kong) Holdings Limited (the "**Company**") hereby presents the consolidated annual results of the Company and its subsidiaries (collectively, the "**Group**") for the year ended 31 March 2026 (the "**Year**") together with the comparative figures for the year ended 31 March 2025 (the "**Previous Year**"), as follows:

Consolidated Statement of Profit or Loss
For the year ended 31 March 2026

	Note	**2026** *HK$'000*	2025 *HK$'000*
Revenue	*3*	**353,780**	317,114
Fair value change on investment properties		**(10,722)**	(23,300)
Employee benefit expenses, net		**(147,956)**	(133,810)
Depreciation of property and equipment		**(13,921)**	(13,578)
Depreciation of right-of-use assets		**(42,890)**	(35,703)
Property rental and related expenses		**(6,476)**	(7,244)
Food and beverage costs		**(15,035)**	(13,839)
Utility expenses		**(8,014)**	(7,325)
Supplies and consumables		**(3,512)**	(2,425)
Repairs and maintenance		**(2,324)**	(2,435)
Subcontracting fees, net		**(11,820)**	(9,773)
Laundry expenses		**(3,318)**	(2,961)
Medical fees and related expenses		**(4,696)**	(4,003)
Legal and professional fees		**(1,910)**	(2,097)
Other income and other gains, net		**3,107**	5,813
Other expenses		**(28,188)**	(17,773)
Finance costs, net		**(9,777)**	(14,681)
Profit before taxation	*4*	**46,328**	31,980
Income tax expense	*5*	**(12,647)**	(10,853)
Profit for the year		**33,681**	21,127

Consolidated Statement of Profit or Loss (continued)
For the year ended 31 March 2026

	Note	**2026** **HK$'000**	2025 HK$'000
Profit/(loss) for the year attributable to:			
Owners of the Company		**34,224**	21,884
Non-controlling interests		**(543)**	(757)
		33,681	21,127
Earnings per share attributable to the owners of the Company ***(in HK cents)***			
Basic earnings per share	*7*	**3.42**	2.19
Diluted earnings per share	*7*	**3.42**	2.19

Consolidated Statement of Comprehensive Income
For the year ended 31 March 2026

	Note	**2026** **HK$'000**	2025 HK$'000
Profit for the year		**33,681**	21,127
Other comprehensive (loss)/income:			
Item that may be subsequently reclassified to profit or loss			
Exchange differences arising on translation of the financial statements of foreign operations		**(9)**	—
Item that will not be reclassified to profit or loss			
Remeasurements of employee benefit obligations		**(566)**	(1,385)
Fair value changes of financial assets at fair value through other comprehensive income		**—**	53
Other comprehensive loss for the year, net of tax		**(575)**	(1,332)
Total comprehensive income for the year		**33,106**	19,795
Total comprehensive income/(loss) for the year attributable to:			
Owners of the Company		**33,649**	20,552
Non-controlling interests		**(543)**	(757)
		33,106	19,795

Consolidated Statement of Financial Position
As at 31 March 2026

	Note	2026 HK$'000	2025 HK$'000
ASSETS			
NON-CURRENT ASSETS			
Property and equipment		**141,019**	110,919
Investment properties		**152,300**	344,800
Right-of-use assets		**362,549**	251,607
Deferred tax assets		**4,010**	4,110
Prepayment, deposits and other non-current assets		**9,520**	5,364
Total non-current assets		**669,398**	716,800
CURRENT ASSETS			
Trade receivables	*8*	**19,621**	15,983
Prepayments, deposits and other receivables		**10,639**	13,231
Income tax recoverable		**6**	—
Short-term bank deposits		**1,600**	1,600
Restricted bank deposits		**11,232**	10,895
Cash and cash equivalents		**60,103**	51,057
Total current assets		**103,201**	92,766
Total assets		**772,599**	809,566
EQUITY AND LIABILITIES			
Equity attributable to the owners of the Company			
Share capital		**10,000**	10,000
Reserves		**443,675**	426,751
		453,675	436,751
Non-controlling interests		**6,721**	5,477
Total equity		**460,396**	442,228

Consolidated Statement of Financial Position (continued)

As at 31 March 2026

	Note	2026 HK$'000	2025 HK$'000
LIABILITIES			
NON-CURRENT LIABILITIES			
Accruals and other payables	9	**4,473**	3,838
Lease liabilities		**62,248**	93,692
Bank borrowings		**156,192**	179,671
Total non-current liabilities		**222,913**	277,201
CURRENT LIABILITIES			
Trade and other payables	9	**32,943**	27,139
Contract liabilities		**1,111**	1,136
Bank borrowings		**22,420**	28,100
Lease liabilities		**32,816**	31,497
Income tax payable		**—**	2,265
Total current liabilities		**89,290**	90,137
Total liabilities		**312,203**	367,338
Total equity and liabilities		**772,599**	809,566

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION

Kato (Hong Kong) Holdings Limited (the "**Company**") was incorporated in the Cayman Islands on 19 April 2018 as an exempted company with limited liability under the Companies Law (Cap. 22, Law 3 of 1961 as combined and revised) of the Cayman Islands. The address of the Company's registered office situated at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company and its subsidiaries (collectively, the "**Group**") are principally engaged in the provision of residential care services and day care services for the elderly in Hong Kong.

These consolidated financial statements are presented in thousands of Hong Kong Dollar ("**HK$'000**"), unless otherwise stated.

2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES

2.1 Basis of preparation

(a) Compliance with HKFRS Accounting Standards and HKCO

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the disclosure requirements of the Hong Kong Companies Ordinance Cap.622 ("**HKCO**").

HKFRS Accounting Standards comprise the following authoritative literature:

- Hong Kong Financial Reporting Standards
- Hong Kong Accounting Standards
- Interpretations developed by the HKICPA

The preparation of the consolidated financial statements in conformity with HKFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies.

(b) Historical cost convention

The consolidated financial statements have been prepared under the historical cost convention, except for investment properties, which are carried at fair value.

(c) Amended standards adopted by the Group

The Group has applied the following amended standards for the first time for their annual reporting period commencing 1 April 2025:

Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability

The amended standards listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(d) New and amended standards and interpretations not yet adopted

A number of new and amended standards and interpretations have been issued but not effective during the year and have not been early adopted by the Group in preparing these consolidated financial statements:

		Effective for annual periods beginning on or after
Amendments to HKFRS 9 and HKFRS 7	Classification and Measurement of Financial Instruments	1 January 2026
HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards — Volume 11	1 January 2026
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity	1 January 2026
HKFRS 18 (new standard)	Presentation and Disclosure in Financial Statements	1 January 2027
HKFRS 19 (new standard and amendments)	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to Hong Kong Interpretation 5	Hong Kong Interpretation 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

Management is in the process of assessing potential impact of the above new standards, amended standards and interpretations that are relevant to the Group upon initial application. It is not yet in a position to state whether these new standards, amended standards and interpretations will have a significant impact on the Group's result of operations and financial position.

(e) Impact on application of HKFRS 18 — Presentation and Disclosure in Financial Statements

HKFRS 18 will replace HKAS 1 Presentation of Financial Statements, introducing new requirements that will help to achieve comparability of financial performance of similar entities and provide more relevant information and transparency to users. These include:

(i) all income and expenses in the consolidated statement of profit or loss are required to be classified into one of the five categories, namely operating, investing, financing, income taxes, and discontinued operations;

(ii) two newly-defined subtotals "operating profit" and "profit before financing and income taxes" are required to be presented in the consolidated statement of profit or loss to increase comparability;

(iii) management-defined performance measures ("**MPMs**"), which are often non-HKFRS measures (e.g., EBITDA), are required to be disclosed in a single note in the consolidated financial statements;

(iv) enhanced guidance on the principles of aggregation and disaggregation of information is provided; and

(v) operating profit subtotal is required to be used as the starting point for the consolidated statement of cash flows when presenting operating cash flows under the indirect method, and each of interest income, interest expense and dividend income should be classified under a single category.

3 REVENUE AND SEGMENT INFORMATION

The executive directors, who are the chief operating decision-maker (the "**CODM**") of the Group, review the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on reports reviewed by the executive directors that are used to make strategic decisions.

The CODM has determined the operating segments based on these reports. The Group is organised into two business segments:

(a) Elderly care services segment ("**Elderly care services**") and

(b) Investment properties holding segment ("**Investment properties holding**").

(a) Segment revenue and results

The following tables present revenue and segment results regarding the Group's reportable segments for the years ended 31 March 2026 and 2025 respectively.

For the year ended 31 March 2026

	Elderly care services *HK$'000*	Investment properties holding *HK$'000*	Total *HK$'000*
Revenue from contract with customers within the scope of HKFRS 15			
Recognised over time:			
Rendering of elderly home care services	**267,307**	**—**	**267,307**
Rendering of elderly community home care services	**15,143**	**—**	**15,143**
Rental and properties management fee income	**—**	**2,005**	**2,005**
Recognised at a point in time:			
Sales of elderly home related goods	**61,095**	**—**	**61,095**
Revenue arising from operating lease within the scope of HKFRS 16:			
Fixed	**—**	**16,830**	**16,830**
Segment revenue	**343,545**	**18,835**	**362,380**
Inter-segment revenue	**—**	**(8,600)**	**(8,600)**
Revenue from external customers	**343,545**	**10,235**	**353,780**
Segment results	**60,486**	**6**	**60,492**
Corporate and other unallocated expenses			**(4,387)**
Finance costs, net			**(9,777)**
Profit before taxation			**46,328**

	Elderly care services *HK$'000*	Investment properties holding *HK$'000*	Corporate and others *HK$'000*	Total *HK$'000*
Other information:				
Depreciation of property and equipment	**(13,322)**	**—**	**(599)**	**(13,921)**
Depreciation of right-of-use assets	**(36,527)**	**(5,749)**	**(614)**	**(42,890)**
Fair value loss on investment properties	**—**	**(10,722)**	**—**	**(10,722)**
Impairment loss on property and equipment	**(4,861)**	**—**	**—**	**(4,861)**
Impairment loss on right-of-use assets	**(1,406)**	**—**	**—**	**(1,406)**
Capital expenditures	**(16,367)**	**(622)**	**(4,360)**	**(21,349)**

For the year ended 31 March 2025

	Elderly care services *HK$'000*	Investment properties holding *HK$'000*	Total *HK$'000*
Revenue from contract with customers within the scope of HKFRS 15			
Recognised over time:			
Rendering of elderly home care services	232,962	—	232,962
Rendering of elderly community home care services	11,028	—	11,028
Rendering of medical and laboratory services	8,493	—	8,493
Rental and properties management fee income	—	1,894	1,894
Recognised at a point in time:			
Sales of elderly home related goods	51,165	—	51,165
Revenue arising from operating lease within the scope of HKFRS 16:			
Fixed	—	16,092	16,092
Segment revenue	303,648	17,986	321,634
Inter-segment revenue	—	(4,520)	(4,520)
Revenue from external customers	303,648	13,466	317,114
Segment results	63,204	(15,848)	47,356
Corporate and other unallocated expenses			(695)
Finance costs, net			(14,681)
Profit before taxation			31,980

	Elderly care services *HK$'000*	Investment properties holding *HK$'000*	Total *HK$'000*
Other information:			
Depreciation of property and equipment	(11,043)	(2,535)	(13,578)
Depreciation of right-of-use assets	(29,954)	(5,749)	(35,703)
Fair value loss on investment properties	—	(23,300)	(23,300)
Impairment loss on property and equipment	(1,700)	—	(1,700)
Capital expenditures	(13,451)	(13,434)	(26,885)

The Group's revenue was derived mainly from its operations in Hong Kong during the year ended 31 March 2026 and 2025. Save for property and equipment amounting to approximately HK$576,000 (2025: nil), which were located in the People's Republic of China (the "**PRC**"), all other non-current assets of the Group were situated in Hong Kong as at 31 March 2026 (2025: same).

Save for revenue of approximately HK$157,978,000 (2025: HK$141,425,000) for the year ended 31 March 2026, which was primarily derived from the Government of the Hong Kong Special Administrative Region under the Enhanced Bought Place Scheme ("**EBPS**"), Bought Place Scheme on Day Care Units for the Elderly ("**BPS**") and the provision of residential care services in the Contract Home, no other single customer accounted for more than 10% of the Group's total revenue.

The Group did not recognise any revenue-related contract assets during the year ended 31 March 2026 (2025: Nil).

Inter-segment transactions were entered into in the normal course of business.

(b) Segment assets and liabilities

As at 31 March 2026

	Elderly care services *HK$'000*	**Investment properties holding** *HK$'000*	**Total** *HK$'000*
Assets			
Segment assets	**271,378**	**479,153**	**750,531**
Unallocated:			
Prepayments, deposits and other receivables			**169**
Property and equipment			**4,910**
Right-of-use assets			**1,227**
Short-term bank deposits			**1,600**
Cash and cash equivalents			**14,162**
Total assets			**772,599**
Liabilities			
Segment liabilities	**(130,391)**	**(1,169)**	**(131,560)**
Unallocated:			
Bank borrowings			**(178,612)**
Lease liabilities			**(1,261)**
Other payables			**(770)**
Total liabilities			**(312,203)**

As at 31 March 2025

	Elderly care services *HK$'000*	Investment properties holding *HK$'000*	Total *HK$'000*
Assets			
Segment assets	214,259	584,548	798,807
Unallocated:			
Prepayments, deposits and other receivables			1,534
Short-term bank deposits			1,600
Cash and cash equivalents			7,625
Total assets			809,566
Liabilities			
Segment liabilities	(157,094)	(1,463)	(158,557)
Unallocated:			
Bank borrowings			(207,771)
Other payables			(1,010)
Total liabilities			(367,338)

4 PROFIT BEFORE TAXATION

Profit before taxation is stated after charging/(crediting) the followings:

	2026	2025
	HK$'000	*HK$'000*
Depreciation of property and equipment	**13,921**	13,578
Depreciation of right-of-use assets	**42,890**	35,703
Property rental and related expenses	**6,476**	7,244
Lease payments for short-term leases	**246**	1,503
Building management fees and rates	**6,230**	5,749
Gain on lease modification	**—**	(8)
Employee benefit expenses, net	**147,956**	133,810
Wages and salaries	**139,176**	122,644
Retirement benefit scheme contributions	**3,993**	4,211
Staff welfare and benefits	**258**	248
Provision for long service payments	**780**	614
Directors' remunerations	**4,484**	5,621
Share-based payment expenses — staff portion	**—**	1,270
Government subsidies	**(735)**	(798)
Legal and professional fees	**1,910**	2,097
Subcontracting fees, net	**11,820**	9,773
Subcontracting fees	**19,414**	17,247
Government subsidies	**(7,594)**	(7,474)
Auditor's remuneration		
Audit services	**2,100**	2,000
Non-audit services	**261**	300
Provision for loss allowance on trade receivables	**5**	—
Impairment loss on property and equipment	**4,861**	1,700
Impairment loss on right-of use assets	**1,406**	—
Gain on disposal of property and equipment	**—**	(34)
Insurance expenses	**1,363**	1,268
Donation	**671**	875
Government subsidies	**(1,465)**	(4,838)

As at 31 March 2026, the Group had no forfeited contributions available to reduce its contributions to the pension schemes in future years (2025: Same).

5 INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the two-tiered rate of 8.25% for the first HK$2,000,000 of the estimated assessable profit of the qualifying group entity and 16.5% on the remaining estimated assessable profit of the Group for the years ended 31 March 2026 and 2025.

An analysis of the income tax expense is as follows:

	2026	2025
	HK$'000	*HK$'000*
Hong Kong profits tax		
Current year	**12,906**	12,994
Over-provision in prior year	**(359)**	(516)
	12,547	12,478
Deferred tax	**100**	(1,625)
	12,647	10,853

6 DIVIDENDS

	2026	2025
	HK$'000	*HK$'000*
2025 final dividend paid (HK2.0 cents per share)	**20,000**	—
2024 final dividend paid (HK2.0 cents per share)	**—**	20,000
	20,000	20,000

A final dividend in respect of the year ended 31 March 2026 of HK3.0 cents per share, amounting to a total dividend of HK$30,000,000, is to be proposed for approval at the forthcoming annual general meeting. The proposed final dividend has not been recognised as a liability in the consolidated financial statements.

7 EARNINGS PER SHARE ATTRIBUTABLE TO THE OWNERS OF THE COMPANY

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to the owners of the Company by the weighted average number of ordinary shares in issue during the years ended 31 March 2026 and 2025.

	2026	2025
Profit attributable to the owners of the Company *(HK$'000)*	**34,224**	21,884
Weighted average number of shares in issue *(thousand shares)*	**1,000,000**	1,000,000
Basic earnings per share *(in HK cents)*	**3.42**	2.19

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. Shares issuable under the share option scheme are the only dilutive potential ordinary shares. A calculation is made in order to determine the number of shares that could have been acquired at fair value (determined as the average daily quoted market share price of the Company's shares) based on the monetary value of the subscription rights attached to the outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

For the year ended 31 March 2026, dilutive earnings per share was of the same amount as the basic earnings per share as the share options were anti-dilutive (2025: same).

8 TRADE RECEIVABLES

	2026	2025
	HK$'000	*HK$'000*
Trade receivables	**19,644**	16,001
Less: loss allowance	**(23)**	(18)
	19,621	15,983

The ageing analysis of the Group's trade receivables, based on invoice date are as follows:

	2026	2025
	HK$'000	*HK$'000*
Within 30 days	**12,570**	7,906
31–60 days	**6,578**	6,798
61–180 days	**424**	1,116
Over 180 days	**72**	181
	19,644	16,001

The Group's trade receivables are non-interest-bearing and denominated in HK$. The carrying amounts of trade receivables approximate their fair values due to their short maturities.

9 TRADE AND OTHER PAYABLES

	2026	2025
	HK$'000	*HK$'000*
Trade payables	**4,273**	2,545
Accruals and other payables	**10,637**	8,966
Accrued wages and salaries and contributions to MPF schemes	**11,854**	11,040
Deposits from customers	**5,566**	4,205
Rental deposits received	**842**	1,027
Provision for reinstatement cost	**575**	575
Employee benefit obligations	**3,669**	2,619
	37,416	30,977
Less: Non-current portion	**(4,473)**	(3,838)
Current portion	**32,943**	27,139

As at 31 March 2026 and 2025, the carrying amounts of trade and other payables approximate to their fair values.

Trade payables are unsecured, non-interest bearing and repayable in accordance with contractual terms. The ageing analysis of trade payables by invoice date is as follows:

	2026	2025
	HK$'000	*HK$'000*
Within 60 days	**4,273**	2,545

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Elderly home care services

Kato (Hong Kong) Holdings Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") is an established operator of residential care homes for the elderly (the "**RCHE(s)**") in Hong Kong offering a comprehensive range of residential care services for the elderly, including (i) the provision of accommodation, professional nursing and care-taking services, nutritional management, medical services, physiotherapy and occupational therapy services, psychological and social care services, individual care plans and recreational services; and (ii) the sale of healthcare and medical goods and the provision of add-on healthcare services to the residents.

As at 31 March 2026 and 2025, the Group operated a network of thirteen (2025: eleven) care and attention homes for the elderly, providing a total of 1,930 (2025: 1,378) residential care places which strategically located across six (2025: six) districts in Hong Kong and the People's Republic of China (the "**PRC**"). The Group's care and attention homes operate under the brand names of "Fai To 輝濤", "Kato 嘉濤", "Happy Luck Home", "Tsuen Wan Centre", "Pine Villa", "Ka Shui Garden 嘉瑞園", "Hing Tin Elderly Centre", "Ka Shing" and "Duanzhou Elderly Centre".

The Group's customers primarily consisted of two categories, namely (i) the Social Welfare Department (the "**SWD**"), with which the Group entered into contractual arrangements whereby the SWD either purchased residential care places under the Enhanced Bought Place Scheme ("**EBPS**") or subsidised residential care places pursuant to awarded tenders for the operation of Contract Homes; and (ii) individual customers who bore their own residential care fees, including those receiving subsidies from the SWD under the Residential Care Service Voucher Scheme for the Elderly, as well as those subsidised under the EBPS who were responsible for settling the unsubsidised portion of the fees.

The following table sets forth a summary of the basic information of the Group's RCHEs as at 31 March 2026:

	Location	Year of commencement of operations by the Group	Number of residential care places (excluding isolated beds) Under the EBPS or Contract Home	For individual customers not under the EBPS or Contract Home	Total	Classification under the EBPS
Hong Kong						
Kato Home for the Elderly ("**Kato Elderly Home**")	Tuen Mun	1999	126	54	180	EA1(1)
Kato Home for the Aged	Tuen Mun	1998	86	17	103	EA1(1)
Fai-To Home for the Aged (On Lai) Branch ("**Fai To Home (On Lai)**")	Tuen Mun	1997	28	19	47	EA1(1)
Fai To Home for the Aged (Tuen Mun) Branch ("**Fai To Home (Tuen Mun)**")	Tuen Mun	1995	47	29	76	EA1(2)
Fai To Sino West Combined Home for the Aged ("**Fai To Sino West Home**")	To Kwa Wan	2000	148	146	294	EA1(1)
Happy Luck Elderly Home Limited ("**Happy Luck Home**")	Tsuen Wan	2015	75	71	146	EA1(1)
Tsuen Wan Elderly Centre Limited ("**Tsuen Wan Centre**")	Tsuen Wan	2008	79	71	150	EA1(1)
Pine Villa	Tseung Kwan O	2013	N/A	90	90	N/A
Ka Shui Garden Nursing Home for the Elderly ("**KSG (SSP)**")	Sham Shui Po	2023	80	20	100	N/A
Hing Tin Elderly Centre ("**Hing Tin Centre**")	Lam Tin	2024	N/A	222	222	N/A
Ka Shui Garden Nursing Home for the Elderly (Tak Tin) ("**KSG (TT)**")	Lam Tin	2024	42	60	102	N/A
Ka Shing Home for the Elderly ("**Ka Shing**")	Tsuen Wan	2025	N/A	192	192	N/A
			711	991	1,702	
The PRC						
Duanzhou Integrated Elderly Service Centre ("**Duanzhou Elderly Centre**")	Zhaoqing	2026	N/A	228	228	N/A
			711	1,219	1,930	

Notes:

1. Being one of the two categories under the EBPS, EA1 homes are subject to stringent requirements in terms of staffing level and per capita net floor area compared to EA2 homes. In accordance with EBPS requirements, an EA1 home with 40 residential care places must maintain a staffing level of 21.5, calculated on the basis of eight working hours per staff per day including relief staff. The prescribed per capita net floor area is 9.5 m^2.

2. Fai To Home (Tuen Mun) upgraded to EA1 in May 2025.

The following table sets forth the average monthly occupancy rate of each respective care and attention homes as at 31 March 2026 and 2025:

	Average monthly occupancy rate*(Note)* as at 31 March	
	2026	2025
	%	%
Kato Elderly Home	**98.4**	97.5
Kato Home for the Aged	**99.2**	90.0
Fai To Home (On Lai)	**97.0**	91.5
Fai To Home (Tuen Mun)	**94.0**	83.8
Fai To Sino West Home	**98.4**	94.5
Happy Luck Home	**94.4**	92.9
Tsuen Wan Centre	**93.1**	84.2
Pine Villa	**98.1**	98.7
KSG (SSP)	**97.8**	90.3
Hing Tin Centre	**58.0**	74.5
KSG (TT)	**94.5**	96.4
Ka Shing	**23.2**	N/A
Duanzhou Elderly Centre	**11.4**	N/A
Overall	**86.5**	91.5

Note:

The monthly occupancy rate is calculated by dividing the number of occupied beds as at the end of each month by the total number of available beds across care and attention homes as at the corresponding month end. The average monthly occupancy rate for the year is calculated by dividing the sum of the monthly occupancy rates by the total number of months in the relevant year.

Community care and day care services for the elderly

(i) Home-based and centre-based services

Since May 2020, the Group has expanded its service scope to community care by offering home-based services under the pilot scheme on Community Care Service Voucher (the "**CCSV**") for the elderly launched by the SWD. This initiative is designed to support families requiring home care services by alleviating their financial and caregiving burdens. Services provided include hospital outpatient and discharge escort, caregiver training, home safety assessments, physiotherapy, nursing support, etc among others.

As at 31 March 2026 and 2025, Fai To Sino West Home, Ka Shui Garden Day Care Centre (Tsuen Wan), Kato Elderly Home and Pine Villa were recognised service providers under the CCSV pilot scheme, covering four (2025: four) contract homes, with a total capacity of 100 (2025: 100) places for centre-based services and 800 (2025: 800) voucher holders for home-based services.

(ii) Day care service

Day-care centres for elderly provide on-site elderly care services during daytime hours and generally exclude overnight care. To broaden the Group's service coverage to non-residents, the Group commenced the provision of day care services to elderly in May 2020. These services encompass a comprehensive range of centre-based care and support services during daytime hours, with the objective of enabling service users who with moderate to severe level of impairment to achieve optimal level of functioning, realise their potential, enhance their quality of life, and continue residing in their own homes wherever practicable.

As at 31 March 2026 and 2025, two of the Group's care and attention homes for the elderly were authorised to provide day care services, offering a total of 30 subsidised day care places under the Bought Place Scheme on Day Care Units for the Elderly (the "**BPS**").

Medical and laboratory services

The Group expanded into the medical diagnostic, imaging and health check markets in Hong Kong in 2022. The Group offers a comprehensive range of healthcare services, including but not limited to general physical examinations, X-ray, electrocardiogram ("**ECG**"), mammography, ultrasound, DEXA Bone Densitometry and various laboratory tests. As at 31 March 2025, the Group operated three medical and health check-up centres located across three districts in Hong Kong. During the Year, the Group ceased its medical and laboratory services as part of strategic decision to reallocate resources towards the development of its elderly home care services.

FINANCIAL REVIEW

Revenue

The Group's revenue was principally generated from the provision of residential care services and day care services for the elderly in Hong Kong. The Group's revenue was derived from (i) rendering of elderly home care services; (ii) sales of elderly home related goods; (iii) rental and management fee income; (iv) rendering of elderly community care services; and (v) rendering of medical and laboratory services. The following table sets forth the breakdown of revenue for the Group's revenues by types of services for the year ended 31 March 2026 (the "**Year**") and the year ended 31 March 2025 (the "**Previous Year**"):

	2026		2025	
	HK$'000	*%*	*HK$'000*	*%*
Rendering of elderly home care services				
— residential care places purchased by the SWD under the EBPS and the Contract Home	**143,220**	**40.4**	131,465	41.5
— residential care places purchased by individual customers	**124,087**	**35.1**	101,497	32.0
Sales of elderly home related goods	**61,095**	**17.3**	51,165	16.1
	328,402	**92.8**	284,127	89.6
Rendering of elderly community care services	**15,143**	**4.3**	11,028	3.5
Rental and management fee income	**10,235**	**2.9**	13,466	4.2
Rendering of medical and laboratory services	**—**	**—**	8,493	2.7
Total	**353,780**	**100.0**	317,144	100.0

Total revenue of the Group increased by approximately HK$36.7 million or 11.6% from approximately HK$317.1 million for the Previous Year to approximately HK$353.8 million for the Year. This increase was primarily attributable to the growth in revenue from the provision of elderly home care services, driven by (i) the commencement of operations of two care and attention homes in Lam Tin in June 2024 and September 2024 respectively, both of which achieved full-year operation during the Year; and (ii) the commencement of operation of a new care and attention home in Tsuen Wan during the Year. The increase was partially offset by the decrease in revenue from medical and laboratory services.

Revenue generated from provision of elderly home care services mainly represent (i) the rendering of elderly home care services (such as residence, professional nursing and caretaking services, nutritional management, medical services, psychological and social care and individual care plans); and (ii) sales of elderly home related goods which include the sale of diapers, nutritional milk, wipes, and blood glucose test strips to our residents on an as-needed basis. Revenue from provision of elderly home care services increased from approximately HK$284.1 million in the Previous Year to approximately HK$328.4 million for the Year. The increase was primarily attributable to (i) the commencement of operations of two care and attention homes in Lam Tin in June 2024 and September 2024 respectively, which achieved full-year operation during the Year; (ii) the commencement of operations of a care and attention home in Tsuen Wan in August 2025; and (iii) the increase in average monthly occupancy rate.

Employee benefit expenses

Employee benefit expenses comprise of wages and salaries, retirement benefit scheme contributions, staff welfare and benefits, Directors' remunerations, provision for long service payments and share-based payment expenses. Total employee benefits expenses increased from approximately HK$133.8 million in the Previous Year to approximately HK$148.0 million in the Year. This increase was primarily attributable to (i) a higher headcount following the commencement of operations of two care and attention homes in Lam Tin providing an aggregate of 178 residential care places which commenced operation in June 2024 and September 2024 respectively, and reached full-year operation during the Year; (ii) increase in staffing levels associated with the commencement of operations of a care and attention home in Tsuen Wan during the Year; and (iii) general salary increments for staff.

Food and beverage costs

Food and beverage costs represents expenses incurred for food ingredients and beverages costs used in the provision of meals to residents. Food and beverage costs increased from approximately HK$13.8 million in the Previous Year to approximately HK$15.0 million in the Year, primarily attributable to the commencement of operations for two care and attention homes located in Lam Tin during the Previous Year, which were operating at full capacity throughout the Year.

Subcontracting fees, net

Subcontracting fees, net primarily represent payment made to occupational therapists, occupational therapist assistants, physiotherapists and physiotherapist assistants, after offsetting government subsidies. The increase in subcontracting fees from approximately HK$9.8 million for the Previous Year to approximately HK$11.8 million for the Year was mainly attributable to the commencement of operations for three care and attention homes located in Lam Tin and Tsuen Wan during the Year and the Previous Year.

Finance costs, net

Finance costs, net mainly represented interest expenses on bank borrowings and lease liabilities. The finance costs decreased by HK$4.9 million from HK$14.7 million for the Previous Year to HK$9.8 million for the Year was mainly due to the decrease in average borrowings and interest rate during the Year.

Fair value change on investment properties

As at 31 March 2026, the Group's investment properties mainly comprise commercial complex, retail shops, fresh market stalls, cooked food stalls, storerooms and car park spaces in Lam Tin and are leased to third parties under operating leases for rental income. The investment properties were revalued based on valuations performed by an independent professionally qualified valuer. The Group recorded a fair value loss on investment properties amounted to HK$10.7 million for the Year (Previous Year: HK$23.3 million).

Profit for the Year

As a result of the foregoing, profit for the year increased by approximately 59.4% to approximately HK$33.7 million for the Year as compared to HK$21.1 million for the Previous Year.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group's net assets increased to approximately HK$460.4 million as at 31 March 2026 (2025: approximately HK$442.2 million). Such increase was mainly the result of the operating profits during the Year. As at 31 March 2026, the Group's net current assets was approximately HK$13.9 million (2025: approximately HK$2.6 million), including cash and cash equivalents of approximately HK$60.1 million (2025: approximately HK$51.1 million) which were denominated in Hong Kong Dollar.

The current ratio, which is calculated as the total current assets divided by the total current liabilities, was approximately 1.2 times as at 31 March 2026 (2025: approximately 1.0 times).

The Group has established a treasury policy with the objective of lowering cost of funds. Therefore, funding for all its operations have been centrally reviewed and monitored at the Group level. To manage the Group's exposure to fluctuations in interest rates, appropriate funding policies will be applied, including the use of bank borrowings or placing of new shares. The management will continue its efforts to obtain the most privileged rates and favourable terms available to the Group for its financing.

The Group monitors its capital on the basis of the gearing ratio, which is expressed as a percentage of net debt divided by total capital. Net debt is calculated as the sum of bank borrowing and lease liabilities less the sum of short-term bank deposits, restricted bank deposits and cash and cash equivalents. Total capital represents total equity as shown on the consolidated statement of financial position of the Group.

The gearing ratio as at 31 March 2026 and 2025 were as follows:

	2026	2025
	HK$'000	*HK$'000*
Bank borrowings	**178,612**	207,771
Lease liabilities	**95,064**	125,189
	273,676	332,960
Less: Short-term bank deposits	**(1,600)**	(1,600)
Restricted bank deposits	**(11,232)**	(10,895)
Cash and cash equivalents	**(60,103)**	(51,057)
	(72,935)	(63,552)
Net debt	**200,741**	269,408
Total equity	**460,396**	442,228
Gearing ratio	**43.6%**	60.9%

As at 31 March 2026, the gearing ratio of the Group decreased to 43.6% (2025: 60.9%) attributable to repayment of in bank borrowings and lease liabilities during the Year.

As at 31 March 2026, bank borrowings of the Group bore floating interest rates and denominated in HK$. The maturity profile of bank borrowings of the Group are set out as follows:

	HK$'000
Within 1 year	22,420
More than 1 year but less than 2 years	20,463
More than 2 years but less than 5 years	44,125
More than 5 years	91,604
	178,612

COMMITMENTS

As at 31 March 2026, the Group had capital commitments in respect of property and equipment, amounting to approximately HK$10.3 million (2025: HK$7.4 million), after netting off the prepayments made for the acquisition of property and equipment.

INVESTMENT PROPERTIES

As at 31 March 2026, the Group's investment properties comprise commercial complex, retail shops, fresh market stalls, cooked food stalls, storerooms and car park spaces and are leased to third parties under operating leases for rental income. During the Year, investment properties with carrying amounts of HK$152.5 million and HK$29.9 million were reclassified to right-of-use assets and property and equipment respectively, upon commencement of development for intended owner-occupation.

As at 31 March 2026, the Group's investment properties amounted to approximately HK$152.3 million (2025: HK$344.8 million) and were revalued based on valuations performed by an independent professionally qualified valuer.

SIGNIFICANT INVESTMENTS

As at 31 March 2026 and 2025, the Group did not hold any significant investment, with a value of over 5% of the total assets of the Group.

MATERIAL ACQUISITIONS OR DISPOSAL OF SUBSIDIARIES, ASSOCIATES OR JOINT VENTURES

On 16 December 2024, the Group as purchaser and Ms. Kwok Hoi Yin and Ms. Lee Tao Ying as vendors (the "**Vendors**") entered into the Sale and Purchase Agreement, pursuant to which the Group conditionally agreed to acquire and the vendors agreed to dispose of the entire issued share capital of Hong Tak Home For the Elderly (Tsuen Wan) Limited (the "**Target Company**"), including the business license for the operation of an elderly residential care home, at a consideration of HK$2,000,000. The Target Company owned and managed the operation of an elderly residential care home in Tsuen Wan. The acquisition was completed in April 2025. The Group undertook alteration and addition works at the premises to establish a new care and attention home with approximately 192 residential care places. The new care and attention home commenced operations in August 2025. For further details, please refer to the announcement of the Company dated 16 December 2024.

During the Year, the Group disposed of its entire equity interests in four subsidiaries, which were principally engaged in the provision of medical and laboratory services, as part of its strategic reallocation of resources towards elderly home services. A loss on disposal of these subsidiaries of approximately HK$1.6 million was recognised during the Year.

Save as disclosed above and elsewhere in this announcement, the Group did not conduct any material acquisition or disposal of subsidiaries, associates and joint ventures during the Year.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

In July 2021, the Group completed the acquisition of four parcels of land in Yuen Long for establishment of a new care and attention home with approximately 250 residential care places. The facility is expected to commence operations in 2029.

Save as disclosed above and elsewhere in this announcement, the Group does not have any plans for material investments and capital assets acquisitions for the coming 12 months.

CONTINGENT LIABILITIES

The Group did not have any material contingent liabilities as at 31 March 2026 and 2025.

FOREIGN EXCHANGE EXPOSURE

The Group principally operates in Hong Kong and the majority of its transactions, as well as its cash and cash equivalents, are denominated in HK$. The Group has limited exposure to foreign currency risk arising from transactions denominated in currencies other than the respective functional currencies of its entities. The Group did not resort to any foreign currency hedging facilities during the Year. Nevertheless, the management will continue to monitor its foreign exchange exposure and will consider implementing appropriate hedging strategies for any significant foreign currency risks as they arise.

PLEDGE OF ASSETS

As at 31 March 2026, the Group had pledged investment properties, property and equipment and right-of-use assets with an aggregate carrying amount of approximately HK$460.5 million (2025: HK$447.0 million), together with restricted bank deposits of approximately HK$11.2 million (2025: HK$10.9 million) as security for banking facilities granted to the Group. Save for the above, the Group did not have any other pledged assets as at 31 March 2026 and 2025.

EMPLOYEES AND REMUNERATION POLICIES

The total number of full-time and part-time employees was 656 and 585 as at 31 March 2026 and 2025, respectively. The Group's employee benefit expenses primarily comprise salaries, discretionary bonuses, medical insurance coverage, staff quarter, other staff benefits and contributions to retirement schemes. Share options are granted to certain Directors and eligible employees of the Group as an incentive to recognise their contributions under the share option scheme of the Company (the "**Share Option Scheme**"). During the Year, the Group's total employee benefit expenses, including Directors' emoluments, amounted to approximately HK$148.0 million (Previous Year: approximately HK$133.8 million).

Remuneration is generally determined with reference to the qualification, experience and work performance of the relevant employee. The award of discretionary bonus is typically contingent upon the work performance of the relevant employee, the financial performance of the Group and prevailing market conditions.

COMPLIANCE WITH LAWS AND REGULATIONS

The Group recognises the importance of compliance with regulatory requirements and that the risks of non-compliance with such requirements. To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Group has complied with all relevant laws and regulations in Hong Kong in all material respects during the Year.

The Group also complies with the requirements under the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**") for the disclosure of information and corporate governance during the Year.

ENVIRONMENTAL POLICY

The Group acknowledges its responsibility to safeguard the environment in the course of its business operations and is committed to the ongoing identification, assessment and management of its environmental impacts.

RELATIONSHIPS WITH STAKEHOLDERS

The Group recognises its employees as valuable assets and is committed to fostering their development and engagement. In order to motivate employees, the Group offers competitive remuneration package, implements periodic performance appraisal system and provides continuous training and development opportunities.

The Group places significant importance on maintaining long-term relationships with its customers and suppliers. The Group put emphasis on effective communication, timely response and constructive feedback, which are essential in cultivating stable and mutually beneficial business partnership.

The Group also values its relationships with its stakeholders and maintains ongoing dialogue with its stakeholders, employees and customers through general meetings, regular performance reviews, appraisals and interview sessions. These channels facilitate effective communication and the exchange of constructive feedback. Such feedback is regarded as integral to the Group's decision-making processes, supporting both the enhancement of current business performance and the identification of opportunities for future development.

PROSPECTS

According to the Census and Statistics Department of the Hong Kong Special Administrative Region, the population aged 65 or above is projected to increase to approximately 2.16 million by 2031 and further to 2.56 million by 2041. The prolonged waiting time for subsidised residential care services has remained a persistent concern in Hong Kong, a situation that is expected to intensify in light of the ageing population.

The Group's principal business objectives are to reinforce its established market position within the private RCHE sector in Hong Kong and to further strengthen its presence in the care and attention homes segment. In addition, the Group will continue to actively participate in various community care initiatives, with a view to delivering accessible, comprehensive, co-ordinated and person-centred care services to the community.

As embodied in the Company's motto: "Quality Service; Respecting and Positive; People-oriented; and Full Dedication (優質服務，敬老樂業，以人為本，全身投入)", the Group is committed to delivering high-quality residential care home services to its residents. In pursuit of maintaining and enhancing service standards, the Group has implemented standardised management and operational procedures and quality controls across its network of care and attention homes for the elderly. During the Year, in support of advancing and implementing gerontechnology across our elderly homes, we conducted pilot programs for resident monitoring systems, including fall detection alarms and anti-wandering solutions. These initiatives aim to strengthen on-site safety and facilitate timely delivery of care by our staff.

Leveraging its experienced management team and strong market reputation, the Group will continue to strategically expand its RCHE network in suitable locations, with a view to serving a boarder elderly population as appropriate opportunities arise.

Having considered the increased supply of properties in the market and the notable decline in property prices, the Group completed the acquisition of four land parcels in Yuen Long in July 2021 for the development of a new care and attention home. The facility is expected to provide approximately 250 residential care places and is anticipated to commence operations in 2029.

In April 2025, the Group completed the acquisition of the Target Company, including the business license for the operation of an elderly residential care home in Tsuen Wan with a capacity of 192 residential care places. The newly established care and attention home commenced operations in August 2025.

During the Year, the Group also marked an important milestone by establishing its first care and attention home in Zhaoqing, the PRC, which commenced operations in March 2026 and provides a total of 228 residential care places. This expansion reflects the Group's prudent and measured approach to business growth, while also broadening its service presence in the Greater Bay Area.

The 2026–27 Hong Kong Budget introduced a number of enhancements to cross-border elderly care initiatives, including the expansion of the Residential Care Services Scheme in Guangdong (the "**GDRCS Scheme**") to cover all nine Mainland cities within the Greater Bay Area. The GDRCS Scheme offers elderly individuals on the Central Waiting List for subsidised care and attention places the option to reside in designated residential care homes for the elderly in Guangdong.

In 2024, the Group was admitted as a Recognised Service Provider under the GDRCS Scheme. As at 31 March 2026, the Group operates two residential care homes for the elderly located in Shenzhen and Foshan, providing subsidised care and attention places for elderly participants enrolled in the GDRCS Scheme.

The Group is confident in its ability to achieve sustainable growth and believes that its management team, with extensive industry experience, together with its agile operations team, is well-positioned to respond effectively to evolving community demands and to adjust its business strategies in alignment with prevailing market trends.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's shares during the Year (including sale of treasury shares). As at 31 March 2026, no treasury shares were held by the Company.

DIVIDEND

The Board has recommended the declaration of a final dividend of HK3.0 cents per share of the Company (the "**Share(s)**") for the Year (Previous Year: HK2.0 cents per Share) to the shareholders of the Company (the "**Shareholder(s)**"). The proposed final dividend, subject to the approval of the Shareholders, is expected to be paid on Tuesday, 29 September 2026 to the Shareholders whose names appear on the register of members of the Company on Friday, 18 September 2026.

The Board had resolved not to recommend the payment of an interim dividend for the six months ended 30 September 2025 (six months ended 30 September 2024: Nil).

THE FORTHCOMING ANNUAL GENERAL MEETING

An annual general meeting (the "**AGM**") will be held on Wednesday, 9 September 2026 and a circular containing the details of the AGM and the notice of the AGM and form of proxy will be published and despatched to the Shareholders in the manner as required by the Listing Rules in due course.

CLOSURE OF REGISTER OF MEMBERS

For determining Shareholders' entitlement to attend and vote at the AGM to be held on Wednesday, 9 September 2026, the record date of the AGM is Wednesday, 9 September 2026 and the register of members of the Company will be closed from Friday, 4 September 2026 to Wednesday, 9 September 2026, both dates inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the AGM, all transfer of Shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Union Registrars Limited, at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong not later than 4:00 p.m. on Thursday, 3 September 2026.

For determining Shareholders' entitlement to the proposed final dividend (subject to approval by the Shareholders at the AGM), the record date of proposed final dividend is Friday, 18 September 2026 and the register of members of the Company will be closed from Wednesday, 16 September 2026 to Friday, 18 September 2026, both dates inclusive, during which period no transfer of Shares will be registered. In order to qualify for the proposed final dividend, all transfer of Shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Union Registrars Limited, at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong not later than 4:00 p.m. on Tuesday, 15 September 2026.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings set out in the Model Code for Securities Transaction by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules (the "**Model Code**"). In response to the specific enquiry made by the Company, all Directors have confirmed that they have complied with the Model Code during the Year.

SHARE OPTION SCHEME

The Share Option Scheme was conditionally approved and adopted in compliance with Chapter 17 of the Listing Rules by written resolutions of all the Shareholders passed on 20 May 2019.

Movements in the outstanding share options granted under the Share Option Scheme during the Year are set out below:

			Number of Shares over which Share Options are Exercisable								
Date of Grant (dd/mm/yyyy)	Name of Grantees	Position/Capacity	Balance as at 1 April 2025	Granted during the Year	Exercised during the Year	Lapsed during the Year	Cancelled/ Forfeited during the Year	Balance as at 31 March 2026	Exercise Price Per Share *(Note 1)*	Vested Date (dd/mm/yyyy)	Expiry Date (dd/mm/ yyyy)
22/03/2022	Mr. Ngai Shi Shing Godfrey ("**Mr. Ngai**")	Chairman of the Board, executive Director, chief executive officer and controlling Shareholder	10,000,000	–	–	–	–	10,000,000	HK$0.6	22/03/2025	22/03/2032
22/03/2022	Ms. Ngai Ka Yee	Executive Director and controlling Shareholder	10,000,000	–	–	–	–	10,000,000	HK$0.6	22/03/2025	22/03/2032
22/03/2022		Other eligible employees	40,000,000	–	–	–	–	40,000,000	HK$0.6	22/03/2025	22/03/2032
			60,000,000	–	–	–	–	60,000,000			

Note:

(1) The closing price of the Shares immediately before the date on which the share options were granted (i.e. 22 March 2022) was HK$0.6 per Share.

During the Year, no share option was granted, exercised, lapsed, cancelled or forfeited under the Share Option Scheme, and as at 31 March 2026, 60,000,000 share options were granted to the Directors and other eligible employees.

As of 31 March 2026, the total number of options available for grant at the beginning and the end of the Year under the Share Option Scheme was 40,000,000 Shares, representing 4.0% of the total number of issued Shares. There is no service provider sublimit set under the Share Option Scheme; and no share options were issued to service providers under Rule 17.03(3) of the Listing Rules. The number of Shares that may be issued in respect of options granted under the Share Option Scheme during the Year were 60,000,000. The weighted average number of Shares for the Year were 1,000,000,000. The number of Shares that may be issued in respect of options granted under the Share Option Scheme during the Year divided by the weighted average number of Shares in issue for the Year was 0.06.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Board has adopted the principles and the code provisions of the Corporate Governance Code (the "**CG Code**") contained in Part 2 of Appendix C1 to the Listing Rules to ensure that the Company's business activities and decision making processes are regulated in a proper and prudent manner. The Company is committed to maintain high standards of corporate governance to safeguard interest of the Shareholders and ensure the quality of the constitution of the Board and transparency and accountability to the Shareholders. Save as disclosed below, the Company complied with all the code provisions in the CG Code during the Year.

Mr. Ngai is the chief executive officer of the Company and was appointed as the chairman of the Board on 15 October 2020. Although this deviates from the practice under code provision C.2.1 of the CG Code, where it provides that these two positions should be held by two different individuals, as Mr. Ngai has considerable experience in the enterprise operation and management of the Company, the Board believes that it is in the best interests of the Company and the Shareholders as a whole to have Mr. Ngai as chairman of the Board so that it can benefit from his experience and capability in leading the Board in the long-term development of the Company and for more effective planning and execution of business strategies. As all major decisions are made in consultation with the members of the Board, and there are three independent non-executive Directors on the Board offering independent perspectives, the Board believes that there are adequate safeguards in place to ensure sufficient balance of powers within the Board.

REVIEW OF CONSOLIDATED FINANCIAL STATEMENTS

The audit committee of the Company (the "**Audit Committee**") has reviewed the accounting policies adopted by the Group and the consolidated financial statements for the Year. The Audit Committee is satisfied that the audited consolidated financial statements of the Group for the Year were prepared in accordance with the applicable accounting standards and fairly present the Group's financial position and results for the Year.

SCOPE OF WORK OF PRICEWATERHOUSECOOPERS

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

PUBLICATION OF RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement is published on the Company's website at www.katoelderly.com and the website of the Stock Exchange at www.hkexnews.hk. The annual report of the Company for the Year containing all the information required under the Listing Rules will be published on the aforesaid websites of the Company and the Stock Exchange and will be despatched to the Shareholders in due course.

By order of the Board
Kato (Hong Kong) Holdings Limited
Ngai Shi Shing Godfrey
Chairman and executive Director

Hong Kong, 29 June 2026

As at the date of this announcement, the Board comprises three executive Directors, namely Ms. Ngai Ka Yee, Mr. Ngai Shi Shing Godfrey and Mr. Lau Kwok Wo; and three independent non-executive Directors, namely Mr. Or Kevin, Ms. Wu Wing Fong and Mr. Wong Chun Kit.