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ACCEL GROUP HOLDINGS LIMITED

高陸集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1283)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2025

FINANCIAL HIGHLIGHTS

- The Group recorded revenue of approximately HK\$556,417,000 for the year ended 31 March 2025 (2024: approximately HK\$553,537,000).
- The Group recorded gross profit of approximately HK\$88,525,000 and gross profit margin of 15.9% for the year ended 31 March 2025 (2024: gross profit of approximately HK\$87,834,000 and gross profit margin of 15.9%).
- Profit for the year ended 31 March 2025 amounted to approximately HK\$47,020,000 (2024: approximately HK\$40,419,000).

FINAL DIVIDEND

The Board has resolved to recommend the payment of a final dividend of HK1.4 cents per Share for the Year (2024: HK1.3 cents per Share).

The board (the “**Board**”) of directors (the “**Directors**”) of Accel Group Holdings Limited (the “**Company**”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 March 2025 (the “**Year**”), together with the comparative figures for the year ended 31 March 2024 (the “**Corresponding Year**”), as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2025

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue	3	556,417	553,537
Cost of services		<u>(467,892)</u>	<u>(465,703)</u>
Gross profit		88,525	87,834
Other income, gains and losses, net	4	6,009	4,064
Impairment losses under expected credit loss model, net of reversal		(1,482)	(706)
Administrative expenses		(34,877)	(40,670)
Finance costs	5	<u>(1,118)</u>	<u>(1,722)</u>
Profit before taxation	6	57,057	48,800
Income tax expense	7	<u>(10,037)</u>	<u>(8,381)</u>
Profit for the year		<u>47,020</u>	<u>40,419</u>
Profit for the year attributable to:			
Owners of the Company		46,253	40,792
Non-controlling interests		<u>767</u>	<u>(373)</u>
		<u>47,020</u>	<u>40,419</u>
Other comprehensive expense			
<i>Item that will not be reclassified to profit or loss</i>			
Loss on fair value changes of financial asset designated at fair value through other comprehensive income (“ FVTOCI ”)		<u>(4,140)</u>	–
Other comprehensive expense for the year		<u>(4,140)</u>	–
Total comprehensive income for the year		<u>42,880</u>	<u>40,419</u>

	<i>Note</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Total comprehensive income for the year attributable to:			
Owners of the Company		42,113	40,792
Non-controlling interests		767	(373)
		42,880	40,419
		<i>HK cents</i>	<i>HK cents</i>
Earnings per share			
– Basic	9	5.77	5.10
– Diluted		5.75	5.09

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

	<i>Notes</i>	2025 HK\$'000	2024 <i>HK\$'000</i>
Non-current assets			
Property, plant and equipment		62,146	68,227
Right-of-use assets		3,870	9,390
Investment property		5,231	5,452
Investment under equity method		4	–
Payments for life insurance		–	7,098
Deferred tax assets		996	859
Financial asset at fair value through profit or loss (“FVTPL”)		–	5,000
Financial asset at FVTOCI		5,957	–
Finance lease receivable		–	1,266
Deposits and prepayments	10	329	1,462
		78,533	98,754
Current assets			
Trade and other receivables, deposits and prepayments	10	121,835	84,417
Finance lease receivable		–	1,095
Financial asset at FVTPL		5,540	–
Payments for life insurance		7,729	–
Contract assets		262,311	242,049
Tax recoverable		–	926
Pledged bank balances		5,000	505
Cash and cash equivalents		107,397	98,428
		509,812	427,420
Current liabilities			
Trade and retention payables and accruals	11	82,843	58,683
Contract liabilities		14,806	6,791
Tax payable		8,882	2,971
Bank loans	12	26,635	23,594
Lease liabilities		2,393	7,190
		135,559	99,229
Net current assets		374,253	328,191
Total assets less current liabilities		452,786	426,945

	<i>Note</i>	2025 HK\$'000	2024 <i>HK\$'000</i>
Non-current liability			
Lease liabilities		<u>1,654</u>	<u>5,250</u>
Net assets		<u>451,132</u>	<u>421,695</u>
Capital and reserves			
Share capital	13	8,108	8,108
Reserves		<u>443,348</u>	<u>414,727</u>
Equity attributable to owners of the Company		451,456	422,835
Non-controlling interests		<u>(324)</u>	<u>(1,140)</u>
Total equity		<u>451,132</u>	<u>421,695</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars unless otherwise indicated)

1. GENERAL INFORMATION

Accel Group Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands as an exempted company in the Cayman Islands with limited liability under the Companies Act (as revised) of the Cayman Islands on 20 September 2018, and its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 18 October 2019. The addresses of the registered office and the principal place of business of the Company are Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands and Room A, 19/F, TML Tower, 3 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong, respectively. In the opinion of the directors of the Company, the ultimate controlling parties are Dr. Ko Lai Hung (“**Dr. Ko**”) and Ms. Cheung Mei Lan (“**Ms. Cheung**”, who is the wife of Dr. Ko). The immediate and ultimate holding company of the Company is Lightspeed Limited, a company incorporated in the British Virgin Islands (“**BVI**”).

The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the “**Group**”) is principally engaged in provision of electrical and mechanical (“**E&M**”) engineering services typically involving supply, installation and maintenance of mechanical ventilation and air-conditioning systems.

The consolidated financial statements are presented in Hong Kong Dollar (“**HK\$**”), which is the same as the functional currency of the Company and its subsidiaries.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

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

In the current year, the Group has applied the following amendments to HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) for the first time, which are mandatorily effective for the annual period beginning on 1 April 2024 for the preparation of the consolidated financial statements:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

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

New and amendments to HKFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ³
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity ³
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKFRSs Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11 ³
Amendments to HKAS 21	Lack of Exchangeability ²
HKFRS 18	Presentation and Disclosure in Financial Statements ⁴

¹ Effective for annual periods beginning on or after a date to be determined.

² Effective for annual periods beginning on or after 1 January 2025.

³ Effective for annual periods beginning on or after 1 January 2026.

⁴ Effective for annual periods beginning on or after 1 January 2027.

Except as described below, the directors of the Company anticipate that the application of all other new and amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

Amendments to HKFRS 9 and HKFRS 7 Amendments to the Classification and Measurement of Financial Instruments

The amendments to HKFRS 9 clarify the recognition and derecognition for financial asset and financial liability and add an exception which permits an entity to deem a financial liability to be discharged before the settlement date if it is settled in cash using an electronic payment system if, and only if certain conditions are met.

The disclosure requirements in HKFRS 7 in respect of investments in equity instruments designated at fair value through other comprehensive income are amended. In particular, entities are required to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately those related to investments derecognised during the reporting period and those related to investments held at the end of the reporting period. An entity is also required to disclose any transfers of the cumulative gain or loss within equity related to the investments derecognised during the reporting period. In addition, the amendments introduce the requirements of qualitative and quantitative disclosure of contractual terms that could affect the contractual cash flow based on a contingent event not directly relating to basic lending risks and cost.

The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with early application permitted. The application of the amendments is not expected to have significant impact on the financial position and performance of the Group.

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 *Presentation and Disclosure in Financial Statements*, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 *Presentation of Financial Statements*. This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* and HKFRS 7 *Financial Instruments: Disclosures*. Minor amendments to HKAS 7 *Statement of Cash Flows* and HKAS 33 *Earnings per Share* are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

Revenue of the Group arose from provision of E&M engineering services typically rendered in Hong Kong under long-term contracts and were recognised over time during the year.

The Group provides E&M engineering services to customers which are mainly landlords, construction companies and contractors in Hong Kong private sector. All the Group's provision of E&M Engineering services is made directly with the customers.

The Group's contracts are mainly at fixed-price and payments are made to the Group over the provision of E&M engineering services once such services are performed and certified by architects, surveyors or other representatives appointed by the customers.

The Group may require certain customers to make advance payments during the provision of E&M engineering services, when the Group receives the advance payments before provision of E&M engineering services, this will give rise to contract liabilities, until the revenue recognised on the specific contract exceeds the amount of such advances.

A contract asset, net of contract liability related to the same contract, is recognised over the period in which the provision of E&M engineering services are performed representing the Group's right to consideration for the services performed because the rights are conditioned on the relevant certification by architects, surveyors or other representatives appointed by the customers.

The contract assets are transferred to trade receivables when the rights become unconditional upon the Group's services certified by architects, surveyors or other representatives appointed by the customers.

The Group's contracts with customers normally require it to perform the obligations (including, amongst others, primarily rectification of defects identified) under the contracts during the defects liability period generally for 12 to 24 months after issuance of practical completion certificates by customers. The defect liability period serves as an assurance that the construction services performed comply with agreed-upon specifications and such assurance cannot be purchased separately. 5% to 10% of each interim payment from the customers is usually withheld by the customers as retention receivables (as included in the Group's contract assets) in which 50% of the retention receivable is transferred to the trade receivables for collection upon issuance of practical completion certificates, and the remaining 50% of the retention receivable is transferred to the trade receivables for collection upon expiry of the defects liability period set out in the relevant contracts.

Transaction price allocated to the remaining performance obligations

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) in respect of provision of E&M engineering services as at 31 March 2025 amounting to HK\$849,196,000 (2024: HK\$926,159,000) which is expected to be recognised as revenue in the following years:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within one year	504,844	478,504
More than one year but not more than two years	280,374	395,517
More than two years	63,978	52,138
	<u>849,196</u>	<u>926,159</u>

The executive directors of the Company, being the chief operating decision maker, regularly review revenue recognised and costs incurred for the provision of E&M engineering services and, therefore, considered the Group has only one single reporting and operating segment under HKFRS 8 *Operating Segments*.

4. OTHER INCOME, GAINS AND LOSSES, NET

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interest income	1,472	839
(Loss) gain on early termination of finance lease	(110)	32
Gain on disposal of property, plant and equipment, net	645	20
Adjustment on carrying amount of payments for life insurance	543	–
Rental income from investment property	156	156
Gain on derecognition of right-of-use assets	135	33
Fair value gain on financial asset at FVTPL	540	–
Gain on waiver of amount due to a non-controlling interest of a subsidiary	1,205	–
Others	1,423	2,984
	<u>6,009</u>	<u>4,064</u>

5. FINANCE COSTS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interest on bank loans	865	1,308
Interest on lease liabilities	253	414
	<u>1,118</u>	<u>1,722</u>

6. PROFIT BEFORE TAXATION

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Profit before taxation has been arrived at after charging (crediting):		
Depreciation of property, plant and equipment	5,658	5,663
Depreciation of investment property	221	221
Depreciation of right-of-use assets	4,061	5,139
Allowance (reversal of allowance) for impairment losses:		
– Trade receivables	785	(197)
– Contract assets	49	256
– Other receivables	648	647
Auditor's remuneration	700	750
Gross rental income from investment property	(156)	(156)
Less: direct operating expenses incurred for investment property that generated rental income during the year	12	12
	<u>(144)</u>	<u>(144)</u>
Staff costs (including the remuneration of the directors of the Company):		
– Salaries and allowances and discretionary bonus	96,834	88,902
– Retirement benefit scheme contributions	2,691	2,918
– Share-based payments expenses	1,914	2,264
Total staff costs	<u>101,439</u>	<u>94,084</u>
Donations	<u>1,420</u>	<u>3,667</u>

7. INCOME TAX EXPENSE

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Hong Kong Profits Tax		
– Current year	10,174	8,856
– Underprovision in previous years	–	21
– Deferred tax	(137)	(496)
	<u>10,037</u>	<u>8,381</u>

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2 million of profits of the qualifying group entity is taxed at 8.25%, and profits above HK\$2 million is taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. The two-tiered profits tax rates regime was applicable to Chit Tat Electrical Engineering Limited (“Chit Tat”, a wholly-owned subsidiary) for current and prior year. Accordingly, the Hong Kong Profits Tax of Chit Tat is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million for current and prior year.

8. DIVIDENDS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Dividends for ordinary shareholders of the Company recognised as distribution during the year:		
– 2024 final dividend: HK1.3 cents per share (2024: 2023 final dividend: HK1.6 cents per share)	10,541	12,800
– 2025 interim dividend: HK0.6 cent per share (2024: 2024 interim dividend: HK0.7 cent per share)	4,865	5,600
	<u>15,406</u>	<u>18,400</u>

Subsequent to the end of the reporting period, a final dividend of HK1.4 cents per ordinary share in respect of the year ended 31 March 2025, in an aggregate amount of HK\$11,352,000 has been proposed by the directors of the Company and is subject to approval by the shareholders of the Company in the forthcoming annual general meeting.

9. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Earnings for the purpose of basic and diluted earnings per share (profit for the year attributable to owners of the Company)	<u>46,253</u>	<u>40,792</u>
	Number of shares '000	Number of shares '000
Weighted average number of ordinary shares for the purpose of basic earnings per share	801,082	800,001
Effect of dilutive potential ordinary shares in respect of outstanding share awards of the Company	<u>3,051</u>	<u>787</u>
Weighted average number of ordinary shares for the purpose of diluted earnings per share	<u>804,133</u>	<u>800,788</u>

10. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2025 HK\$'000	2024 HK\$'000
Trade receivables	108,765	71,026
Less: Allowance for credit losses	<u>(1,219)</u>	<u>(434)</u>
	107,546	70,592
Other receivables	3,997	5,930
Less: Allowance for credit losses	<u>(2,590)</u>	<u>(1,942)</u>
	1,407	3,988
Refundable rental deposits (<i>Note i</i>)	521	869
Amounts due from non-controlling interests of a subsidiary (<i>Note ii</i>)	60	11
Amount due from a related party (<i>Note iii</i>)	750	–
Prepayments for purchase of materials and subcontracting fees	9,008	7,170
Prepaid expenses	2,595	2,533
Utilities and other deposits	<u>277</u>	<u>716</u>
	<u>122,164</u>	<u>85,879</u>
Analysed as:		
Current assets	121,835	84,417
Non-current assets	<u>329</u>	<u>1,462</u>
	<u>122,164</u>	<u>85,879</u>

Notes:

- (i) Included in the refundable rental deposits as at 31 March 2025 were amounts of HK\$45,000 (2024: HK\$45,000), HK\$20,000 (2024: HK\$20,000) paid to Dr. Ko and Ms. Cheung respectively. The other refundable rental deposits as at 31 March 2025 and 2024 were paid to independent landlords.
- (ii) The amount is non-trade, unsecured, interest-free and repayable on demand.
- (iii) The amount represents advances to a related party, which the Group holds equity interest under equity method. The amount is non-trade, unsecured, interest-free and repayable on demand.

Trade receivables represent amounts receivable for work certified after deduction of retention money. As at 1 April 2023, the gross carrying amount of the Group's trade receivables was HK\$105,326,000 and HK\$631,000 allowance of credit losses was made.

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits for customers. Recoverability of the amounts due from existing customers is reviewed by the directors of the Company regularly. The Group allows generally a credit period of 7 to 90 days (2024: 7 to 90 days) to its customers.

The following is an aged analysis of trade receivables of the Group presented based on dates of work certified by architects, surveyors or other representatives appointed by the customers, that approximate to the invoice date at the end of the reporting period.

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
0 to 30 days	52,029	39,957
31 to 90 days	43,102	19,806
91 to 180 days	3,045	2,566
Above 180 days	<u>10,589</u>	<u>8,697</u>
	108,765	71,026
Less: Allowance of credit losses	<u>(1,219)</u>	<u>(434)</u>
	<u>107,546</u>	<u>70,592</u>

11. TRADE AND RETENTION PAYABLES AND ACCRUALS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade payables	50,388	29,403
Retention payables	19,828	15,200
Amount due to a non-controlling interest of a subsidiary	4	940
Accruals	<u>12,623</u>	<u>13,140</u>
	<u>82,843</u>	<u>58,683</u>

Included in the Group's trade and retention payables as at 31 March 2025 are amounts due to related parties amounting to HK\$11,787,000 (2024: HK\$6,895,000), in aggregate, which are trade nature, unsecured, interest-free and repayable according to the relevant agreements. The amount due to a non-controlling interest of a subsidiary is non-trade, unsecured, interest-free and repayable on demand.

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

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
0 to 30 days	34,050	18,128
31 to 90 days	13,364	10,220
Over 180 days	<u>2,974</u>	<u>1,055</u>
	<u>50,388</u>	<u>29,403</u>

The credit period of trade payables granted by the Group's suppliers are usually within 30 days (2024: 30 days).

12. BANK LOANS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Bank loans, secured and guaranteed	<u>26,635</u>	<u>23,594</u>

13. SHARE CAPITAL

Details of share capital of the Company are as follows:

	<i>Number of shares</i>	<i>HK\$'000</i>
Ordinary shares with par value of HK\$0.01 each: As at 1 April 2023, 31 March 2024 and 31 March 2025	<u>10,000,000,000</u>	<u>100,000</u>
Ordinary shares, issued and fully paid:		
As at 1 April 2023	800,000,000	8,000
Issue of ordinary shares	<u>10,827,000</u>	<u>108</u>
As at 31 March 2024 and 31 March 2025	<u>810,827,000</u>	<u>8,108</u>

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Amidst global inflation and evolving industry dynamics, the Group has navigated significant challenges while maintaining steady growth. By adopting a pragmatic approach to risk management, optimizing project oversight, and reinforcing cost control measures, we have strengthened our foundation for long-term sustainability.

During the Year, the Group has strategically transitioned from a predominant focus on residential projects to a more balanced portfolio that integrates both residential developments and public works. The strategic shift has enabled us to diversify our expertise and improve market positioning. Notably, the Group has secured several key public sector contracts, including an extensive E&M project for a hospital and an E&M installation project for a government complex, which reinforced our capability in large-scale infrastructure projects.

Beyond our core engineering services, the Group continues to expand its presence in technological innovation. At the Hong Kong International InnoEX 2025, we showcased certain groundbreaking AI-driven solutions developed in collaboration with Hong Kong Polytechnic University including the AI Smart Health Management System and the Swimming Safety Intelligent Drowning Monitoring System, both of which leverage the advanced AI and sensor technology to enhance public safety and health management. The successful integration of AI applications into our business not only aligns our commitment to digital transformation but also paves the way for future expansion into smart building systems and intelligent infrastructure solutions.

In response to the Greater Bay Area Youth Employment Scheme and the enhanced Top Talent Pass Scheme outlined in the 2024 Policy Address, the Group has expanded its immigration consulting services with a dedicated focus on assisting mainland students to pursue their studies in Hong Kong. As the government policy continues to support Hong Kong's position as an education hub within the Greater Bay Area, the Group assists students to navigate the application process, secure placements in top universities, and access career development opportunities upon graduation. By providing guidance on academic pathways, scholarship options, and post-study employment prospects, the Group plays a pivotal role in supporting cross-border education and talent development.

Moving forward, the Group remains committed to balancing projects in both residential and public sector while integrating technological advancements. By leveraging sustainable practices, AI-driven solutions and the Government supported talent programs, we strive to strengthen our leading position in the industry and create lasting values for stakeholders.

FINANCIAL REVIEW

Revenue

The Group's revenue increased by approximately HK\$2,880,000 or 0.5% from approximately HK\$553,537,000 for the Corresponding Year to approximately HK\$556,417,000 for the Year. The Group has successfully maintained its revenue while transitioning from its residential project focus to a more balanced approach which incorporates an increasing number of public works throughout the Year. This transition reflects the Group's strategic adaptation to the macroenvironment and a timely and steady execution, with the ability to ensure a financial stability during the change.

Cost of services

The Group's cost of services mainly represented (i) cost of materials including MVAC systems such as air conditioners, ventilation fans and accessories such as pipes and fittings; and (ii) subcontracting fees for completing on-site works. The cost of services increased by approximately HK\$2,189,000 or 0.5% from approximately HK\$465,703,000 for the Corresponding Year to approximately HK\$467,892,000 for the Year.

Gross profit and gross profit margin

The Group's gross profit increased by approximately HK\$691,000 or 0.8% from approximately HK\$87,834,000 for the Corresponding Year to approximately HK\$88,525,000 for the Year.

The Group's gross profit margin maintained at 15.9% for the Year as compared with the Corresponding Year as projects with higher gross profit margin were completed in the Year, and a lower gross profit margin was expected for public works.

Administrative expenses

Administrative expenses mainly comprised staff costs, travelling and transportation expenses, rental and building management fees, professional fees, office expenses, depreciation expenses and other expenses. Administrative expenses decreased by approximately HK\$5,793,000 or 14.2% from approximately HK\$40,670,000 for the Corresponding Year to approximately HK\$34,877,000 for the Year. The decrease in administrative expenses of the Group was mainly due to the drop in the donation and depreciation of rights of use assets during the Year.

Other comprehensive expenses

The Group has strategically invested as a cornerstone investor during the Year, focusing on long-term collaboration and synergies rather than short-term market volatility. Given this approach, the Directors have classified the investment as Fair Value Through Other Comprehensive Income (FVTOCI), ensuring that fluctuations in fair value are recognized in other comprehensive income rather than affecting profit or loss.

Income Tax Expense

The income tax expense increased by approximately HK\$1,656,000 or 19.8% to approximately HK\$10,037,000 for the Year from approximately HK\$8,381,000 for the Corresponding Year. The increase in income tax expense aligned with the increase in overall profitability of the Group for the Year.

Profit and Total Comprehensive Income Attributable to Owners of the Company

The Group's profit and total comprehensive income attributable to owners of the Company was approximately HK\$42,113,000 for the Year and HK\$40,792,000 for the Corresponding Year. The slight increase in profit and total comprehensive income attributable to owners of the Company was mainly due to the net effect of the increase in the profit for the Year aforementioned and the changes in the fair value of the Group's investment as cornerstone investor.

Trade and other receivables, deposits and prepayments

Trade and other receivables, deposits and prepayments increased by approximately HK\$36,285,000 or 42.3% from approximately HK\$85,879,000 as at 31 March 2024 to approximately HK\$122,164,000 as at 31 March 2025.

Trade receivables (net of allowance for credit losses) increased by approximately HK\$36,954,000 or 52.3% from approximately HK\$70,592,000 as at 31 March 2024 to approximately HK\$107,546,000 as at 31 March 2025. The increase was primarily attributable to the advancement of construction progress in a Kai Tak residential development project and the MVAC installation project at a hospital, and the completion of certain iconic projects during the Year. A substantial portion of the work was certified by the architects prior to the year-end date and subsequently settled thereafter.

Prepayments for purchase of materials and subcontracting fees increased by approximately HK\$1,838,000 or 25.6% from approximately HK\$7,170,000 as at 31 March 2024 to approximately HK\$9,008,000 as at 31 March 2025. The significant increase in balance is due to the prepayments paid to our subcontractors for securing their services. The prepayments for securing the contracting services will be utilised as service costs as projects progress in the coming financial year.

Property, plant and equipment

Property, plant and equipment decreased by approximately HK\$6,081,000 or 8.9% to approximately HK\$62,146,000 as at 31 March 2025 from approximately HK\$68,227,000 as at 31 March 2024. The decrease of the property, plant and equipment is mainly due to a disposal of motor vehicle by the Group during the Year.

Contract assets and liabilities

Contract assets represent the Group's rights to considerations from customers for the provision of E&M engineering services, which arise when: (i) the Group completes the relevant services under such contracts but not yet certified by architects, surveyors or other representatives appointed by the customers; and (ii) the customers withhold certain certified amounts payable to the Group as retention money (i.e. retention receivables) to secure the due performance of the contracts. Contract liabilities represent the Group's obligation to provide E&M engineering services to customers for which the Group has received advance payments from the customers.

Contract assets increased by approximately HK\$20,262,000 or 8.4% from approximately HK\$242,049,000 as at 31 March 2024 to approximately HK\$262,311,000 as at 31 March 2025. The increase in contract assets was mainly due to increase in the amount of newly accepted contract works of which are still at the commencement stage but has not yet been certified by architects, surveyors or other representatives appointed by the customers and the enhanced progress in certain residential projects located in Kai Tak and Tin Shui Wai at the end of the reporting period.

Contract liabilities increased by approximately HK\$8,015,000 or 118.0% from approximately HK\$6,791,000 as at 31 March 2024 to approximately HK\$14,806,000 as at 31 March 2025. The increase in contract liabilities was mainly due to the completion of certain iconic projects which have been certified by the architects during the Year.

Pledged bank balances and cash and cash equivalents

The Group's pledged bank balances were to secure the grant of facilities to the Group by certain banks. The pledged bank balances and cash and cash equivalents increased by approximately HK\$13,464,000 or 13.6% from approximately HK\$98,933,000 as at 31 March 2024 to approximately HK\$112,397,000 as at 31 March 2025. The increase was mainly due to the enhanced receivable control measures imposed by the Group in order to minimise the financial risks by improving the bank balances and the settlement of certain significant projects during the Year.

The pledged bank balances and cash and cash equivalents were denominated in HKD and were mainly generated from the Group's daily operations. With a strong financial position, the Group is able to provide sufficient financial resources for the Group's current commitments, working capital requirements and further expansion of the Group's business, as and when required.

Trade and retention payables and accruals

Trade and retention payables and accruals increased by approximately HK\$24,160,000 or 41.2% from approximately HK\$58,683,000 as at 31 March 2024 to approximately HK\$82,843,000 as at 31 March 2025.

Trade payables increased by approximately HK\$20,985,000 or 71.4% from approximately HK\$29,403,000 as at 31 March 2024 to approximately HK\$50,388,000 as at 31 March 2025 which mainly represents the amount due to our major suppliers and contractors. The increase in the balance is due to the enhanced project progress close to the end of reporting period and therefore more materials and sub-contracting services were used at the end of the reporting period.

Retention payables increased by approximately HK\$4,628,000 or 30.4% from approximately HK\$15,200,000 as at 31 March 2024 to approximately HK\$19,828,000 as at 31 March 2025. The increase in the retention payable was mainly due to the enhanced project progress by the Group's sub-contractors for the installation of the MVAC systems in the projects located in Kai Tak and Tin Shui Wai.

Bank loans

Bank loans increased by approximately HK\$3,041,000 or 12.9% from approximately HK\$23,594,000 as at 31 March 2024 to approximately HK\$26,635,000 as at 31 March 2025. The increase in the bank loans was mainly due to a short term loan obtained during the Year to enhance our liquidity. There is no seasonality on the Group's bank loans and the balances were denominated in HKD.

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Bank loans, secured and guaranteed	26,635	23,594

According to the relevant bank facilities letters, details of the bank loans of the Group in accordance with the scheduled repayment dates as at 31 March 2025 are as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
The carrying amounts of the above bank loans that contain a repayable on demand clause (shown under current liabilities) but repayable:		
Within one year	6,468	1,934
Within a period of more than one year but not exceeding two years	1,504	1,413
Within a period of more than two years but not exceeding five years	4,733	6,100
More than five years	13,930	14,147
	26,635	23,594

The bank loans as at 31 March 2025 were lent by banks under the bank facilities granted to the Group and such bank facilities were secured by the Group's two carpark spaces, an office premise and a corporate guarantee given by the Company in favour of the bank (2024: two carpark spaces, an office premise, and a corporate guarantee).

Notwithstanding the provisions stated in the aforesaid bank facilities, the bank may at any time without prior notice, modify, cancel or suspend the banking facilities, at the sole discretion of such bank; including, without limitation, cancelling any unutilised facilities and declaring any outstanding amount to be immediately due and payable. Accordingly, the above bank loans were classified as current liabilities as at 31 March 2025 and 2024.

Included in the bank loans as at 31 March 2025 were bank loans of HK\$21,635,000 (2024: HK\$23,594,000), which bore variable interest rate at 2.85% per annum below Hong Kong Prime Rate quoted by the relevant bank (2024: variable interest rate from 2.75% to 2.85% per annum below Hong Kong Prime Rate quoted by the relevant bank). The remaining bank loans of HK\$5,000,000 (2024: Nil) bore variable interest rate at 1.75% per annum above one-month Hong Kong Inter-bank Offered Rate.

FUTURE PROSPECTS

The Group enters 2025 with a clear strategic vision – to deepen its role in shaping Hong Kong's urban transformation through engineering excellence, technological innovation, and talent development.

With the government's continued investment in the Northern Metropolis and surrounding bay area as outlined in the 2024 Policy Address, Hong Kong is accelerating its development into a vibrant, livable, and innovation-led region. The Policy includes the creation of new housing, cross-boundary infrastructure, and smart community facilities that require sophisticated E&M engineering solutions.

The Group is well-positioned to contribute to this transformation. Leveraging its proven capabilities in MVAC, electrical systems, plumbing and intelligent building technologies, the Group will actively pursue opportunities in public works and infrastructure projects across the Northern Metropolis and New Territories North including hospitals, government complexes and smart city developments which demand high-performance, sustainable, and digitally integrated E&M systems.

In parallel, the Group will continue to invest in AI-driven engineering applications, building on the success of its AI Smart Health Management System and Swimming Safety Intelligent Drowning Monitoring System. These innovations, developed in collaboration with Hong Kong Polytechnic University and showcased at InnoEX 2025, reflect the Group's commitment to integrating advanced technology into its service offerings. Future applications may include smart campus systems, energy-efficient building controls, and predictive maintenance platforms – aligning with the government's push for green infrastructure and digital transformation.

On the talent front, the Group will expand its education and immigration consulting services, with a dedicated focus on supporting mainland Chinese students pursuing studies in Hong Kong. This initiative directly supports the government's efforts to attract young talent to the Northern Metropolis and foster a knowledge-based economy. By guiding students through academic pathways, university applications, and post-study career planning, the Group is helping to build a future-ready workforce that can contribute to Hong Kong's long-term development.

With a forward-looking strategy anchored in engineering expertise, innovation, and regional integration, the Group is confident in its ability to seize new opportunities, support Hong Kong to play an important role in the Greater Bay Area development, and deliver sustainable value to clients, partners, the broader community and all relevant stakeholders.

LIQUIDITY AND FINANCIAL RESOURCES

During the Year, the Group's working capital was financed by internal resources and loan facilities from banks. The current ratio of the Group, which is calculated based on the current assets divided by current liabilities, was approximately 3.76 times as at 31 March 2025 (31 March 2024: approximately 4.31 times). The Group generally financed its daily operations by cash flows generated internally and external borrowings. The Group strives to maintain a healthy financial position to support the business growth by balancing the source of financing.

FINANCIAL POLICIES

The Group is exposed to liquidity risk in respect of settlement of the trade and retention payables, bank loans and lease liabilities. The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and long term.

GEARING RATIO

The Group's gearing ratio, which is calculated based on the total interest-bearing liabilities divided by the total equity (defined as the sum of bank loans and lease liabilities as at the respective year end divided by total equity as at the respective year end), was approximately 6.8% as at 31 March 2025 (31 March 2024: approximately 8.5%).

CAPITAL EXPENDITURE

During the Year, the Group incurred cash outflows of approximately HK\$52,000 in leasehold improvements, furniture, fixtures and equipment, and motor vehicles and yacht (2024: HK\$13,022,000 in leasehold improvements and furniture, fixtures and equipment).

CAPITAL COMMITMENT

As at 31 March 2025, the Group had no significant capital commitments (31 March 2024: HK\$353,000).

CONTINGENT LIABILITIES

As at 31 March 2025, performance bonds of HK\$96,486,000 (2024: HK\$94,428,000) were given by banks in favour of the Group's customers as security for the due performance and observance of the Group's obligations under the contracts entered into between the Group and its customers.

The performance bonds as at 31 March 2025 were issued under the bank facilities granted by banks to the Group and such bank facilities were secured by the Group's two carpark spaces, office premises, and a corporate guarantee given by the Company in favour of the bank (2024: two carpark spaces, office premises, pledged bank balances and a corporate guarantee).

Save as disclosed herein, the Group had no material contingent liabilities as at 31 March 2025 (31 March 2024: Nil).

EVENTS AFTER THE REPORTING PERIOD

There was no material subsequent event occurred since 31 March 2025 and up to the date of this announcement which requires disclosure.

CHARGES ON THE GROUP'S ASSETS

As at 31 March 2025, an office premise, certain motor vehicles, refundable rental deposits, two carpark spaces and pledged bank balances of the Group were pledged for the lease liabilities and the bank facilities (31 March 2024: secured by an office premise, certain motor vehicles, refundable rental deposits, two carpark spaces and pledged bank balances).

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During the Year, save as disclosed herein, the Group did not make any other significant investments, material acquisitions or disposals of its subsidiaries, associates and joint ventures.

FUTURE PLANS FOR SIGNIFICANT INVESTMENTS AND CAPITAL ASSETS

As at 31 March 2025, save as disclosed herein, the Group did not have any other plans for significant investments or capital assets.

FOREIGN EXCHANGE RISK MANAGEMENT

The Group's monetary assets, liabilities and transactions are principally denominated in HKD. The Group is not significantly exposed to foreign currency risk arising from monetary assets and liabilities that are denominated in currencies other than the functional currencies of the respective group entities.

The Group currently does not have a foreign currency hedging policy as the foreign currency risk is considered to be insignificant. However, the management will continue to closely monitor the Group's foreign exchange risk exposure and will consider hedging significant foreign exchange exposure when necessary.

CREDIT RISK EXPOSURE

The Group's major customers include reputable property developers and main contractors. During the Year, the Group has closely monitored and strengthened its collection measures, and has adopted prudent credit policies to mitigate credit risk exposure. The Group was not exposed to any significant credit risk during the Year. The Group's management reviews the recoverability of trade receivables and closely monitors the financial position of the customers from time to time with a view of keeping the Group's credit risk exposure at a reasonably low level.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2025, the Group employed 238 employees (31 March 2024: 197 employees) with total staff costs (including direct labour costs) of approximately HK\$101,439,000 incurred for the Year (Corresponding Year: approximately HK\$94,084,000). In order to attract and retain high quality staff and to enable smooth operation within the Group, the remuneration policy and package of the Group's employees are periodically reviewed. The salary and benefit levels of the employees of the Group are competitive (with reference to market conditions and individual qualifications and experience). The Group provides adequate job training to the employees to equip them with practical knowledge and skills. Apart from mandatory provident fund and job training programs, salaries increment, discretionary bonuses and share options may be awarded to employees according to the assessment of individual performance and market situation.

The Company has adopted a share option scheme on 18 September 2019 for the purpose of providing incentives or rewards to eligible participants for their contributions or potential contributions to the Group. Such scheme became effective on 18 October 2019. As at 31 March 2025, there was no share option granted under the scheme.

In addition, the Group has adopted a share award scheme in the annual general meeting of the Company held on 15 September 2023 ("**Share Award Scheme**"), for the purpose of providing incentives to attract, retain and motivate eligible participants, for their continual contribution to the growth and development of the Group.

The total number of shares which may be issued in respect of all options and awards to be granted under the Share Award Scheme and any other schemes of the Company (the "**Scheme Mandate Limit**") was 80,000,000 shares (representing 10% of the Company's total number of issued shares as at the date of adoption of the Share Award Scheme).

As at 1 April 2024 and 31 March 2025, the Scheme Mandate Limit and the maximum number of shares available for grant under the Share Award Scheme was 69,173,000 shares (representing approximately 8.53% of the total number of the issued shares as at 31 March 2025).

During the Year, 1,025,910 awarded shares were vested and 699,600 unvested awarded shares were lapsed under the Share Award Scheme due to the grantees ceased to be the employee of the Group in accordance with the terms of the Share Award Scheme.

As at 31 March 2025, the total number of shares available for issue under the Share Award Scheme was 77,191,790 shares (representing approximately 9.52% of the total number of issued shares as at 31 March 2025), being the total number of (i) 69,173,000 shares available for grant under the Share Award Scheme; and (ii) 8,018,790 awarded shares which were granted (but not yet vested) under the Share Award Scheme.

No awarded shares were granted and cancelled during the Year.

COMPETING INTEREST

During the Year, none of the Directors or the Controlling Shareholders or their close associates was interested in any business which competed or might compete, either directly or indirectly, with the business of the Group nor had or might have with the Group any conflicts of interest.

FINAL DIVIDEND

The Board has resolved to recommend the payment of a final dividend of HK1.4 cents per Share (2024: HK1.3 cents per Share) for the Year (the “**Final Dividend**”) to the Shareholders whose names appear on the Register of Members on Monday, 29 September 2025, which amount to approximately HK\$11,352,000 (2024: HK\$10,541,000). Subject to the passing of the relevant resolution at the forthcoming annual general meeting of the Company to be held on Thursday, 18 September 2025 (“**2025 AGM**”), the Final Dividend is expected to be paid to the Shareholders on or around Monday, 20 October 2025.

CLOSURE OF REGISTER OF MEMBERS

In relation to 2025 AGM

The Register of Members will be closed from Monday, 15 September 2025 to Thursday, 18 September 2025, both days inclusive, during which period no transfers of Shares shall be effected. In order to qualify for attending and voting at the 2025 AGM, all transfers of Shares, accompanied by the relevant share certificates and transfer forms, must be lodged for registration with the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Friday, 12 September 2025.

In relation to the proposed Final Dividend

Conditional on the passing of the resolution approving the declaration of the Final Dividend by the Shareholders at the 2025 AGM, the Register of Members will be closed from Thursday, 25 September 2025 to Monday, 29 September 2025, both days inclusive, during which period no transfers of Shares shall be effected. In order to qualify for the Final Dividend, all transfers of Shares, accompanied by the relevant share certificates and transfer forms, must be lodged for registration with the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Wednesday, 24 September 2025.

OTHER INFORMATION

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any Shares during the Year.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors as at the date of this announcement, the Company has maintained a sufficient public float as required under the Rules Governing the Listing of the Securities on the Stock Exchange (the “**Listing Rules**”) throughout the Year and up to the date of this announcement.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE OF THE LISTING RULES

The Board has been adamant in upholding high standards of corporate governance to maximise the operational efficiency, corporate values and shareholder returns. The Company has adopted sound governance and disclosure practices and continued to upgrade internal control system, strengthen risk control management and reinforce the corporate governance structure.

During the Year, the Company has complied with the applicable code provisions of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules with the exception of code provision C.2.1, which requires the roles of chairman and chief executive should be separate and should not be performed by the same individual.

Dr. Ko is the chairman of the Board (the “**Chairman**”) and the chief executive officer of the Company (the “**CEO**”). He has been managing the Group’s business and supervising the overall operations of the Group since 2000. The Board considers that vesting the roles of the Chairman and the CEO in Dr. Ko is beneficial to the management and business development of the Group and will provide a strong and consistent leadership to the Group. The Board has a total of six Directors and three of them are independent non-executive Directors (the “**INEDs**”) who are qualified professionals and/or experienced individuals. As all major decisions are made in consultation with all the Board members who meet on a regularly basis to review the operations of the Group, and shall be approved by majority approval of the Board, with the three INEDs on the Board scrutinising important decisions and offering independent perspectives, the Board believes that there are adequate safeguards in place to ensure sufficient balance of powers within the Board. The Board will continue to review and consider splitting the roles of the Chairman and the CEO at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the “**Model Code**”) as its code of conduct regarding directors’ securities transactions. The Company has made specific enquiry of all Directors, they confirmed that they had complied with the required standard set out in the Model Code throughout the Year.

AUDIT COMMITTEE REVIEW

The audit committee of the Board (the “**Audit Committee**”) is responsible for assisting the Board in safeguarding the Group’s assets by providing an independent review of the effectiveness of the financial reporting process and the internal control and risk management systems of the Group. It also performs other duties as assigned by the Board.

The Audit Committee has discussed with the management of the Group and independent auditor of the Company, Messrs. Deloitte Touche Tohmatsu, and reviewed the accounting principles and policies adopted by the Group, the financial information of the Group and the annual results of the Group for the Year.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the Year as set out in the preliminary announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group's audited consolidated financial statements for the Year. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement is published on the Company's website (<http://chittathk.com>) and the Stock Exchange's website (<https://www.hkexnews.hk>). The annual report of the Company for the Year will be despatched to the Shareholders and will be available on the respective websites of the Stock Exchange and the Company in due course.

APPRECIATION

The Board would like to express its sincere gratitude to the management of the Group and all the staff for their hard work and dedication, as well as its Shareholders, business partners and other professional parties for their support throughout the Year.

By order of the Board
Accel Group Holdings Limited
Ko Lai Hung
Chairman, Chief Executive Officer and Executive Director

Hong Kong, 26 June 2025

As at the date of this announcement, the executive Directors are Dr. Ko Lai Hung and Ms. Cheung Mei Lan; the non-executive Director is Mr. Ko Angus Chun Kit; and the independent non-executive Directors are Mr. Chan Cheong Tat, Ms. Tse Ka Wing and Mr. Ho Chi Shing.