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# POLYFAIR

**Polyfair Holdings Limited**

**寶發控股有限公司**

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

**(Stock Code: 8532)**

## **SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO DELAY IN PUBLICATION OF 2025 ANNUAL RESULTS AND 2025 ANNUAL REPORT; AND CONTINUED SUSPENSION OF TRADING**

This announcement is made by Polyfair Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10(2)(a) of the Rules Governing the Listing of Securities on GEM (the “**GEM Listing Rules**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcements of Company dated 30 June 2025 and 2 July 2025 in relation to (i) the delay in publication of 2025 Annual Results Announcement, (ii) postponement of Board Meeting and (iii) suspension of trading (collectively, the “**Announcements**”). Unless otherwise stated, all the capitalised terms used herein shall have the same meaning as those adopted in the Announcements.

### **FURTHER INFORMATION ON THE DELAY IN PUBLICATION OF THE 2025 ANNUAL RESULTS**

Reference to the announcement dated on 30 June 2025, the primary reason for the delay in publishing the 2025 Annual Results was the departure of key financial personnel responsible for the Group’s overall financial operations and reporting. Due to the lack of a suitable replacement, the Company was unable to finalize its consolidated financial statements for the year ended 31 March 2025, nor could it complete the breakdown of accounts receivable and accounts payable as of that date. Consequently, the Expected Credit Loss (ECL) valuation report could not be finalized by the end of June 2025, leading to further delays in the circulation of audit confirmations and the implementation of alternative audit procedures for accounts receivable and accounts payable as of 31 March 2025.

As at the date of this announcement, the Company already provided most material outstanding matters stated in the Announcements to the auditor of the Company. The auditors of the Company is continuing to conduct the audit work on (i) the final draft of the Expected Credit Loss (ECL) valuation report on trade receivables and contract assets; and (ii) the outstanding audit confirmations in respect of the trade receivables and trade payables as at 31 March 2025 and any alternative audit procedures. Refer to the discussion with the auditors of the Company, they required additional time to complete the audit work and need to take time for their internal audit review procedures.

After due and careful consideration, the Company considers that it is more appropriate to focus on and fully committed to completing the audit of the 2025 Annual Results and publishing the audited 2025 Annual Results as soon as practicable, rather than publishing the unaudited consolidated management accounts, which have yet to be agreed upon with the auditors of the Company or reviewed by the Audit Committee. This decision aims to avoid causing confusion to the Shareholders and potential investors.

### **EXPECTED DATE OF THE PUBLICATION OF THE 2025 ANNUAL RESULTS AND THE 2025 ANNUAL REPORT**

Pursuant to Rule 18.49 of the GEM Listing Rules, the Company is required to publish the 2025 Annual Results not later than three months after the end of the financial year (i.e., on or before 30 June 2025). Though the delay in publication of the 2025 Annual Results would constitute non-compliance by the Company with Rule 18.49 of the GEM Listing Rules, the board of the directors of the Company (the “**Board**”) wishes to emphasise that the Company is working closely with the auditors of the Company to provide all information and documents to complete the audit procedures. After discussion with the auditors of the Company, the Company will use its best endeavour to publish the 2025 Annual Results to the Shareholders on or before 22 August 2025 and the 2025 Annual Report to the Shareholders on or before 31 August 2025. The Company confirms that up to date, there is no disagreement with the auditors of the Company over the audit work.

### **IMPROVEMENTS TO INTERNAL CONTROL ADDRESSING THE ISSUES IDENTIFIED ABOVE**

In response to the issues identified above, the Company has engaged an external professional accounting firm to assist the accounting work of the Company during the shortage of accounting personnel for the financial year ended 31 March 2025. To ensure the Company can speed up the audit process, the Company has increased its finance team size from 2 to 4 persons to assist with the preparation of financial management accounts and consolidations of the Company. This response action is intended to expedite the audit process.

The Company is currently considering implementing the following measures:

- The Company has engaged an internal control adviser to carry out a rotation plan for the internal control review of the sales cycle and fixed assets cycle for the year ended 31 March 2025. However, after the publication of the 2025 Annual Report, the Company will consider to engage an internal control adviser within one month in order to further assess any internal control deficiencies (if any) and provide recommendations in financial reporting. The scope of work will be determined by the Board and the Audit Committee. If any material internal control deficiencies or remedial actions are identified, the Company will make further announcements.

- The Board recommended refining the financial management policy, which is expected to be adopted within three months after the publication of the 2025 Annual Report. This refinement aims to establish clear timelines for submitting financial information for board review at least quarterly, as well as addressing any urgent issues that may arise, to minimize audit delays. Additionally, the Company will enhance staff qualifications to uphold high performance standards and develop standard operating procedures that require all financial transactions to be systematically recorded in the accounting system on a daily basis. This process will involve separate accounting staff for reviews and preparations, thereby expediting financial reporting to management and reducing the risk of errors.
- The Audit Committee strongly recommended and requested the Company to implement the following specific measures to prevent any delays in the publication of the annual results of the Company:
  1. Conversation Group and Dedicated Review Sessions: The Company has established a conversation group made up of key executives and board members to deliver updates on financial reporting and internal control matters if any. This approach simplifies the reporting process, moving discussions outside of regular board meetings. Furthermore, meetings will be scheduled between the Audit Committee, the Company and the auditors of the Company to promptly address any complex accounting issues and outstanding audit matters, ensuring that audit concerns are resolved in a timely manner.
  2. Pre-Audit Work Arrangement: To prevent bottlenecks, the Audit Committee recommended that the audit timetable should be established earlier by the Company and directed the finance team to prepare the consolidated management accounts for review by both the Board and the Audit Committee. Furthermore, the Company will engage its auditors to conduct pre-audit work two months before the end of the financial year. This proactive measure aims to identify and address any discrepancies early in the process.

Based on the following factors which have been conducted by the Company: (1) recruiting qualified staff and engaging a professional accounting firm for support; (2) scheduling an internal control review; and (3) refer to the discussions between the Audit Committee, the management and the Company's auditors, who have confirmed that there are no material audit issues at this time, the Audit Committee provisionally concludes that the proposed measures and improvements are appropriate, effective, and sufficient to prevent delays in the publication of the Company's financial results, including the 2025 Annual Results. However, the Audit Committee reserves the right to impose additional requirements or take further action as needed, depending on future developments or the progress of the remedial measures.

## **POSTPONEMENT OF THE BOARD MEETING**

In view of the delay in the publication of the 2025 Annual Results, the Board meeting for the purpose of, among other matters, considering and approving the 2025 Annual Results will be postponed. The Company will continue to work with the auditors of the Company to complete the audit work as soon as practicable and will publish further announcement(s) to inform the Shareholders on the date of the Board meeting as and when appropriate.

## **CONTINUED SUSPENSION OF TRADING**

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on 2 July 2025 and will continue to be suspended, pending the publication of 2025 Annual Results by the Company. Further announcement(s) will be made by the Company as and when appropriate in accordance with the GEM Listing Rules.

**Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.**

By Order of the Board  
**Polyfair Holdings Limited**  
**Chow Mo Lam**  
*Chairman*

Hong Kong, 11 August 2025

*As at the date of this announcement, the executive Directors are Mr. Chow Mo Lam, Mr. Yu Lap On Stephen and Mr. Wong Wai Man; and the independent non-executive Directors are Dr. Lung Cheuk Wah, Mr. Man Yun Yee and Ms. Sun Shui.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the “Latest Listed Company Announcements” page of the Stock Exchange’s website at [www.hkexnews.hk](http://www.hkexnews.hk) for at least seven days from the date of its posting and on the website of the Company at [www.polyfaircurtainwall.com.hk](http://www.polyfaircurtainwall.com.hk).*