



# YEEBO (INTERNATIONAL HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

STOCK CODE: 259

## Annual Report **2024/25**

# CONTENTS

Corporate Information	2
Directors and Senior Management	3
Chairman's Statement	5
Management Discussion and Analysis	7
Corporate Governance Report	14
Directors' Report	26
Independent Auditor's Report	40
Consolidated Statement of Profit or Loss and Other Comprehensive Income	45
Consolidated Statement of Financial Position	47
Consolidated Statement of Changes in Equity	49
Consolidated Statement of Cash Flows	52
Notes to the Consolidated Financial Statements	54
Financial Summary	136

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

#### Executive Directors

Mr. FANG Yan Tak, Douglas  
Mr. LI Kwok Wai, Frankie  
Mr. LEUNG Tze Kuen  
Mr. CHEUNG Wai Man (appointed on 12 July 2024)

#### Independent Non-Executive Directors

Mr. CHU Chi Wai, Allan  
Mr. LAU Yuen Sun, Adrian  
Professor LAU Kei May

### COMPANY SECRETARY

Mr. LAU Siu Ki, Kevin

### AUDITOR

Deloitte Touche Tohmatsu

### REGISTERED OFFICE

Victoria Place, 5th Floor  
31 Victoria Street  
Hamilton HM 10  
Bermuda

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

7th Floor  
On Dak Industrial Building  
2-6 Wah Sing Street  
Kwai Chung  
New Territories  
Hong Kong

### PRINCIPAL REGISTRAR AND TRANSFER OFFICE

Ocorian Management (Bermuda) Limited  
Victoria Place, 5th Floor  
31 Victoria Street  
Hamilton HM 10  
Bermuda

### BRANCH REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited  
17/F, Far East Finance Centre  
16 Harcourt Road  
Hong Kong

### PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited  
1 Queen's Road Central  
Hong Kong

Bank of China (Hong Kong) Limited  
23/F, Bank of China Centre  
Olympian City  
11 Hoi Fai Road  
West Kowloon  
Hong Kong

BNP Paribas  
Hong Kong Branch  
59-63/F Two International Finance Centre  
8 Finance Street  
Central  
Hong Kong

Dah Sing Bank Limited  
Dah Sing Financial Centre  
248 Queen's Road East  
Wan Chai  
Hong Kong

Bank of Communications (Hong Kong) Limited  
20 Pedder Street  
Central  
Hong Kong

## DIRECTORS AND SENIOR MANAGEMENT

### EXECUTIVE DIRECTORS

**FANG Yan Tak, Douglas**, aged 52, is the Chairman of the Company and currently the chairman of Fang Brothers Holdings Limited (“Fang Brothers”), the ultimate holding company of the Company, and its various affiliated companies. Prior to joining Fang Brothers, he worked at Donaldson, Lufkin & Jenrette, an investment bank in the United States of America. Mr. Fang received his Bachelor of Science degree from the Massachusetts Institute of Technology in 1995. Mr. Fang was appointed as a Non-executive Director in June 2014, and re-designated as an executive director and appointed as the Chairman in September 2022.

**LI Kwok Wai, Frankie**, aged 67, is the Chief Executive Officer of the Company responsible for planning and developing corporate strategies, corporate policies setting and overall management of the Group. He is also a director of various subsidiaries of the Company. Mr. Li graduated from the Hong Kong University majoring in Business Management and has substantial experience in banking and corporate finance. Mr. Li joined the Company as a Director in November 1995.

**LEUNG Tze Kuen**, aged 62, is responsible for the planning and developing finance strategies, direct investment management and policy setting of the Group. He is also a director of various subsidiaries of the Company. Mr. Leung graduated from the Chinese University of Hong Kong majoring in Accounting. He also holds an MBA degree from Monash University, Australia. He is a member of CPA Australia. He has extensive experience in operational and financial management. Mr. Leung was appointed as an Executive Director of the Company in September 2007.

**CHEUNG Wai Man**, aged 49, is responsible for the direct investment management, investor relations and financial management. Mr. Cheung is a director of various subsidiaries of the Company. He is also currently a senior vice president of Fang Brothers. Mr. Cheung graduated from The Hong Kong Polytechnic University with a Bachelor of Arts (Honours) in Accountancy. He also holds an MBA degree from Fudan University, the People’s Republic of China. Mr. Cheung is a member of The Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. Prior to joining Fang Brothers in 2010, Mr. Cheung worked for an international accounting firm and for listed companies with extensive experience in auditing, mergers and acquisitions, operational and financial management. Mr. Cheung joined the Group in 2023 and was appointed as an Executive Director of the Company in July 2024.

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**CHU Chi Wai, Allan**, aged 73, has over 53 years’ experience in the electronics industry. Mr. Chu is the Executive Director of Fairable Investment Limited which is an investment holding company. Mr. Chu joined the Company as an Independent Non-executive Director in August 1998.

**LAU Yuen Sun, Adrian**, aged 70, holds a Bachelor Degree in Commerce from the University of Windsor, Canada and has years of experience in banking and investment. Mr. Lau had worked for the National Bank of Canada as the vice president of Asia region as well as the general manager of the Hong Kong branch from September 1994 to December 1996. He has served directorships in various listed companies in Hong Kong. Mr. Lau joined the Company as an Independent Non-executive Director in May 2004.



## DIRECTORS AND SENIOR MANAGEMENT

**LAU Kei May**, age 70, is a Research Professor at the Hong Kong University of Science & Technology ("HKUST"). She received her degrees from the University of Minnesota and Rice University, and served as a faculty member at the University of Massachusetts/Amherst before joining HKUST in 2000. She is a member of the US National Academy of Engineering, a Fellow of the Institute of Electrical and Electronics Engineers ("IEEE"), Optica (formerly OSA), and the Hong Kong Academy of Engineering Sciences. She was also a recipient of the IPRM award, IET J J Thomson Medal for Electronics, Optica Nick Holonyak Jr. Award, IEEE Photonics Society Aron Kressel Award, US National Science Foundation (NSF) Faculty Awards for Women (FAW) Scientists and Engineers, and Hong Kong Croucher Senior Research Fellowship. She was an Editor of the IEEE Transactions on Electron Devices and Electron Device Letters, an Associate Editor for the Journal of Crystal Growth and Applied Physics Letters. Prof. Lau joined the Company as an Independent Non-executive Director in March 2021.

### SENIOR MANAGEMENT

**TSUI Siu Keung**, aged 51, is the President of the display business responsible for the formation of overall strategic planning, business development and business management of liquid crystal displays ("LCDs"), liquid crystal displays modules ("LCMs"), thin film transistor modules ("TFTs") and capacitive touch panel modules ("CTPs") products. Mr. Tsui graduated from the Hong Kong Polytechnic University with a degree in manufacturing engineering. Mr. Tsui has over 25 years of experience in customer service management, sales, and marketing. Mr. Tsui has been involved in product development management since 2018. Mr. Tsui joined the Group in 2000.

**YANG Zhao Hui**, aged 53, is the Executive Vice President of the display business responsible for the production management of CTPs, touch screen display module and Physical Vapor Deposition ("PVD"), and the management of the factory's equipment and power system. He has extensive experience in LCDs and CTPs manufacturing, PVD process, equipment management, maintenance and management of automation equipment and project management. Mr. Yang joined the Group in 2004.

**HUANG Wen Hui**, aged 50, is the Executive Vice President of the display business and the General Manager of the branch office in Taiwan responsible for product solution and Research and Development ("R&D") of monochrome and color LCDs, and CTPs, as well as the information technology. Mr. Huang obtained the bachelor degree in chemical engineering at National Taiwan University, and the master's degree in business administration at FuJen Catholic University. He has over 23 years of experience in management of marketing, R&D, quality assurance and process technology. Mr. Huang joined the Group in 2004.

**GU Meng**, aged 48, is the senior vice president of Suanova Technology Limited and General Manager of Shanghai Branch, and responsible for facilitating and developing artificial intelligence ("AI") business. Mr. Gu obtained the bachelor degree in Electronic Engineering at Zhejiang University, and the master's degree in Business Administration at University of Alberta, Canada. He is an expert in Semiconductor & AI Industry. He has over 25 years' experience in semiconductor design, AI chip investment, and Hi-tech business management. Mr. Gu joined the Group in 2024.

## CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the board of Directors (the "Board") of Yeebo (International Holdings) Limited, ("Yeebo" or the "Company"), I present the results of the Company and its subsidiaries (which are collectively referred to as the "Group") for the year ended 31 March 2025 (the "Year").

The global business environment remained subdued over the Year, with ongoing geopolitical tensions and increasingly restrictive trade policies continuing to weigh on market sentiment and contribute to elevated uncertainty. Despite these headwinds, the Group demonstrated resilience and adaptability, achieving a year-on-year revenue increase to HK\$1,039 million, up from approximately HK\$937 million in the year ended 31 March 2024 (the "Previous Year"). This performance reflects the Group's prudent strategic positioning and its ability to navigate a complex and evolving landscape.

During the Year, we completed a significant transaction with the disposal of 127,578,590 shares of Nantong Jianghai Capacitor Co., Ltd. ("Nantong Jianghai"), leading to a remarkable surge in profit attributable to the owners of the Company from approximately HK\$177 million in the Previous Year to HK\$2,789 million this Year.

### Display

Liquid crystal display and display module business ("Display") continue to be the Group's core business. We have implemented a flexible and forward looking growth strategy, focused on continuous innovation in production technology, strengthening strategic partnerships with key customers, and expanding our product portfolio to include medium and large-sized displays. These initiatives are laying a robust foundation for the long term growth and competitiveness of our Display business.

### Artificial Intelligence ("AI") Compute and Related Businesses

We have significantly stepped up both the effort and investments in our AI compute and related businesses this Year, firmly establishing ourselves as one of the key players in the AI arena in Mainland China. Our operations include:

Capital investments – we have made a series of early-stage investments in some of the most promising technology companies. These include the leading domestic graphics processing unit ("GPU") fabless company, a high-performance network switch fabless company, and pioneering AI agent startups focused on climate, biotechnology, and other advanced technology sectors.

Artificial Intelligence Data Centre ("AIDC") – we operate over 3,000 GPU card clusters across AIDCs in Hong Kong and Shanghai. Our key clients span both industries and research institutions, including Tsinghua University, Fudan University, Shanghai Jiaotong University, Shanghai Artificial Intelligence Laboratory, Institute for Advanced Algorithms Research, Shanghai, and Hong Kong Broadband Network ("HKBN"). These partnerships underscore our commitment to supporting AI research and commercial applications.

## CHAIRMAN'S STATEMENT

Hong Kong Business – we have been both an integrator and sales agent, assisting our mainland AI partners in launching their businesses in Hong Kong. Additionally, we have entered into partnership with HKBN in providing GPU services tailored to the Hong Kong market, further enhancing regional AI computing power collaboration.

We believe the strategic groundwork we have laid in AI compute and related businesses has positioned the Group for meaningful and sustained growth in the years ahead. Through targeted investments in scalable infrastructure, strategic partnerships, and an open-minded approach to emerging technologies, we have built a foundation that aligns with the accelerating demand for AI solutions across industries. These initiatives not only strengthen our competitive positioning but also reinforcing our commitment to delivering consistent growth in a rapidly evolving market.

### Capacitor

As mentioned above, after completing the partial disposal of Nantong Jianghai shares in January 2025, Nantong Jianghai is no longer an associate of the Group. As at 31 March 2025, the Group still retained 117,442,410 Nantong Jianghai shares, with a fair value of approximately HK\$2.6 billion.

### PMOLED

Suzhou QingYue Optoelectronics Technology Co., Ltd. ("Suzhou QingYue") engaged in passive mode organic light emitting diode ("PMOLED"), e-paper modules and micro-OLED business. During the Year, boosted by the e-paper business, its consolidated revenue increased by 27% to HK\$826 million, and the Group's share of loss of Suzhou QingYue was HK\$26.2 million as compared to approximately HK\$40.6 million for the Previous Year. As at 31 March 2025, the Group held 126,345,600 shares, representing 28.08%, in Suzhou QingYue with a fair value of HK\$1.1 billion.

We are grateful for the shareholders' enduring trust and support. The Board recommends a final dividend of HK5.0 cents per share for the Year. Together with the special dividend of HK\$1.80 per share declared and paid during the Year, total dividends for the Year amounted to HK \$1.85 per share.

On behalf of the Board, I would like to extend our sincere appreciation to our colleagues for their dedication and resilience, which have been instrumental in advancing the Group's strategic objects. We also extend our gratitude to our shareholders for their continued trust and support, which underpin our commitment to delivering sustainable long term values.

**Fang Yan Tak, Douglas**  
*Chairman*

25 June 2025

# MANAGEMENT DISCUSSION AND ANALYSIS

## REVIEW OF OPERATIONS

### Revenue

Despite facing the very challenging business environment such as intense market competition, weak external sentiment, and geopolitical tensions, the Group managed to record a consolidated revenue of approximately HK\$1,038.5 million for the year ended 31 March 2025 (2024: HK\$936.6 million), representing an increase of 10.9% as compared with that for the preceding year. Our range of products includes Liquid Crystal Displays (“LCDs”), Liquid Crystal Display modules (“LCMs”), Thin Film Transistor modules (“TFTs”) and Capacitive Touch Panel modules (“CTPs”). Sales revenue for LCDs, TFTs, and CTPs grew by 18.2%, 5.0%, and 10.0%, reaching HK\$163.5 million, HK\$175.7 million and HK\$289.3 million, respectively. Meanwhile, revenue from LCMs remained stable at approximately HK\$367.7 million (2024: HK\$368.0 million). We are committed to enhancing our CTPs-related equipment to meet the rising demand for CTPs applications, and its contribution to the Group’s revenue is becoming more significant to the Group’s total revenue. While still in its early stages, the Group’s expansion into Artificial Intelligence (“AI”) compute and related businesses holds significant long-term potential, though current revenue contributions remained insignificant.

We are actively adjusting our product mix, enhancing production efficiency and optimizing our customer structure. Furthermore, we are proactively developing products that meet market needs and expanding our customer base. With a strategic focus on high-growth sectors such as engineering machinery and medical equipment, the Group is well-prepared to seize upcoming market opportunities.

### Gross Profit and Gross Profit Margin

For the year ended 31 March 2025, the Group achieved a gross profit of HK\$130.2 million, representing a decrease of 9.5% from HK\$143.9 million in the preceding year. The gross profit margin experienced a decline of 2.9 percentage points, settling at 12.5% compared to 15.4% in the preceding year. This decline was mainly due to the high fixed costs associated with the early development stage of the AI compute and related businesses.

### Gain on Disposal of an Associate

As at 31 March 2024, the Group had an equity interest of 28.83% in Nantong Jianghai Capacitor Company Ltd. (“Nantong Jianghai”), a former associate of the Group. On 12 March 2024, the Group entered into a shares purchase agreement to dispose of 20.02% of the equity interests in Nantong Jianghai to an independent third party (the “Disposal”). The Disposal was completed on 13 January 2025, which included an amendment to reduce the disposed equity interest in Nantong Jianghai from 20.02% to 15.00%. Pursuant to the completion of the Disposal, the remaining 13.81% equity interests in Nantong Jianghai (the “Retaining Interests”) has been reclassified from interests in associates to financial assets at fair value through profit or loss (“FVTPL”). A gain on disposal of the entire interests in Nantong Jianghai (including the deemed disposal of the Retaining Interests) of approximately HK\$3,247 million was recorded.



## MANAGEMENT DISCUSSION AND ANALYSIS

### Net (Loss) Gain on Fair Value Changes of Financial Assets at FVTPL

This mainly represents the loss from fair value changes of the Retaining Interests (as defined under the paragraph “Gain on Disposal of an Associate” above) of HK\$145.6 million.

### Other Income

Other income amounted to approximately HK\$60.9 million (2024: HK\$23.7 million), reflecting an increase of HK\$37.2 million. This increase was primarily due to a dividend income of HK\$35.6 million derived from the disposed equity interest received from Nantong Jianghai during the year. Pursuant to the Disposal, the remaining 13.81% equity interests in Nantong Jianghai has been reclassified from interests in associates to financial assets at FVTPL.

### Selling and Distribution Expenses

Selling and distribution expenses amounted to approximately HK\$100.5 million (2024: HK\$78.2 million). The increase was mainly due to the increase in business promotional expenses and staff-related costs.

### Administrative Expenses

Administrative expenses amounted to approximately HK\$48.4 million (2024: HK\$36.2 million). The increase was mainly attributable to the increase in staff-related costs and legal and professional fees.

### Income Tax

Effective tax rate in relation to the Group’s core business (income tax expenses excluding the withholding tax on undistributed profits in associates as a percentage of profit before income tax excluding the share of results of associates) was 15% (2024: 13%).

### Profit Attributable to Owners of the Company

Profit attributable to owners of the Company for the year ended 31 March 2025 was approximately HK\$2,788.7 million (2024: HK\$176.8 million), representing a substantial increase of approximately HK\$2,611.9 million as compared with that for the preceding year. The increase in profit was mainly attributable to the non-recurring gain from the disposal of the entire interests in Nantong Jianghai (including the deemed disposal of the Retaining Interests), a former associate of the Group.

### Capital Expenditure

During the year ended 31 March 2025, capital expenditure amounted to HK\$151.0 million (2024: HK\$45.4 million) primarily for AI compute and related equipment.

## MANAGEMENT DISCUSSION AND ANALYSIS

### INVESTMENTS IN ASSOCIATES

#### **Investment in Suzhou QingYue Optoelectronics Technology Co., Ltd. (“Suzhou QingYue”)**

Suzhou QingYue, the Group’s 28.08%-owned associate, is engaged in the production and sales of passive mode organic light-emitting diodes (“PMOLED”), e-paper modules and micro-OLED. The Group’s share of loss from Suzhou QingYue amounted to approximately HK\$26.2 million for the year (2024: HK\$40.6 million).

During the year, the continuous geographical tensions and global economic slowdown have led to a slower-than-expected sales growth in both PMOLED and e-paper modules. Coupled with intensified price competition, the gross profit margin of Suzhou QingYue has been under pressure. Suzhou QingYue had taken measures to reduce the operation costs and enhance the production efficiency. In the micro-OLED segment, QingYue has continued to commit resources in research and development and has successfully entered into the augmented reality market.

Looking forward, Suzhou QingYue will innovate with highly customizable products, and expand into high-end application areas in PMOLED field. For e-paper modules business, Suzhou QingYue will step up its technological advancements in large-sized and multi-color display solutions for a broader product application, like e-paper display module for phone case. It will also refine its existing production facilities and manufacturing process to improve its production efficiency and product quality. In the micro-OLED sector, Suzhou QingYue will strengthen industry-academia-research collaboration, partnering with elite institutions to elevate its technological industry status.

#### **Investment in Nantong Jianghai**

As set out in the paragraph under “Gain on Disposal of an associate”, the Group completed the disposal of 15.00% in Nantong Jianghai during the year, and Nantong Jianghai ceased to be an associate of the Group. The Retaining Interests in Nantong Jianghai have been reclassified from interests in associates to financial assets at FVTPL.

### PRINCIPAL RISKS AND UNCERTAINTIES

A variety of factors impact the outcomes and business operations of the Group. The primary risk is the uncertainty in the economic environment, both globally and in the People’s Republic of China (“PRC”), given the ongoing tensions between the PRC and the United States of America (“U.S.”), tariff war and the geopolitical tensions. Additionally, the intense competition and the rapid innovation in technology may affect the Group’s operating results.

## MANAGEMENT DISCUSSION AND ANALYSIS

### ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group places a strong emphasis on corporate social responsibility, with a focus on environmental sustainability as a key priority. A systematic approach has been implemented to incorporate green and sustainable practices into its operations, including initiatives such as environmentally friendly product design, carbon emission reduction, process management, energy and resource management, and supply chain management. These measures are aimed at reducing the Group's environmental footprint and minimising the negative impact on the environment. Enhancements to environmental protection facilities in the Group's manufacturing plants have improved the management of sewage, air emissions, solid wastes and recycled materials.

The Group's Environmental, Social and Governance ("ESG") Report which sets out details of the Group's strategies, efforts and performance in ESG will be uploaded onto the websites of the Stock Exchange and the Company before the end of July 2025.

### COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

The Group's operations are mainly carried out in the PRC and Hong Kong, and the Company was incorporated in Bermuda and its shares listed on the Stock Exchange. During the year, there has not been any case of non-compliance with all the laws and regulations in the above-mentioned jurisdictions which has a significant impact on the operations of the Group.

### RELATIONSHIP WITH KEY STAKEHOLDERS

Human resources are one of the greatest assets of the Group and the Group regards the personal development of its employees as a matter of the utmost importance. It is the objective of the Group to continue to be an attractive employer for committed employees. The Group strives to motivate its employees with a clear career path and opportunities for advancement and improvement of their skills. In addition, the Group offers competitive remuneration packages to the employees. The Group has also adopted a share award scheme and a share option scheme to recognise and reward the employees for their contribution to the growth and development of the Group. The Group has developed long-standing relationships with a number of suppliers and taken great care to ensure that they share the Group's commitment to quality and ethics. The Group also carefully selects its suppliers and requires them to satisfy certain assessment criteria including track records, experience, financial strength, reputation, ability to produce high-quality products, effectiveness of quality control and their commitment to ESG. The Group is committed to offering a broad and diverse range of value-for-money, good-quality products/services to its customers. Management believes that the above objectives will help to enhance the value of the Company for its shareholders.

## MANAGEMENT DISCUSSION AND ANALYSIS

### PROSPECTS

Despite the prevailing challenges in the external environment, characterised by strained relationship between the PRC and the U.S., the Group is cautiously optimistic towards the prospective business growth. It firmly believes that its track record of successfully implementing business strategies, loyal client base, and the committed management team will unlock immense growth prospects in the long term. The Group's strategic priorities include strengthening its position in the engineering machinery, medical equipment, and commercial appliance markets, while also venturing into new markets amidst the industrial digital era. Additionally, AI technology has emerged as a key driver of global economic growth and is fueling a new wave of technological innovation and industrial transformation. Moving forward, the Group will continue to strengthen its competitiveness in the display business while at the same time increase its investment in the AI compute and related businesses.

### LIQUIDITY AND FINANCIAL RESOURCES

As at 31 March 2025, the Group's current ratio was 2.8 (31 March 2024: 1.6, excluding the assets classified as held for sale and its associated liabilities). The gearing ratio was 0.5% (31 March 2024: 1.4%), which was calculated based on total debts including bank borrowings and lease liabilities divided by equity attributable to owners of the Company.

As at 31 March 2025, the Group had total assets of approximately HK\$4,274.2 million, which were financed by liabilities of HK\$598.8 million and total equity of HK\$3,675.4 million.

As at 31 March 2025, the Group's banking facilities amounted to approximately HK\$286.0 million (31 March 2024: HK\$285.7 million) of which approximately HK\$15.9 million (31 March 2024: HK\$31.7 million) were utilised, mainly in the forms of letters of credit, short term loan and bills payable.

Certain subsidiaries of the Group have assets and liabilities in foreign currencies. We are exposed to foreign currency risk arising from various currency exposures. The management monitors the foreign exchange risk and has taken appropriate hedging measures against significant foreign currency exposures.

### EVENT AFTER THE REPORTING PERIOD

Subsequent to the reporting period, the Group invested RMB100,000,000 (equivalent to approximately HK\$107,000,000) for approximately 3.34% of the equity interest in a private company, which is established in the PRC and principally engaged in the design, development and sale of high-end intelligent network chips and offers reliable and cost-effective network infrastructure solutions and products. Additionally, the Group also invested RMB20,000,000 (equivalent to approximately HK\$21,464,000) for approximately 5.20% of the equity interest in another private company, which is established in the PRC and principally engaged in the development and sale of AI hardware, software and auxiliary products, providing technical services and offering AI data platform and information system integration. These investments are not held for trading but for long-term strategic purpose. Therefore, the investments will be accounted for as financial assets at FVTPL in the Group's consolidated financial statements for the year ending 31 March 2026.

## MANAGEMENT DISCUSSION AND ANALYSIS

On 20 June 2025, the Group entered into the servers and auxiliary products sale agreement to purchase the servers and auxiliary products and software at a total consideration of RMB106,560,000 (equivalent to approximately HK\$116,150,400) (inclusive of tax) subject to and in accordance with the terms and conditions thereof. Details of the transaction were set out in the announcement of the Company dated 20 June 2025.

## CONTINGENT LIABILITIES AND CHARGES OF ASSETS

The Group did not have any significant contingent liabilities and there were no significant charges or pledges on any of the Group's assets as at 31 March 2025.

## EMPLOYMENT AND REMUNERATION POLICY

The remuneration package for the Group's employees is structured by reference to market terms and industry's practice. Discretionary bonus and other rewards are based on the financial performance of the Group and the performance of individual staff members. Staff benefit plans maintained by the Group include mandatory and voluntary provident fund scheme and medical insurance. The Company has adopted a restricted share award scheme on 24 October 2012 (the "Share Award Scheme") pursuant to which shares of the Company will be purchased by an independent trustee from the market and held in trust for the participants of the Share Award Scheme, including employees or consultants engaged by any member of the Group, until such shares are vested with the relevant participants in accordance with the provisions of the Share Award Scheme. The Company has also adopted a share option scheme on 16 August 2024 (the "Share Option Scheme"). The purpose of Share Award Scheme and the Share Option Scheme is to serve as an incentive to retain the participants and encourage them to contribute to the continued operation and development of the Group.

## MAJOR CUSTOMERS AND SUPPLIERS

The percentage of the Group's turnover and purchases attributable to major customers and suppliers were as follows:

	2025	2024
Percentage of purchases from the Group's largest supplier	10	7
Percentage of purchases from the Group's five largest suppliers	30	26
Percentage of turnover to the Group's largest customer	5	4
Percentage of turnover to the Group's five largest customers	20	15

As a result of the diversification of both its customers and suppliers, the Group had no material concentration risk in both sales and sourcing.

For the year ended 31 March 2025, to the best knowledge of the Directors, none of the Directors or any shareholders holding more than 5% of the Group's share capital and their respective associates had any beneficial interest in the Group's five largest customers and/or five largest suppliers.



## MANAGEMENT DISCUSSION AND ANALYSIS

### DIVIDEND

A special dividend of HK\$1.80 (2024: Nil) per ordinary share was paid in February 2025. A final dividend in respect of the year ended 31 March 2025 of HK5.0 cents (2024: HK5.0 cents) per ordinary share was proposed by the board of Directors (the “Board”). The proposed final dividend amounted to a total of HK\$46,665,000 has to be approved by the shareholders of the Company (the “Shareholders”) in the forthcoming annual general meeting. The proposed final dividend will be paid on or about Monday, 6 October 2025 to Shareholders whose names appear on the register of members of the Company at the close of business on Wednesday, 10 September 2025.

### CLOSURE OF REGISTER OF MEMBERS

The annual general meeting of the Company is scheduled to be held on Monday, 25 August 2025 (the “Annual General Meeting”). For determining the entitlement to attendance and a vote at the Annual General Meeting, the register of members of the Company will be closed from Wednesday, 20 August 2025 to Monday, 25 August 2025, both days inclusive, during which period no transfer of shares will be effected. In order to be eligible to attend and vote at the Annual General Meeting, all transfers of shares, accompanied by the relevant share certificates, must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 19 August 2025.

The proposed final dividend is subject to the approval of the Shareholders at the Annual General Meeting. For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed on Tuesday, 9 September 2025 to Wednesday, 10 September 2025, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the proposed final dividend, all transfers of shares, accompanied by the relevant share certificates, must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, for registration not later than 4:30 p.m. on Monday, 8 September 2025.

# CORPORATE GOVERNANCE REPORT

## CORPORATE GOVERNANCE PRACTICES

The Board believes that corporate governance is essential to the success of the Company and has adopted various measures to ensure that a high standard of corporate governance is maintained. Throughout the year ended 31 March 2025, the Company has applied the principles and complied with the requirements of the Corporate Governance Code (the “Code”) listed out in Appendix C1 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”).

## CORPORATE CULTURE

The Company is committed to developing a culture that is aligned with its vision and mission set out below:

### Vision

To establish the Group as a leading operator in the advanced technology-based industries.

### Mission

To uphold the Group’s core values and operational integrity in order to achieve balanced and sustainable business growth.

## COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS (THE “MODEL CODE”)

The Company has adopted the Model Code as set out in Appendix C3 of the Listing Rules as its code of conduct regarding securities transactions by the Directors. Having made specific enquiries of all Directors, the Board is not aware of any non-compliance with the required standard as set out in the Model Code throughout the year ended 31 March 2025.

## BOARD OF DIRECTORS

As at 31 March 2025, the Board comprises:

### Executive Directors

Mr. Fang Yan Tak, Douglas (*Chairman*)  
Mr. Li Kwok Wai, Frankie (*Chief Executive Officer*)  
Mr. Leung Tze Kuen  
Mr. Cheung Wai Man (appointed on 12 July 2024)

### Independent Non-executive Directors

Mr. Chu Chi Wai, Allan  
Mr. Lau Yuen Sun, Adrian  
Prof. Lau Kei May

## CORPORATE GOVERNANCE REPORT

The Board members have no financial, business, family or other material or relevant relationships with one another except for Mr. Cheung Wai Man is also an employee of Fang Brothers Holdings Limited, which is owned by Mr. Fang Yan Tak, Douglas and his family members. Such balanced board composition is formed to ensure strong independence exists across the Board. The Board has also met the Listing Rules' requirement to have at least one-third in number of its members comprising Independent Non-executive Directors.

A board diversity policy has been formulated by the Board setting out the approach to maintaining a board with a diversity of Directors. The Company recognises the benefits of diversity at the Board level as an essential element in supporting its sustainable development. All Board appointments will continue to be based on meritocracy with due regard for the benefits of diversity on the Board. Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

In accordance with the requirements under the Code, the Company has set an initial target that the Board should not comprised members of single gender.

Regarding the current Board's composition, the Board comprises six male and one female Directors. The Directors believe that the composition of the Board reflects the necessary balance of skills and experience appropriate for the requirements of the business development of the Group and for effective leadership as all the Executive Directors possess extensive experience in business while the Independent Non-executive Directors possess professional knowledge and broad experience in finance, management and the displays industry. The Directors are of the opinion that the present structure of the Board can ensure the independence and objectivity of the Board and provide a system of checks and balances to safeguard the interests of the shareholders and the Company.

Having made specific enquiry with all Independent Non-executive Directors, all such Directors confirmed that they have met the criteria of Rule 3.13 of the Listing Rules regarding the guidelines for assessment of independence.

Consideration was given to the independence of Mr. Chu Chi Wai, Allan and Mr. Lau Yuen Sun, Adrian, both of them have served on the Board for more than nine years. Both Mr. Chu Chi Wai, Allan and Mr. Lau Yuen Sun, Adrian do not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance, nor do they have any relationship with any other Directors, senior management or any substantial or controlling shareholders of the Company. Moreover, both of them have never engaged in any executive management of the Group. Taking into consideration the independent nature of their roles and duties in the past years, the Board considers both Mr. Chu Chi Wai, Allan and Mr. Lau Yuen Sun, Adrian to be independent under the Listing Rules despite their years of services with the Company.

The biographical details of the Directors are set out on pages 3 to 4 of this Annual Report.

## CORPORATE GOVERNANCE REPORT

During the year, nine board meetings were held and the attendance of each Director is set out as follows:

<b>Name of Directors</b>	<b>Number of Meetings Attended/ Entitled to Attend</b>
Mr. Fang Yan Tak, Douglas	9/9
Mr. Li Kwok Wai, Frankie	9/9
Mr. Leung Tze Kuen	9/9
Mr. Cheung Wai Man	6/6
Mr. Chu Chi Wai, Allan	9/9
Mr. Lau Yuen Sun, Adrian	9/9
Prof. Lau Kei May	9/9

Apart from the regular Board meetings, the Chairman also held a meeting with all the Independent Non-executive Directors during the year.

The Company has in place effective mechanisms to ensure independent views and input are available to the Board. The Board conducted an annual review on such mechanisms during the year ended 31 March 2025 and is of the view that the mechanisms have been properly implemented and are effective. In particular, the Company plans regular Board and Board committees meeting schedules well in advance and provides remote facilities for attendance, so as to facilitate active attendance and participation in the meetings. Board members, especially Independent Non-executive Directors, are welcome and are encouraged to raise enquiries, suggestions and views during the meetings. The Board process as stated above, including agenda setting and provision of meeting information, facilitates effective and active participation by all Directors. The Board and each Director has unrestricted access to the advice and services of the Company Secretary and also has the liberty to seek independent professional advice to assist them in performing their duties to the Company at the Company's expense.

The Company from time to time provides briefings, training sessions and materials to the Directors to develop and refresh their knowledge and skills including updates on the latest development regarding the Listing Rules and other applicable legal and regulatory requirements to enhance their awareness of the same. The Board continuously reviews and monitors the Company's corporate governance and practice to ensure compliance of regulatory requirements and up keeping of good practices.

The Board is responsible for formulating overall strategy, monitoring and controlling the performance of the Group. In addition to its overall supervisory role, the Board also retains specific responsibilities such as approving specific senior appointments, approving financial accounts, recommending dividend payments, approving policies relating to the Board's compliance, whilst managing the Group's business is the responsibility of the management of the Group (the "Management").

When the Board delegates aspects of its management and administration functions to the Management, it has given clear directions, in particular, with respect to the circumstances where the Management shall report back and obtain prior approval from the Board before making decisions or entering into any commitment on behalf of the Company.

## CORPORATE GOVERNANCE REPORT

Every newly appointed Director will receive formal, comprehensive and tailored induction on appointment to ensure appropriate understanding of the business and governance policies and operations of the Group and full awareness of Director's responsibilities and obligations under the Listing Rules and relevant statutory requirements. This understanding is deepened and continued by the Directors' participation in Board meetings and their work on various committees.

The Directors are regularly updated and apprised of any new regulations and guidelines, as well as any amendments thereto issued by the Stock Exchange, the Securities and Futures Commission of Hong Kong and the Hong Kong Companies Registry, particularly the effects of such new or amended regulations and guidelines on directors. Relevant reading materials are also provided to the Directors. On an ongoing basis Directors are encouraged to keep up to date on all matters relevant to the Group and attend briefings and seminars as appropriate. The Company has been provided by the Directors of their respective training records.

### Chairman and Chief Executive Officer

The roles of the Chairman and the Chief Executive Officer are segregated and assumed by separate individuals who have no relationship with each other, to strike a balance of power and authority so that the job responsibilities are not concentrated on any one individual. The Chairman focuses on overall corporate development and strategic direction of the Group, and provides leadership for, and oversees the effective functioning of, the Board. The Chief Executive Officer is responsible for the day-to-day corporate management as well as planning and developing the Group's strategy.

### Nomination of Directors

The Company has set up a Nomination Committee which is responsible for nominating appropriate person either to fill a casual vacancy or as an additional member to the existing Board.

According to the bye-laws, notice in writing of the intention to propose a person for election as a Director and notice in writing by that person of his willingness to be elected shall have been lodged at the Head Office or at the Registration Office of the Company at least seven days before the date of the general meeting, or else no person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting.

The period for lodgement of the notices referred to above will commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than 7 days prior to the date of such general meeting.

In evaluating and selecting any candidate for directorship, the following criteria should be considered:

- character and integrity;
- qualifications including professional qualifications, skills, knowledge, experience and diversity aspects under the Board diversity policy that are relevant to the Company's business and corporate strategy;



## CORPORATE GOVERNANCE REPORT

- any measurable objectives adopted for achieving diversity on the Board;
- requirement for the Board to have independent Directors in accordance with the Listing Rules and whether the candidate would be considered independent with reference to the independence guidelines set out in the Listing Rules;
- any potential contributions the candidate can bring to the Board in terms of qualifications, skills, experience, independence and gender diversity;
- willingness and ability to devote adequate time to discharge duties as a member of the Board and/or Board committee(s); and
- such other perspectives that are appropriate to the Company's business and succession plan that may be adopted by the Board and/or the Nomination Committee from time to time for nomination of Directors and succession planning.

The Nomination Committee, upon receipt of the proposal on appointment of new Director and the biographical information of the candidate, will evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship and made recommendation to the Board to appoint the candidate for directorship.

### **Appointment and Re-election of Directors**

According to the bye-laws, at each annual general meeting of the Company one third of the Directors for the time being (and if the number of Directors is not three or a multiple of three, then the number nearest to but not less than one third) shall retire by rotation. This complies with the provision B.2.2 of the Code which requires all Directors to be subject to retirement by rotation at least once every three years.

With respect to the re-election of Directors at the annual general meeting, the Nomination Committee will review the overall contribution and services to the Company of the retiring Directors and the level of participation and performance on the Board to determine whether the retiring Directors would continue to meet the criteria as set out above and made recommendation to the Board in respect of the proposed re-election of Directors at the general meeting. The relevant information of the retiring Directors together with the recommendation of the Board would then be disclosed in the circular accompanying the notice of the general meeting and sent to shareholders in accordance with the Listing Rules and applicable laws and regulations.

As a good corporate governance practice, a Director is required to abstain from assessing his own independence (in case he is an Independent Non-executive Director) and re-appointment, both at the Board meeting and Nomination Committee meeting.

# CORPORATE GOVERNANCE REPORT

## BOARD COMMITTEES

The Board establishes committees to assist it in carrying out its responsibilities. The Board has appointed three Board committees i.e. the Nomination Committee, Remuneration Committee and Audit Committee to oversee particular aspects of the Group's affairs. Each of the committees has defined terms of reference setting out its duties, powers and function. The committees report regularly to the Board and, where appropriate, make recommendations on matters discussed.

### Nomination Committee

The Nomination Committee was established on 24 November 2011. The Committee comprises Mr. Li Kwok Wai, Frankie, Executive Director and Chief Executive Officer, and Mr. Chu Chi Wai, Allan and Mr. Lau Yuen Sun, Adrian, both Independent Non-executive Directors. Mr. Chu Chi Wai, Allan was appointed as Chairman of the Nomination Committee. The terms of reference stipulating the authority and duties of the Nomination Committee conform to the provisions of the Code and are posted on the websites of the Stock Exchange and the Company.

The Nomination Committee shall meet at least once a year. During the year two meetings were held and the attendance of each Nomination Committee member is set out as follows:

<b>Name of Directors</b>	<b>Number of Meetings Attended/ Entitled to Attend</b>
Mr. Chu Chi Wai, Allan	2/2
Mr. Li Kwok Wai, Frankie	2/2
Mr. Lau Yuen Sun, Adrian	2/2

The major roles and functions of the Nomination Committee are as follows:

1. To review the size, structure and composition (including the skill, knowledge, experience and diversity of perspective) of the Board.
2. To identify individuals who are suitably qualified to become Directors.
3. To assess the independence of the Independent Non-executive Directors.
4. To make recommendation to the Board on the appointment or re-appointment of Directors and succession planning for Directors.
5. To review the Director Nomination Policy and Board Diversity Policy as and when necessary and monitor its implementation.

## CORPORATE GOVERNANCE REPORT

### Remuneration Committee

The Remuneration Committee was established on 27 May 2005. The Committee comprises Mr. Li Kwok Wai, Frankie, Executive Director and Chief Executive Officer, and Mr. Lau Yuen Sun, Adrian and Mr. Chu Chi Wai, Allan, both Independent Non-executive Directors. Mr. Lau Yuen Sun, Adrian, was appointed as Chairman of the Remuneration Committee. The written terms of reference stipulating the authority and duties of the Remuneration Committee conform to the provisions of the Code and are posted on the websites of the Stock Exchange and the Company.

The Remuneration Committee shall meet at least once a year. During the year, five meetings were held and the attendance of each Remuneration Committee member is set out as follows:

<b>Name of Directors</b>	<b>Number of Meetings Attended/ Entitled to Attend</b>
Mr. Lau Yuen Sun, Adrian	5/5
Mr. Li Kwok Wai, Frankie	5/5
Mr. Chu Chi Wai, Allan	5/5

The remuneration policy of the Group is to ensure all its employees are remunerated in line with market terms and individual performance. At the meetings held during the year, the overall pay trend in Hong Kong and Mainland China was noted and the remuneration of the Directors and senior management team was reviewed accordingly.

The major roles and functions of the Remuneration Committee are as follows:

1. To review and recommend to the Board the overall remuneration policy for the Directors and senior management.
2. To review and recommend to the Board for its approval the remuneration of the Directors; and to review and approve the remuneration of other senior management; by reference to corporate goals and objectives resolved by the Board from time to time.
3. To ensure that the level of remuneration for Independent Non-executive Directors are linked to their level of responsibilities undertaken and contribution to the effective functioning of the Board.
4. To ensure that no Director is involved in deciding his own remuneration.

## CORPORATE GOVERNANCE REPORT

Details of the annual remuneration of the members of the senior management by band for the year ended 31 March 2025 are as follows:

	Number of employees
Below HK\$1,000,000	2
HK\$1,000,000 to HK\$1,500,000	2
Total	4

Details of the remuneration of each Director for the year ended 31 March 2025 are set out in note 12 to the financial statements.

### Audit Committee

The Audit Committee of the Company comprises Mr. Lau Yuen Sun, Adrian, Professor Lau Kei May and Mr. Chu Chi Wai, Allan, all being Independent Non-executive Directors. Mr. Lau Yuen Sun, Adrian, was appointed as Chairman of the Audit Committee. The terms of reference stipulating the authority and duties of the Audit Committee conform to the provisions of the Code and are posted on the websites of the Stock Exchange and the Company.

The Audit Committee shall meet at least twice a year. During the year, two meetings were held and the attendance of each Audit Committee member is set out as follows:

Name of Directors	Number of Meetings Attended/ Entitled to Attend
Mr. Lau Yuen Sun, Adrian	2/2
Mr. Chu Chi Wai, Allan	2/2
Prof. Lau Kei May	2/2

During the year, the Audit Committee had performed the following work:

- (i) reviewed the financial reports for the year ended 31 March 2024 and for the six months ended 30 September 2024;
- (ii) reviewed the effectiveness of the systems of internal control and risk management;
- (iii) reviewed the external auditors' statutory audit plan and engagement letter;
- (iv) discussed with the Company's external auditors the internal control of the Group; and
- (v) reviewed and approved the scope and fees of the audit for the year ended 31 March 2025.

## CORPORATE GOVERNANCE REPORT

The major roles and functions of the Audit Committee are as follows:

- (i) To consider the appointment of the external auditors, the audit fees, and any questions of resignation or dismissal of the external auditors of the Group;
- (ii) To discuss with the external auditors the nature and scope of the audit;
- (iii) To review the interim and annual financial statements before submission to the Board;
- (iv) To discuss problems and reservations arising from the interim review and final audit, and any matters the auditors may wish to discuss;
- (v) To review the external auditors' management letters and management's response; and
- (vi) To review the Company's systems of financial controls, internal controls and risk management to ensure that they are appropriate and functioning properly.

### AUDITORS' REMUNERATION

During the year ended 31 March 2025, the remuneration paid or payable to the Company's auditor, Messrs. Deloitte Touche Tohmatsu, is set out as follows:

Services rendered	Fees paid and payable HK\$'000
Audit services	3,100
Non-audit services	720
	<u>3,820</u>

### Internal Controls and Risk Management

The Board is responsible for maintaining an adequate internal control and risk management system to safeguard shareholders' investments and the Group's assets, and reviewing their effectiveness annually through the Audit Committee. The Audit Committee reports to the Board on any material issues and makes recommendations to the Board. Procedures have been put in place to safeguard the Group's assets against unauthorised use or disposal, to ensure proper accounting records are kept so that reliable financial information can be provided when required, and to ensure compliance with all applicable laws and regulations. These procedures have been based on industry norms and are designed to provide reasonable assurance and protection against errors, losses and fraud.



## CORPORATE GOVERNANCE REPORT

During the year, the Company has appointed a firm of independent internal control consultants to conduct regular internal audits of the Group. These are risk-based audits designed to review the effectiveness of the companies' material internal controls so as to provide assurance that key business and operational risks are identified and managed, and to ensure that the internal control measures are carried out appropriately and are functioning as intended. The independent internal control consultants report their findings to the Audit Committee and the Board and make recommendations to optimize the risk management and internal control systems of the Group.

The Group has established a set of risk management policies and measures, which has been codified in its policies and adopted by it. Such policies and measures are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable but not absolute assurance against material misstatement or loss. The ultimate goal of the Group's risk management policies and measures is to bring focus and effort to the issues in its business operations that create impediments to the Group's success. The Group's risk management process starts with identifying the major risks associated with its business, industry and market in the ordinary course of business as well as environmental social and governance. Depending on the likelihood and potential impacts of the relevant risks exposed to the Group, the management will prioritize the risks and will either take immediate mitigating action, devise contingency plan or conduct periodic review in accordance with the contingency plan. The Management is responsible for identifying and analysing the risks associated with their respective function, preparing risk mitigation plans, measuring effectiveness of such risk mitigation plans and reporting status of risk management. A risk management committee has been set up which is responsible for advising on risk management matters, while the Audit Committee and ultimately the Board will supervise the implementation of the Group's risk management policies and measures.

The importance of internal controls and risk management is communicated to staff members in order to foster an environment in which internal controls are understood and respected within the Group. The Company also has a formal written whistle-blowing policy to enable staff members to communicate their concerns about any aspect of internal operations.

During the year, the Board has reviewed the effectiveness of the systems of internal control and risk management of the Group. The Board is of the view that the system of internal controls and risk management in place for the year under review is sound and sufficient to safeguard the interests of shareholders, customers and employees, as well as the Group's assets. The Board has also reviewed the adequacy of resources, qualifications and experience of staff of the Group's accounting, internal audit and financial reporting functions, and their training programmes and budget during the year and considered that the Group had adequate staff resources with the competence, qualifications and experience necessary for the effective performance of its accounting, internal audit and financial reporting functions.

In relation to the handling and dissemination of inside information in accordance with the Listing Rules and the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong), the Group has adopted measures including raising awareness of confidentiality in the Group, issuing notices regarding "black-out" period and restrictions on dealings to Directors and employees on a regular basis to ensure compliance when handling and disclosing inside information.

# CORPORATE GOVERNANCE REPORT

## ACCOUNTABILITY AND AUDIT

The Directors are responsible for overseeing the preparation of accounts of each financial period, which give a true and fair view of the state of affairs of the Group and of the results and cash flow for that period. In preparing the accounts for the year ended 31 March 2025, the Directors have selected suitable accounting policies and have applied them consistently, adopted appropriate Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards which are pertinent to its operations and relevant to the financial statements, made judgments and estimates that are prudent and reasonable, and have prepared the accounts on the going concern basis. The statement of the external auditor about its reporting responsibilities on the consolidated financial statements is set out in the independent auditor's report on pages 40 to 44 of this Annual Report.

## DIVIDEND POLICY

The Board has the discretion to declare and distribute dividends to the shareholders of the Company, subject to the memorandum of association and bye-laws of the Company and all applicable laws and regulations. In recommending or declaring dividends, the Company shall maintain adequate cash reserves for meeting its working capital requirements and future growth as well as its shareholders value. The Company has no fixed dividend pay-out ratio. The Board considers that, in general, the amount of dividends to be declared will depend on general economic conditions as well as the Group's actual and expected financial performance, retained profits and distributable reserves, cash flow, working capital requirements, capital expenditure requirements and future expansion plans, liquidity position, and other factors as may be considered relevant at such time by the Board.

## COMMUNICATION WITH SHAREHOLDERS

The Company establishes and maintains different communication channels with its shareholders through the publication of annual and interim reports and press announcements. As a channel of further promoting effective communication, the Company's website is maintained to disseminate the relevant financial and non-financial information on a timely basis.

The annual general meeting provides a useful forum for shareholders to exchange views with the Board. All Directors attended the Company's 2024 annual general meeting and were available to answer shareholders' questions.

At the Company's 2024 annual general meeting, all votings were conducted by poll in accordance with the requirements of the Listing Rules.

## CORPORATE GOVERNANCE REPORT

Shareholders holding not less than one-tenth of the paid up capital of the Company shall have the right, by written requisition to the Head Office of the Company for the attention of the Board or the Company Secretary, to require a special general meeting of the Company to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two months after such requisition. Shareholders may also send written enquiries to the Company for putting forward any enquiries or proposals to the Head Office of the Company for the attention of the Board or the Company Secretary.

A Shareholders Communication Policy has been posted on the Company's website ([www.yeebo.com.hk](http://www.yeebo.com.hk)).

Where shareholders have any enquiry and/or proposals putting forward at shareholders' meeting, they may send them by mail to the Company Secretary at the Company's Head Office or via email to [ir@yeebo.com.hk](mailto:ir@yeebo.com.hk).

The Board has reviewed its prevailing shareholders' communication policy during the year and believes that, in light of the multiple channels of communication and engagement in place as stated above, the current shareholders' communication policy of the Company has been properly implemented during the year ended 31 March 2025.

### MEMORANDUM OF ASSOCIATION AND BYE-LAWS

With effect from 11 June 2024, the Listing Rules have been amended to the effect that, among others, the requirements to cancel repurchased shares has been removed such that listed issuers may hold the repurchased shares in treasury subject to the laws of their places of incorporation and their constitutional documents, and a framework in the Listing Rules to govern the resale of treasury shares has been adopted. A special resolution was proposed and passed at the 2024 annual general meeting of the Company for the purpose of altering the memorandum of the Company to, inter alia, authorise the Company to, subject to and in accordance with the Bermuda Companies Act, the Listing Rules, and such other laws and regulations as may from time to time be applicable, hold any share purchased or acquired by the Company as treasury shares.

The existing Company's memorandum of association and bye-laws is available on the Company's website and the Stock Exchange's website.

### COMPANY SECRETARY

Mr. Lau Siu Ki, Kevin of Hin Yan Consultants Limited, external service provider, has been engaged by the Company as the Company Secretary. The primary contact person at the Company, whom Mr. Lau contacts, is Mr. Leung Tze Kuen, Executive Director.

During the year ended 31 March 2025, Mr Lau has taken no less than 15 hours of relevant professional training to update his skills and knowledge.



## DIRECTORS' REPORT

The directors present their annual report and the audited consolidated financial statements for the year ended 31 March 2025.

### PRINCIPAL ACTIVITIES

The Company is an investment holding company. The activities of its principal subsidiaries and associates are set out in notes 42 and 19, respectively, to the consolidated financial statements.

### BUSINESS REVIEW

A fair review of the Group's business and the analysis of the Group's performance for the year ended 31 March 2025 as well as outlook/prospects of the Group's business are provided in the sections "Chairman's Statement" on pages 5 to 6 and "Management Discussion and Analysis" on pages 7 to 13 of this Annual Report.

### RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 March 2025 are set out in the consolidated statement of profit or loss and other comprehensive income on pages 45 to 46.

A special dividend of HK\$1.80 (2024: Nil) per ordinary share was paid in February 2025. The Directors recommend the payment of a final dividend of HK5.0 cents per ordinary share to the shareholders on the register of members on Wednesday, 10 September 2025, amounting to approximately HK\$46,665,000, and the retention of the remaining profit. The proposed final dividend has to be approved in the forthcoming annual general meeting of the Company to be held on Monday, 25 August 2025.

### PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group during the year are set out in note 16 to the consolidated financial statements.

### SHARE CAPITAL

Details of the movements in the share capital of the Company during the year ended 31 March 2025 are set out in note 32 to the consolidated financial statements.

## DIRECTORS' REPORT

### RESERVES

Details of movements in the reserves of the Group are set out in the consolidated statement of changes in equity on pages 49 to 51.

The Company's reserve available for distribution to shareholders as at 31 March 2025 were as follows:

	2025 HK\$'000	2024 HK\$'000
Contributed surplus	49,259	49,259
Retained profits	452,344	138,211
	<b>501,603</b>	187,470

Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus account of the Company is available for distribution. However, the Company cannot declare to pay a dividend, or make a distribution out of contribution surplus if:

- (a) it is or would after the payment be unable to pay its liabilities as they become due; or
- (b) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

### DIRECTORS

The directors of the Company during the year ended 31 March 2025 and at the date of this report were:

#### Executive Directors:

Mr. Fang Yan Tak, Douglas  
Mr. Li Kwok Wai, Frankie  
Mr. Leung Tze Kuen  
Mr. Cheung Wai Man (appointed on 12 July 2024)

#### Independent Non-executive Directors:

Mr. Chu Chi Wai, Allan  
Mr. Lau Yuen Sun, Adrian  
Prof. Lau Kei May

In accordance with Clause 86 and 87 of the Company's bye-laws, Mr. Fang Yan Tak, Douglas, Mr. Li Kwok Wai, Frankie and Mr. Lau Yuen Sun, Adrian will retire at the forthcoming annual general meeting of the Company and, being eligible, offer themselves for re-election at such meeting.



## DIRECTORS' REPORT

The directors proposed for re-election at the forthcoming annual general meeting do not have a service contract which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

The Company has received annual confirmation of independence from the three independent non-executive directors in accordance with Rule 3.13 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules") and considers them to be independent.

## BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the directors and the senior management of the Group are set out on pages 3 to 4 of this Annual Report.

## INTERESTS OF DIRECTORS AND CHIEF EXECUTIVES IN SECURITIES

At 31 March 2025, the interests and short positions of the directors and chief executives and their associates in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of part XV of the Securities and Futures Ordinance ("SFO")), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") were as follows:

### (A) Long position in the shares of the Company

	Number of shares and nature of interests			Percentage of Company's issued capital (Note (i))
	Personal interests	Spouse Interests	Total	
Mr. Li Kwok Wai, Frankie	108,504,000	—	108,504,000	11.63%
Mr. Leung Tze Kuen (Note (ii))	3,450,000	—	3,450,000	0.37%
Mr. Cheung Wai Man (Note (iii))	250,000	100,000	350,000	0.04%

## DIRECTORS' REPORT

### (B) Long position in the shares of associated corporations of the Company

#### (1) Antrix Investment Limited ("Antrix") (Note (iv))

	Number of shares and nature of interests		Percentage of issued capital of Antrix
	Through controlled corporations	Total	
Mr. Li Kwok Wai, Frankie	17,351,735	17,351,735	33.33%

#### (2) Fang Brothers Holdings Limited ("Fang Brothers") (Note (v))

	Number of shares and nature of interests		Percentage of issued capital of Fang Brothers
	Personal interests	Total	
Mr. Fang Yan Tak, Douglas	16,000,000	16,000,000	20.00%

#### Notes:

- (i) Based on the total number of issued shares of the Company as at 31 March 2025 of 933,302,000.
- (ii) The 3,450,000 shares included 250,000 shares granted under the share award scheme of the Company and vested on 1 April 2025.
- (iii) Mr. Cheung Wai Man's personal interest of 250,000 shares represents shares granted under the share award scheme of the Company. They are subject to the satisfactory fulfilment of vesting conditions.
- (iv) As at 31 March 2025, Antrix held 570,000,000 shares of the Company.
- (v) As at 31 March 2025, Fang Brothers beneficially owned 66.67% of the issued share capital of Antrix.

Save as disclosed above, as at 31 March 2025, none of the directors, the chief executive or their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register maintained by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

## **DIRECTORS' REPORT**

### **ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES**

At no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

### **DIRECTORS' INTERESTS IN CONTRACTS**

No contracts of significance to which the Company or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

### **PERMITTED INDEMNITY PROVISION**

Subject to the Companies Ordinance (Cap. 622 of the Laws of Hong Kong), every director is entitled under the Company's memorandum of association and bye-laws to be indemnified and secured harmless out of the assets and profits of the Company against all costs, charges, losses, damages and expenses which he or she may sustain or incur in or about the execution or discharge of his or her duties. To the extent permitted by such Ordinance, the Company has taken out insurance against the liability and costs associated with defending any proceedings which may be brought against directors of companies in the Group.

### **DIRECTORS' INTERESTS IN COMPETING BUSINESS**

As at 31 March 2025, none of the directors of the Company or any of Company's subsidiaries, or their respective associates had interests in businesses, other than being a director of the Company and/or its subsidiaries and their respective associates, which compete or are likely to compete, either directly or indirectly, with the businesses of the Company and its subsidiaries as required to be disclosed pursuant to the Listing Rules.

### **REMUNERATION FOR DIRECTORS**

In compliance with the Code as set out in Appendix C1 to the Listing Rules, the Company has established a remuneration committee to formulate remuneration policies. Directors' remuneration are subject to shareholders' approval at general meetings. Other emoluments are determined by the Board with reference to directors' duties and responsibilities, the recommendations of the remuneration committee and the performance and results of the Group. Details of the remuneration of the directors are set out in note 12 to the consolidated financial statements.

### **CHANGES IN DIRECTORS' BIOGRAPHICAL DETAILS**

Changes in directors' biographical details which are required to be disclosed pursuant to Rule 13.51B of the Listing Rules are set out below:

On 5 February 2025, Mr. Fang Yan Tak, Douglas retired as the vice chairman and a director of Nantong Jianghai Capacitor Co., Ltd. ("Nantong Jianghai"), a company listed on the Shenzhen Stock Exchange and a former associate of the Group.

On 5 February 2025, Mr. Cheung Wai Man retired as a director of Nantong Jianghai.

## DIRECTORS' REPORT

### RELATED PARTY TRANSACTIONS

Details of related party transactions undertaken in the normal course of business of the Group are set out in note 40 to the consolidated financial statements. None of these related party transactions constitutes a connected transaction as defined under the Listing Rules that is required to be disclosed.

The Company has complied with disclosure requirements in accordance with Chapter 14A of the Listing Rules for the year ended 31 March 2025.

### SUBSTANTIAL SHAREHOLDERS

As at 31 March 2025, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that the following shareholders had notified the Company of relevant interests and short positions in the issued share capital of the Company:

#### Long position in the shares of the Company

	Capacity and nature of interest	Number of shares held	Percentage of the Company's issued share capital (Note (i))
Antrix (Note (ii))	Directly beneficially owned	570,000,000	61.07%
Esca Investment Limited (Note (ii))	Indirectly beneficially owned	570,000,000	61.07%
Fang Brothers (Note (ii))	Indirectly beneficially owned	570,000,000	61.07%

#### Notes:

- (i) Based on the total number of issued shares of the Company as at 31 March 2025 of 933,302,000.
- (ii) As at 31 March 2025, Antrix was held as to 66.67% by Esca Investment Limited (a company wholly-owned by Fang Brothers in which none of its shareholders holds more than 20% of its issued capital). The shares held by Esca Investment Limited and Fang Brothers represent the same interest held by Antrix.

Save as disclosed above, as at 31 March 2025, the Company was not notified by any persons who had interests or short positions of 5% or more in the shares and underlying shares of the Company which is required to be recorded under Section 336 of the SFO.

### EMOLUMENT POLICY

The emolument policy of the employees of the Group is reviewed regularly by the board of directors. Remuneration packages are structured to take into account the merit, qualifications and competence of individual employees as well as the general market conditions.

## DIRECTORS' REPORT

### SHARE AWARD SCHEME

The Company has adopted a share award scheme (the "Share Award Scheme") approved by a resolution passed by the board of directors on 24 October 2012. The Share Award Scheme is funded only by existing shares of the Company.

The purpose of the Share Award Scheme is to recognise and motivate the contribution of certain qualifying persons and to provide incentives and help the Company in retaining and recruiting qualifying persons for the continual operation and development of the Group, and to provide them with a direct economic interest in attaining the long-term business objectives of the Company.

The participants of the Share Award Scheme include any employee (whether full-time, part-time or on contractual basis) of any member of the Group (including without limitation any executive and non-executive director of any member of the Group) as well as any person who is engaged by any member of the Group in the position as a consultant or otherwise to provide service(s) to the Group.

The maximum number of Shares which may be granted under the Share Award Scheme is 101,115,517 Shares, representing 10% of the issued Shares as at 24 October 2012, the date of adoption of the Share Award Scheme.

As the awards granted under the Share Award Scheme may only be satisfied with existing shares of the Company, the total number of shares available for issue under the Share Award Scheme is 0, representing 0% of the issued shares (excluding treasury shares) of the Company as at the date of this annual report.

The maximum entitlement of each participant under the Share Award Scheme is 10,111,551 Shares, representing 1% of the issued Shares as at the date of adoption of the Share Award Scheme.

Under the rules of the Share Award Scheme, the Shares granted to each participant will be vested in batches from the sixth to tenth year of the respective grant, provided that all the grant Shares shall be deemed to be vested on the date of the grantee attains the normal retirement age or the date of death of the grantee.

No purchase price is payable by the grantees for Shares awarded under the Share Award Scheme and the Shares to be granted are subject to acceptance by the grantees within a reasonable time as stipulated in the respective grant letter.

The Shares to be granted under the Share Award Scheme will be purchased by the trustee of the Share Award Scheme from the open market out of cash contributed by the Company.

The Share Award Scheme will expire on 23 October 2027 unless the Board determines to terminate the Share Award Scheme sooner by 3 months' prior notice provided that the early termination shall not affect any subsisting rights of any participant of the Share Award Scheme.

As at 1 April 2024, the number of share awards available for grant under the Share Award Scheme was 74,621,517. Share awards involving 3,560,000 existing shares were granted during the year ended 31 March 2025. Accordingly, as at 31 March 2025, there remain 71,061,517 share awards available for future grant under the Share Award Scheme.

## DIRECTORS' REPORT

Details of movements in the Share Award Scheme during the year ended 31 March 2025 are as follows:

Name or Category of grantees	Date of grant	Unvested awards outstanding as at 1 April 2024	Vesting period	Awards granted during the year	Awards vested during the year	Purchase price	Closing price of the Shares immediately before the date of grant	Fair value of the awards on the date of grant	Weighted average closing price of the Shares immediately before the (For awards vested during the year)	Awards cancelled during the year	Awards lapsed during the year	Unvested awards outstanding as at 31 March 2025
Executive Directors												
Leung Tze Kuen	31 March 2024	90,000	1 April 2029 to 31 March 2034	-	90,000	N/A	-	-	3.53	-	-	-
	25 March 2025	-	1 April 2030 to 31 March 2035	250,000	-	N/A	1.94	1.94	-	-	-	250,000
		90,000		250,000	90,000					-	-	250,000
Cheung Wai Man	25 March 2025	-	1 April 2030 to 31 March 2035	250,000	-	N/A	1.94	1.94	-	-	-	250,000
Sub-total		90,000		500,000	90,000					-	-	500,000
Other Employees												
	25 August 2014	178,800	1 April 2020 to 31 March 2025	-	178,800	N/A	-	-	3.53	-	-	-
	25 September 2015	268,000	1 April 2021 to 31 March 2026	-	137,200	N/A	-	-	3.49	-	-	130,800
	27 September 2016	498,000	1 April 2022 to 31 March 2027	-	178,000	N/A	-	-	3.43	-	-	320,000
	29 August 2017	688,000	1 April 2023 to 31 March 2028	-	190,000	N/A	-	-	3.38	-	-	498,000
	29 October 2018	1,180,000	1 April 2024 to 31 March 2029	-	260,000	N/A	-	-	3.39	-	-	920,000
	03 December 2019	1,880,000	1 April 2025 to 31 March 2030	-	60,000	N/A	-	-	1.98	-	-	1,820,000
	18 April 2023	210,000	1 April 2026 to 31 March 2031	-	10,000	N/A	-	-	1.98	-	-	200,000
	18 April 2023	220,000	1 April 2027 to 31 March 2032	-	10,000	N/A	-	-	1.98	-	-	210,000
	18 April 2023	1,130,000	1 April 2028 to 31 March 2033	-	30,000	N/A	-	-	1.98	-	-	1,100,000
	31 March 2024	1,270,000	1 April 2029 to 31 March 2034	-	130,000	N/A	-	-	3.41	-	-	1,140,000
	25 March 2025	-	1 April 2030 to 31 March 2035	3,060,000	210,000	N/A	1.94	1.94	1.98	-	-	2,850,000
Sub-total		7,522,800		3,060,000	1,394,000					-	-	9,188,800
Grand Total		7,612,800		3,560,000	1,484,000					-	-	9,688,800

### Notes:

1. No Shares were granted to the five highest paid individuals who are not Directors.
2. Other than Mr. Leung Tze Kuen and Mr. Cheung Wai Man, no Shares have been granted to any other Directors under the Scheme.



## DIRECTORS' REPORT

Further details of the Share Award Scheme are disclosed in note 37 to the consolidated financial statements.

### SHARE OPTION SCHEME

The Company has adopted a share option scheme (the "Share Option Scheme") approved by a resolution passed by the shareholders of the Company on 16 August 2024.

#### (a) Purpose

The purposes of the Share Option Scheme are (i) to recognise and acknowledge the contribution of the participants and to motivate participants to contribute to, and promote the interests of, the Company by granting options to subscribe for Shares ("Options") to them as incentives or rewards for their contribution to the growth and development of the Group; (ii) to attract, retain and motivate high-calibre participants to promote the sustainable development of the Group in line with the performance goals of the Group; (iii) to develop, maintain and strengthen long-term relationships that the participants may have with the Group for the benefit of the Group; and (iv) to align the interest of the grantees with those of the Shareholders to promote the long-term performance (whether in financial, business and operational aspects) of the Group.

#### (b) Eligible participants

Participants of the Share Option Scheme shall include directors and employees of the issuer or any of its subsidiaries (including persons who are granted Options or awards under the Share Option Scheme as an inducement to enter into employment contracts with these companies).

#### (c) Maximum number of shares

The total number of Shares which may be allotted and issued in respect of all Options that may be granted under the Share Option Scheme and all share options and share awards that may be granted under other share schemes of the Company, must not, in aggregate, exceed 94,281,200 Shares, i.e. 10% of the total number of Shares in issue as at the date of approval of the Share Option Scheme (the "Mandate Limit").

As at the date of this annual report, the total number of shares available for issue under the Share Option Scheme was 94,281,200, representing approximately 10.10% of the total issued shares (excluding treasury shares) of the Company as at the date of this annual report.

#### (d) Maximum entitlement of each participant

The total number of shares issued and to be issued upon exercise of the options granted under the Share Option Scheme and all share options and all share awards granted under any other share schemes of the Company (including both exercised and outstanding options and share options and vested or outstanding share awards but excluding any Options, share options and share awards lapsed in accordance with the terms of the Share Option Scheme or such other share scheme) to each participant in any 12-month period shall not exceed 1% (or 0.1% for any substantial Shareholder, independent non-executive Director, or any of their respective associates) of the Shares in issue for the time being (excluding treasury shares). Otherwise, the grant must be separately approved by Shareholders in general meeting with such participant and his/her close associates (or associates if the participant is a connected person) abstaining from voting.

**(e) Option period**

The period during which the Option may be exercised is determined and notified by the Board to the grantee, which period shall expire in any event not later than the last day of the 10-year period after the date of offer of such Option. Such period may, if the Board so determines, be set at different lengths for different grantees and the Board may also set conditions and/or restrictions on the exercise of such Option during the period an Option may be exercised.

**(f) Vesting period**

The vesting period in respect of any Options shall not be less than 12 months (or such other period as the Listing Rules may prescribe or permit from time to time). Options granted may be subject to a shorter vesting period as determined by (i) the Remuneration Committee if the grantee is a Director or a senior manager (as defined under Rule 17.01A of the Listing Rules) of the Company, or (ii) the Board if the grantee is not a Director or a senior manager (as defined under Rule 17.01A of the Listing Rules) of the Company, under any of the following circumstances:

- (i) grants of “make-whole” Options to a new participant to replace the share awards or share options that such participant forfeited when leaving his or her previous employer;
- (ii) grants to an employee whose employment is terminated due to death or disability or occurrence of any out of control events;
- (iii) grants of Options with performance-based vesting conditions as determined by the Board, in lieu of time-based vesting criteria;
- (iv) grants of Options that are made in batches during a year for administrative and compliance reasons;
- (v) grants of Options with a mixed or accelerated vesting schedule such as where the Options may vest evenly over a period of 12 months; and
- (vi) grants of Options with a total vesting and holding period of more than 12 months.

**(g) Option Price**

Any offer of Options may be accepted by payment of an amount of HK\$1.00 within the time stated in the offer letter which shall be determined by the Board from time to time. The period within which payments or calls must or may be made or loans for such purposes must be repaid shall be specified by the Board on a case-by-case basis when making an offer of Options.

## DIRECTORS' REPORT

### (h) Exercise price

The exercise price shall be a price determined by the Board, but shall be at least the higher of:

- (i) the closing price per Share as stated in the daily quotations sheets of the Stock Exchange on the date of grant;
- (ii) the average closing price per Share as stated in the daily quotations sheets of the Stock Exchange for the five business days immediately preceding the date of grant; and
- (iii) the nominal value of a Share.

### (i) Remaining life

The Share Option Scheme shall be effective from 16 August 2024 and shall be valid and effective until the day immediately preceding the tenth anniversary (i.e. 15 August 2034) unless sooner terminated. The Share Option Scheme may be terminated at any time by the Board or by the Company by resolution in general meeting.

The movement of share options granted during the year is set out below:

Category of grantees	Date of grant	Vesting period and exercise period of Options	Fair value of Options on the date of grant	No. of share options						
				Outstanding as at 1 April 2024	Granted during the year	Exercised during the year	Cancelled during the year	Lapsed during the year	Outstanding as at 31 March 2025	Exercise price per Share
Other Employees	6 March 2025	(Note 1)	HK\$0.756 (Note 2)	–	5,150,000	–	–	(2,400,000)	2,750,000	HK\$1.892

#### Notes:

1. The Options granted to three of the four grantees shall vest and become exercisable in five tranches as set out below:
  - (i) 11% of the Options granted shall be exercisable commencing from 6 March 2026 and ending on 5 March 2035 (both days inclusive);
  - (ii) Another 22% of the Options granted shall be exercisable commencing from 6 March 2027 and ending on 5 March 2035 (both days inclusive);
  - (iii) Another 34% of the Options granted shall be exercisable commencing from 6 March 2028 and ending on 5 March 2035 (both days inclusive);
  - (iv) Another 22% of the Options granted shall be exercisable commencing from 6 March 2029 and ending on 5 March 2035 (both days inclusive); and
  - (v) The remaining 11% of the Options granted shall be exercisable commencing from 6 March 2030 and ending on 5 March 2035 (both days inclusive).

## DIRECTORS' REPORT

The Options granted to one of the four grantees shall vest and become exercisable in three tranches as set out below:

- (i) 33% of the Options granted shall be exercisable commencing from 6 March 2026 and ending on 5 March 2035 (both days inclusive);
  - (ii) Another 33% of the Options granted shall be exercisable commencing from 6 March 2027 and ending on 5 March 2035 (both days inclusive); and
  - (iii) The remaining 34% of the Options granted shall be exercisable commencing from 6 March 2028 and ending on 5 March 2035 (both days inclusive).
2. The fair value of the Options on the grant date was determined by using the Binomial model. The accounting standard and policy adopted for the fair value was made in accordance with HKFRS 2 Share-based Payment issued by HKICPA. The fair value of the Options is recognised as an expense over the relevant vesting period of the Options.

The model inputs for the Options granted during the year ended 31 March 2025 included:

- (i) Share price on the grant date: HK\$1.860
- (ii) Exercise price: HK\$1.892
- (iii) Expected volatility: 42.34%
- (iv) Risk-free rate: 3.59%
- (v) Expected dividend yield: 2.69%

As at 1 April 2024, the Share Option Scheme has not been adopted, hence the number of Options available for grant under the Share Option Scheme at that time was 0. The Share Option Scheme was adopted on 16 August 2024 with scheme mandate limit of 94,281,200 shares. Options carrying right to subscribe for 5,150,000 shares were granted, out of which Options carrying right to subscribe for 2,400,000 shares lapsed, during the year ended 31 March 2025. Accordingly, as at 31 March 2025, there are 91,531,200 Shares available for future grant under the scheme mandate limit of the Share Option Scheme.

The closing price of the shares immediately before the date on which the Options were granted was HK\$1.84 per Share.

The closing price of the shares at the date of Options granted was HK\$1.86 per Share.

Save as disclosed above, no Option was granted, exercised, cancelled or lapsed pursuant to the Share Option Scheme during the year.

Further details of the Share Option Scheme are disclosed in note 37 to the consolidated financial statements.

The number of shares that may be issued in respect of share options and share awards granted (to the extent not already cancelled or lapsed) under all share schemes of the Company during the year ended 31 March 2025 divided by the weighted average number of shares in issue during the year ended 31 March 2025 is 0.3%.

## DIRECTORS' REPORT

### PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's bye-laws, or the laws of Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

### TAX RELIEF AND EXEMPTION OF HOLDERS OF LISTED SECURITIES

The Company is not aware of any tax relief or exemption available to the shareholders of the Company by reason of their holding of the Company's securities.

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

The Company repurchased 12,318,000 Shares on the Stock Exchange for the year ended 31 March 2025, details of which are follows:

Month of repurchase	Number of shares repurchased	Highest price paid (HK\$)	Lowest price paid (HK\$)	Total amount paid (HK\$)
April 2024	2,808,000	3.50	3.42	9,796,980
July 2024	3,036,000	3.18	2.70	8,934,660
August 2024	3,768,000	2.98	2.28	10,463,000
September 2024	2,048,000	2.40	1.90	4,401,140
October 2024	658,000	2.69	2.30	1,672,860
Total	12,318,000			35,268,640

The Board is of the view that the trading price of the shares of the Company did not reflect their intrinsic value, and the above repurchase and subsequent cancellation of Company's shares could increase the value of the Company's shares and lead to an increase in the return to Shareholders. In addition, the Board believes that the repurchases reflected the Company's confidence in its long-term business prospect and were conducted in the interests of the Company and its shareholders as a whole.

Save as disclosed above, no repurchase has been made by the Company or any of its subsidiaries on the Stock Exchange of any listed securities of the Company during the year.

## DIRECTORS' REPORT

### CORPORATE GOVERNANCE

Details of the Group's corporate governance practices are set out in the Corporate Governance Report on pages 14 to 25 of this Annual Report.

The Company had adopted the Model Code as set out in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions by the directors. Having made specific enquiry of the directors, the Board is not aware of any non-compliance with the required standard set out in the Model Code.

### SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained a sufficient public float throughout the year ended 31 March 2025.

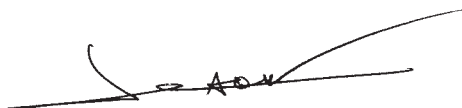
### AUDIT COMMITTEE

The Audit Committee comprises Mr. Lau Yuen Sun, Adrian, Mr. Chu Chi Wai, Allan, and Prof. Lau Kei May, all being Independent Non-executive Directors. The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters, including the review of the financial statements of the Group for the year ended 31 March 2025.

### AUDITOR

A resolution will be submitted to the annual general meeting to re-appoint Messrs. Deloitte Touche Tohmatsu as auditor of the Company.

On behalf of the Board



**Li Kwok Wai, Frankie**  
*Chief Executive Officer*

Hong Kong  
25 June 2025



## INDEPENDENT AUDITOR'S REPORT

**Deloitte.**

德勤

### TO THE SHAREHOLDERS OF YEEBO (INTERNATIONAL HOLDINGS) LIMITED

億都(國際控股)有限公司

*(incorporated in Bermuda with limited liability)*

### OPINION

We have audited the consolidated financial statements of Yeebo (International Holdings) Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 45 to 135, which comprise the consolidated statement of financial position as at 31 March 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSAs”) as issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (the “Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

# INDEPENDENT AUDITOR'S REPORT

## KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Key audit matter

#### *Valuation of trade receivables*

### How our audit addressed the key audit matter

We identified valuation of trade receivables as a key audit matter due to the involvement of management's estimates in evaluating the allowance for credit losses of the Group's trade receivables at the end of the reporting period.

As at 31 March 2025, the Group's carrying amount of trade receivables is HK\$204,479,000 (net of allowance for credit losses of HK\$2,951,000) and out of these trade receivables of HK\$48,997,000 were past due.

As disclosed in note 4 to the consolidated financial statements, the management of the Group estimates the amount of lifetime expected credit loss ("ECL") of trade receivables based on individual assessment for those debtors with significant balances and credit-impaired and/or collective assessment through grouping of various debtors that have similar loss patterns, after considering ageing, repayment history and/or past due status of the respective trade receivables. Estimated loss rates are based on historical observed default rates over the expected life of the debtors and forward-looking information.

As disclosed in note 34 to the consolidated financial statements, the Group reversed of net allowance of credit losses on trade receivables of HK\$3,855,000 for the year ended 31 March 2025.

Our procedures in relation to valuation of trade receivables included:

- Understanding the key process on how the management of the Group estimates the allowance of credit losses of trade receivables;
- Challenging management's basis in determining credit loss allowance on trade receivables as at 31 March 2025, including their basis of identification of credit-impaired trade receivables, the reasonableness of management's grouping of the trade debtors into different credit risk categories in the collective assessment basis, and the basis of estimated loss rates applied in each category in the collective assessment basis (with reference to historical default rates and forward-looking information); and
- Testing the accuracy of ageing category of trade receivables ageing analysis as at 31 March 2025 to develop the collective assessment basis, on a sample basis, by comparing individual items in the ageing analysis with the relevant supporting documents including sales invoices and delivery documents.

## INDEPENDENT AUDITOR'S REPORT

### OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

## INDEPENDENT AUDITOR'S REPORT

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

## INDEPENDENT AUDITOR'S REPORT

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Wan Wai Nga (practising certificate number: P07315).



**Deloitte Touche Tohmatsu**  
Certified Public Accountants  
Hong Kong

25 June 2025

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

For the year ended 31 March 2025

	NOTES	2025 HK\$'000	2024 HK\$'000
Revenue	5 & 6	1,038,535	936,607
Cost of sales		(908,354)	(792,696)
Gross profit		130,181	143,911
Other income	7	60,927	23,690
Other gains and losses	8	(9,395)	9,020
Loss on derecognition of debt investments at amortised cost	20	–	(3,407)
Reversal of (allowance on) credit losses, net			
– trade receivables		3,855	6,127
– debt investments at amortised cost		3,452	(14,333)
Selling and distribution expenses		(100,520)	(78,206)
Administrative expenses		(48,425)	(36,182)
Finance costs	9	(6,431)	(1,152)
Gain on disposal of an associate	19	3,247,300	–
Loss on deemed disposal of associates	19	–	(2,055)
Share of results of associates	19	56,233	151,886
Net (loss) gain on fair value changes of financial assets at fair value through profit or loss (“FVTPL”)	25	(128,756)	174
Profit before income tax		3,208,421	199,473
Income tax expense	10	(419,101)	(12,696)
Profit for the year	11	2,789,320	186,777
<b>Other comprehensive (expense) income</b>			
<b>Item that will not be reclassified to profit or loss:</b>			
Share of other comprehensive expense of associates, net of related income tax	19	(2,754)	(7,578)
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Exchange differences arising on the translation of foreign operations:			
Subsidiaries		(5,126)	(30,256)
Associates		(37,044)	(109,382)
Reclassification of cumulative translation reserve upon disposal of an associate		146,852	–
Reclassification of cumulative other reserve upon disposal of an associate		20,087	–
Total comprehensive income for the year		2,911,335	39,561



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

For the year ended 31 March 2025

	NOTES	2025 HK\$'000	2024 HK\$'000
Profit for the year attributable to:			
Owners of the Company		2,788,741	176,764
Non-controlling interests		579	10,013
		<u>2,789,320</u>	<u>186,777</u>
Total comprehensive income attributable to:			
Owners of the Company		2,909,975	32,901
Non-controlling interests		1,360	6,660
		<u>2,911,335</u>	<u>39,561</u>
Earnings per share		HK cents	HK cents
– basic	15	<u>300.0</u>	<u>18.7</u>
– diluted	15	<u>298.5</u>	<u>18.6</u>

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

	NOTES	2025 HK\$'000	2024 HK\$'000 (restated)
<b>Non-current assets</b>			
Property, plant and equipment	16	271,665	208,990
Right-of-use assets	17	2,385	3,819
Investment properties	18	372	573
Interests in associates	19	306,778	1,154,616
Debt investments at amortised cost	20	27,712	17,608
Intangible assets	21	1,459	1,459
Other receivables and prepayments	23	394	3,711
Financial assets at FVTPL	25	2,741,250	136,632
		<b>3,352,015</b>	1,527,408
<b>Current assets</b>			
Inventories	22	133,974	137,600
Trade and other receivables	23	263,019	199,546
Cash and cash equivalents	24	525,183	152,867
		<b>922,176</b>	490,013
Assets classified as held for sale	26	–	889,519
		<b>922,176</b>	1,379,532
<b>Current liabilities</b>			
Trade and other payables	27	260,943	226,130
Contract liabilities	28	37,106	26,633
Tax payable		10,032	13,214
Bank borrowings	29	15,898	31,735
Lease liabilities	30	1,498	2,562
		<b>325,477</b>	300,274
Liabilities associated with assets classified as held for sale	26	–	45,261
		<b>325,477</b>	345,535

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

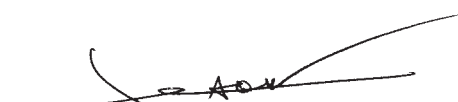
As at 31 March 2025

	NOTES	2025 HK\$'000	2024 HK\$'000 (restated)
<b>Net current assets</b>		<b>596,699</b>	1,033,997
<b>Total assets less current liabilities</b>		<b>3,948,714</b>	2,561,405
<b>Non-current liabilities</b>			
Deferred tax liabilities	31	272,357	58,750
Lease liabilities	30	935	1,361
		<b>273,292</b>	60,111
		<b>3,675,422</b>	2,501,294
<b>Capital and reserves</b>			
Share capital	32	186,660	191,235
Reserves		<b>3,397,448</b>	2,213,562
Equity attributable to owners of the Company		<b>3,584,108</b>	2,404,797
Non-controlling interests		<b>91,314</b>	96,497
<b>Total equity</b>		<b>3,675,422</b>	2,501,294

The consolidated financial statements on pages 45 to 135 were approved and authorised for issue by the Board of Directors on 25 June 2025 and are signed on its behalf by:



**Fang Yan Tak, Douglas**  
DIRECTOR



**Li Kwok Wai, Frankie**  
DIRECTOR

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2025

	Attributable to owners of the Company													
	Share capital	Share premium	Capital reserve (note i)	Capital redemption reserve	Translation reserve	Share award reserve	Share option reserve	Shares held for share award scheme	PRC statutory reserve (note ii)	Other reserve (note iii)	Retained profits	Total	Non-controlling interests	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 April 2023	195,236	110,750	2,125	15,275	16,112	11,444	-	(33,474)	23,006	(9,259)	2,220,570	2,551,785	107,072	2,658,857
Profit for the year	-	-	-	-	-	-	-	-	-	-	176,764	176,764	10,013	186,777
Other comprehensive expense for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of other comprehensive expense of associates, net of related income tax	-	-	-	-	-	-	-	-	-	(7,578)	-	(7,578)	-	(7,578)
Exchange differences arising on the translation of foreign operations	-	-	-	-	(136,285)	-	-	-	-	-	-	(136,285)	(3,353)	(139,638)
Total comprehensive (expense) income for the year	-	-	-	-	(136,285)	-	-	-	-	(7,578)	176,764	32,901	6,660	39,561
Repurchase and cancellation of ordinary shares (note 32)	(4,001)	-	-	5,661	-	-	-	-	-	(1,660)	(83,813)	(83,813)	-	(83,813)
Shares purchased for share award scheme	-	-	-	-	-	-	-	(6,381)	-	-	-	(6,381)	-	(6,381)
Recognition of equity-settled share-based payment expenses under share award scheme (note 37)	-	-	-	-	-	4,562	-	-	-	-	-	4,562	-	4,562
Shares vested under share award scheme (note 37)	-	-	-	-	-	(8,459)	-	11,740	-	-	(3,281)	-	-	-
Transfer of reserves	-	-	-	-	-	-	-	-	2,851	-	(2,851)	-	-	-
Dividend to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	(17,235)	(17,235)
Dividends recognised as a distribution (note 14)	-	-	-	-	-	-	-	-	-	-	(94,257)	(94,257)	-	(94,257)
At 31 March 2024	191,235	110,750	2,125	20,936	(120,173)	7,547	-	(28,115)	25,857	(18,497)	2,213,132	2,404,797	96,497	2,501,294

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2025

	Attributable to owners of the Company													
	Share capital	Share premium	Capital reserve (note i)	Capital redemption reserve	Translation reserve	Share award reserve	Share option reserve	Shares held for share award scheme	PRC statutory reserve (note ii)	Other reserve (note iii)	Retained profits	Total	Non-controlling interests	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Profit for the year	-	-	-	-	-	-	-	-	-	-	2,788,741	2,788,741	579	2,789,320
Other comprehensive (expense) income for the year														
Share of other comprehensive expense of associates, net of related income tax	-	-	-	-	-	-	-	-	-	(2,754)	-	(2,754)	-	(2,754)
Exchange differences arising on the translation of foreign operations	-	-	-	-	(42,951)	-	-	-	-	-	-	(42,951)	781	(42,170)
Reclassification of cumulative translation reserve upon disposal of an associate	-	-	-	-	146,852	-	-	-	-	-	-	146,852	-	146,852
Reclassification of cumulative other reserve upon disposal of an associate	-	-	-	-	-	-	-	-	-	20,087	-	20,087	-	20,087
Total comprehensive income for the year	-	-	-	-	103,901	-	-	-	-	17,333	2,788,741	2,909,975	1,360	2,911,335

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2025

Attributable to owners of the Company														
	Share capital	Share premium	Capital reserve (note i)	Capital redemption reserve	Translation reserve	Share award reserve	Share option reserve	Shares held for	PRC statutory reserve (note ii)	Other reserve (note iii)	Retained profits	Non-controlling		Total
								share award scheme				Total	interests	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Repurchase and cancellation of ordinary shares (note 32)	(4,575)	-	-	2,464	-	-	-	-	-	2,111	(35,269)	(35,269)	-	(35,269)
Shares purchased for share award scheme	-	-	-	-	-	-	-	(5,574)	-	-	-	(5,574)	-	(5,574)
Recognition of equity-settled share-based payment expenses under share award scheme (note 37)	-	-	-	-	-	3,406	-	-	-	-	-	3,406	-	3,406
Recognition of equity-settled share-based payment expenses under share option scheme (note 37)	-	-	-	-	-	-	59	-	-	-	-	59	-	59
Shares vested under share award scheme (note 37)	-	-	-	-	-	(3,503)	-	4,562	-	-	(1,059)	-	-	-
Transfer of reserves	-	-	-	-	-	-	-	-	3,307	-	(3,307)	-	-	-
Dividend to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	(15,148)	(15,148)
Dividends recognised as a distribution (note 14)	-	-	-	-	-	-	-	-	-	-	(1,693,286)	(1,693,286)	-	(1,693,286)
Capital injection from a non-controlling shareholder of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	8,605	8,605
At 31 March 2025	186,660	110,750	2,125	23,400	(16,272)	7,450	59	(29,127)	29,164	947	3,268,952	3,584,108	91,314	3,675,422

## Notes:

- (i) The capital reserve of the Group represents the difference between the aggregate nominal value of the share capital of acquired subsidiaries and the aggregate nominal value of the Company's shares issued for the acquisition at the time of the group reorganisation prior to the listing of the Company's shares in 1993, and after the reclassification of the amounts related to the share premium arising from issue of shares of a subsidiary prior to the group reorganisation to the capital reserve and after reserve movements at the time of the capital reduction in previous years.
- (ii) In accordance with the Company Law of the People's Republic of China ("PRC"), domestic enterprises in the PRC are required to transfer 10% of their profit after taxation, as determined under accounting principles generally accepted in the PRC ("PRC GAAP"), to the statutory surplus reserve until such reserve balance reaches 50% of the registered capital of the respective PRC subsidiaries.
- (iii) The other reserve of the Group mainly represents: (a) the share of other comprehensive expense from the interests in associates and (b) the difference between the amount by which the non-controlling interests are adjusted and the consideration paid arising from the acquisition of additional interests in subsidiaries in previous years.



## CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2025

	2025 HK\$'000	2024 HK\$'000
<b>Operating activities</b>		
Profit before income tax	3,208,421	199,473
Adjustments for:		
Gain on disposal of an associate	(3,247,300)	–
Loss on deemed disposal of associates	–	2,055
Share of results of associates	(56,233)	(151,886)
Finance costs	6,431	1,152
Interest income	(16,046)	(14,340)
Dividend income	(35,635)	–
Impairment loss recognised on property, plant and equipment	6,216	–
Depreciation of property, plant and equipment	79,471	41,540
Depreciation of right-of-use assets	2,691	4,823
Depreciation of investment properties	201	201
Recognition of equity-settled share-based payment expenses under share award scheme and share option scheme	3,465	4,562
Net gain on disposal of property, plant and equipment	(130)	(324)
(Reversal of) allowances on credit losses, net of reversal		
– trade receivables	(3,855)	(6,127)
– debt investments at amortised cost	(3,452)	14,333
Loss on derecognition of debt investments at amortised cost	–	3,407
Net loss (gain) on fair value changes of financial assets at FVTPL	128,756	(174)
Gain on fair value changes of derivative financial instruments	–	(3,127)
Reversal of allowance for inventories, net	(2,366)	(17,626)
Unrealised exchange gain	(925)	(8,923)
Operating cash flows before movements in working capital	69,710	69,019
Decrease in inventories	5,737	58,177
(Increase) decrease in trade and other receivables	(69,833)	76,688
Increase (decrease) in trade and other payables	8,203	(41,818)
Increase (decrease) in contract liabilities	10,326	(13,117)
Cash generated from operations	24,143	148,949
Income tax paid	(9,625)	(6,776)
<b>Net cash from operating activities</b>	<b>14,518</b>	<b>142,173</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2025

	2025 HK\$'000	2024 HK\$'000
<b>Investing activities</b>		
Purchase of property, plant and equipment	(156,392)	(56,244)
Prepayment for acquisition of plant and equipment	(394)	(3,981)
Repayment of debt investments at amortised cost	—	3,707
Proceeds on disposal of an associate, net of tax	2,195,581	—
Dividend received from the associates, net of withholding tax	31,163	46,766
Dividend received from the associates which has been classified as held for sale, net of withholding tax	33,853	—
Purchases of financial assets at FVTPL	—	(136,458)
Interest income received	9,601	9,398
Proceeds from disposals of property, plant and equipment	557	442
Repayment of loan receivables	10,231	42,146
Advance of loan receivables	—	(10,958)
<b>Net cash from (used in) investing activities</b>	<b>2,124,200</b>	<b>(105,182)</b>
<b>Financing activities</b>		
Dividends paid	(1,693,286)	(94,257)
Dividend paid to non-controlling interests	(15,148)	(17,235)
Payment for repurchase of ordinary shares	(35,269)	(83,813)
Payment for purchase of shares for share award scheme	(5,574)	(6,381)
Repayment of lease liabilities	(2,678)	(4,694)
Interest paid	(6,431)	(1,152)
Repayment of bank borrowings	(358,257)	(40,085)
New bank borrowings raised	342,373	67,408
Capital injection from a non-controlling shareholder of a subsidiary	8,605	—
<b>Net cash used in financing activities</b>	<b>(1,765,665)</b>	<b>(180,209)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>373,053</b>	<b>(143,218)</b>
<b>Effect of changes in foreign exchange rates</b>	<b>(737)</b>	<b>(4,228)</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>152,867</b>	<b>300,313</b>
<b>Cash and cash equivalents at end of the year, represented by bank balances and cash</b>	<b>525,183</b>	<b>152,867</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

## 1. GENERAL INFORMATION

Yeebo (International Holdings) Limited (the “Company”) is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “SEHK”). Its parent company is Antrix Investment Limited (incorporated in the British Virgin Islands (the “BVI”)) and its ultimate holding company is Fang Brothers Holdings Limited (incorporated in the BVI). The addresses of the registered office and principal place of business of the Company are disclosed in the “Corporate Information” section to the annual report.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is also the functional currency of the Company.

The principal activities of the Company and its subsidiaries (the “Group”) are the manufacturing and sale of liquid crystal displays (“LCDs”), liquid crystal displays modules (“LCMs”), thin film transistor modules (“TFTs”) and capacitive touch panel modules (“CTPs”) and other services (collectively “Displays and other services”).

## 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 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 or after 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 amendments to HKFRS Accounting Standards in the current year 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.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

## 2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS (CONTINUED)

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

<sup>1</sup> Effective for annual periods beginning on or after a date to be determined.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2025.

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2026.

<sup>4</sup> 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 amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

### HKFRS 18 Presentation and Disclosure in Financial Statements (“HKFRS 18”)

HKFRS 18, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 Presentation of Financial Statements (“HKAS 1”). 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 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.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

## 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

### 3.1 Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the HKICPA. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the SEHK (the "Listing Rules") and by the Hong Kong Companies Ordinance.

The directors of the Company have, at the time of approving the consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

### 3.2 Material accounting policy information

#### *Basis of consolidation*

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Group. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicated that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

## 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.2 Material accounting policy information (Continued)

#### *Basis of consolidation (Continued)*

- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

#### *Interests in associates*

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 3.2 Material accounting policy information (Continued)

##### *Interests in associates (Continued)*

The results and assets and liabilities of associates are incorporated in these consolidated financial statement using the equity method of accounting. The financial statements of associates used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of profit or loss and other comprehensive income of the associate. Changes in net assets of the associate other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The Group assesses whether there is an objective evidence that the interest in an associate may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 3.2 Material accounting policy information (Continued)

##### *Interests in associates (Continued)*

When the Group ceases to have significant influence over an associate, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss. When the Group retains an interest in the former associate and the retained interest is a financial asset within the scope of HKFRS 9, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition. The difference between the carrying amount of the associate and the fair value of any retained interest and any proceeds from disposing of the relevant interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) upon disposal/partial disposal of the relevant associate.

When a group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

##### *Changes in Group's interests in associates*

When the Group reduces its ownership interest in an associate but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 3.2 Material accounting policy information (Continued)

##### ***Non-current assets held for sale***

Non-current assets (and disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in the relevant subsidiary after the sale.

When the Group is committed to a sale plan involving disposal of an investment, or a portion of an investment, in an associate or joint venture, the investment or the portion of the investment that will be disposed of is classified as held for sale when the criteria described above are met, and the Group discontinues the use of the equity method in relation to the portion that is classified as held for sale from the time when the investment (or a portion of the investment) is classified as held for sale.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell, except for financial assets within the scope of HKFRS 9, investment properties, others (please specify) which continue to be measured in accordance with the accounting policies as set out in respective sections.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 3.2 Material accounting policy information (Continued)

##### *Revenue from contracts with customers*

Information about the Group's accounting policies relating to revenue from contracts with customers is provided in note 5.

##### *Foreign currencies*

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. HK\$) using exchange rates prevailing at the end of the reporting period. Income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributed to non-controlling interests as appropriate).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 3.2 Material accounting policy information (Continued)

##### ***Employee benefits***

###### *Retirement benefit costs*

Payments to defined contribution retirement benefit plans, state-managed retirement benefit schemes and the Mandatory Provident Fund Scheme (the “MPF Scheme”) are recognised as an expense when employees have rendered service entitling them to the contributions.

###### *Short-term employee benefits*

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense.

A liability is recognised for benefits accruing to employees (such as wages and salaries and annual leave) after deducting any amount already paid.

##### ***Share based payments***

###### *Equity-settled share-based payment transactions*

Share options granted to employees

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group’s estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share options reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognized in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share options reserve.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 3.2 Material accounting policy information (Continued)

##### ***Share based payments (Continued)***

##### *Equity-settled share-based payment transactions (Continued)*

##### Share options granted to employees (Continued)

When share options are exercised, the amount previously recognized in share options reserve will be transferred to share capital and share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognized in share options reserve will be transferred to accumulated losses.

##### Shares granted to employees

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all-non market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share award reserve). At the end of the reporting period, the Group revises its estimates of the number of shares that are expected to ultimately vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the estimates, if any, is recognised in profit or loss with a corresponding adjustment to the share award reserve.

When the trustee purchases the Company's shares from the open market, the consideration paid, including any directly attributable incremental costs, is presented as shares held for share award scheme and deducted from total equity. No gain or loss is recognised on transactions of the Company's own shares.

When the trustee transfers the Company's shares to grantees upon vesting, the related costs of the granted shares vested are reversed from shares held for share award scheme. Accordingly, the related expense of the granted shares vested is reversed from the share award reserve. The difference arising from this transfer is debited/credited to retained profits.

When the granted shares are forfeited before the vesting date, the amount previously recognised in share award reserve will be reversed through profit or loss.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 3.2 Material accounting policy information (Continued)

##### *Taxation*

Income tax expense represents the sum of the tax currently and deferred tax expenses.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from “profit before income tax” as reported in the consolidated statement of profit or loss and other comprehensive income because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and interests in associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 3.2 Material accounting policy information (Continued)

##### *Property, plant and equipment*

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, or for administrative purposes (other than construction in progress) are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

Property, plant and equipment in the course of construction for production, supply or administrative purpose are carried at cost, less any recognised impairment loss. Costs include any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, including costs of testing whether the related assets is functioning properly. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

When the Group makes payments for ownership interests of properties which includes both leasehold land and building elements, the entire consideration is allocated between the leasehold land and the building elements in proportion to the relative fair values at initial recognition. To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land is presented as “right-of-use assets” in the consolidated statement of financial position. When the consideration cannot be allocated reliably between non-lease building element and undivided interest in the underlying leasehold land, the entire properties are classified as property, plant and equipment.

Depreciation is recognised so as to write off the cost of assets, other than construction in progress, less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

##### *Cash and cash equivalents*

Cash and cash equivalents presented on the consolidated statement of financial position include cash, which comprises of cash on hand and demand deposits.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 3.2 Material accounting policy information (Continued)

##### *Inventories*

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in, first-out method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Costs necessary to make the sale include incremental costs directly attributable to the sale and non-incremental costs which the Group must incur to make the sale.

##### *Financial instruments*

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at FVTPL), are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 3.2 Material accounting policy information (Continued)

##### *Financial instruments (Continued)*

###### *Financial assets*

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling in the near term;
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

## 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.2 Material accounting policy information (Continued)

#### *Financial instruments (Continued)*

##### *Financial assets (Continued)*

Classification and subsequent measurement of financial assets (Continued)

(i) Amortised cost and interest income

For financing assets other than purchased or originated credit impaired financial assets (i.e. assets that are credit impaired on initial recognition), interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

(ii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset and is included in the "other gains and losses" line item.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

## 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.2 Material accounting policy information (Continued)

#### *Financial instruments (Continued)*

##### *Financial assets (Continued)*

Impairment of financial assets subject to impairment assessment under HKFRS 9

The Group performs impairment assessment under expected credit loss (“ECL”) model on financial assets (including trade receivables, loan receivables, other receivables and deposits, debt investments at amortised cost and cash and cash equivalents) which are subject to impairment assessment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL (“12m ECL”) represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group’s historical credit loss experience, and factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables without significant financing component.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

#### (i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

## 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.2 Material accounting policy information (Continued)

#### *Financial instruments (Continued)*

##### *Financial assets (Continued)*

Impairment of financial assets subject to impairment assessment under HKFRS 9 (Continued)

#### (i) Significant increase in credit risk (Continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor; or
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

## 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.2 Material accounting policy information (Continued)

#### *Financial instruments (Continued)*

##### *Financial assets (Continued)*

Impairment of financial assets subject to impairment assessment under HKFRS 9 (Continued)

#### (ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

#### (iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- (e) the disappearance of an active market for that financial asset because of financial difficulties; or
- (f) the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

## 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.2 Material accounting policy information (Continued)

#### *Financial instruments (Continued)*

##### *Financial assets (Continued)*

Impairment of financial assets subject to impairment assessment under HKFRS 9 (Continued)

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights. Trade receivable with credit-impaired are assessed for ECL individually.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Lifetime ECL for non-credit impaired trade receivables are considered on a collective basis taking into consideration past due information and relevant credit information such as forward looking macroeconomic information.

For collective assessment, the Group takes into consideration the following characteristics when formulating the grouping:

- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

## 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.2 Material accounting policy information (Continued)

#### *Financial instruments (Continued)*

##### *Financial assets (Continued)*

Impairment of financial assets subject to impairment assessment under HKFRS 9 (Continued)

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on amortised cost of the financial asset.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables where the corresponding adjustment is recognised through a loss allowance account.

##### *Financial liabilities and equity*

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

Financial liabilities (including trade and other payables and bank borrowings) are subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

#### **Critical judgements in applying accounting policies**

The following are the critical judgements, apart from those involving estimations (see below), that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

#### ***Control over Crown Capital Holdings Limited ("Crown Capital")***

Crown Capital is considered as a subsidiary of the Group even though the Group has only a 47.05% ownership interest and has only 47.05% of the voting rights in Crown Capital since the date of incorporation and the remaining 52.95% of the ownership interests are held by seven independent shareholders.

The directors of the Company assessed whether or not the Group has control over Crown Capital based on whether the Group has the practical ability to direct the relevant activities of Crown Capital unilaterally. In making their judgement, the directors considered the Group's absolute size of its holding in Crown Capital and the relative size of and dispersion of the shareholdings owned by the other shareholders as well as other facts and circumstances including voting patterns at previous shareholders' meetings. After the assessment, the directors concluded that the Group has a sufficiently dominant voting interest to direct the relevant activities of Crown Capital and therefore the Group has control over Crown Capital.

#### ***Deferred tax on interests in associates***

For the purposes of measuring deferred tax liabilities on interests in associates, the management of the Group considered the tax consequences associated with the expected manner of recovery of the carrying amount of the investment. Different tax rates are applied for measuring the temporary difference between the carrying amount and tax base of interests in associates for the recovery of investment through receiving dividend income or selling the investment. The directors of the Company assessed that the temporary difference is to be recovered through dividend income and/or through sale, and accordingly, deferred tax liabilities of HK\$20,093,000 (2024: HK\$103,773,000) was recognised by applying different tax rates in accordance with the expected manner of recovery.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

#### **Key sources of estimation uncertainty**

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### ***Fair value measurement of financial instruments***

As at 31 March 2025, certain of the Group's financial assets, unlisted equity investments amounting to HK\$152,405,000 are measured at fair value with fair value being determined based on significant unobservable inputs using valuation techniques. Judgement and estimation are required in establishing the relevant valuation techniques and the relevant inputs thereof. Changes in assumptions relating to these factors could result in material adjustments to the fair value of these instruments. See notes 25 and 34 for further disclosures.

#### ***Allowance for credit losses for debt investments measured at amortised cost***

Debt investments measured at amortised cost are assessed for ECL individually. The directors of the Company assessed the ECL of the debt investments taking into consideration the current observable information of the issuer of the debt investments and forward-looking information of the debt investments that are reasonable and supportable available without undue costs or effort. At every reporting date, the default rates are reassessed and changes in the forward-looking information are considered.

The provision of ECL is sensitive to changes in estimates. Due to greater financial uncertainty triggered by the announcement of extension of debt investments, the Group has increased the expected loss rates in the current year. The information about the ECL and the Group's debt investments measured at amortised cost are disclosed in notes 20 and 34.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

#### Key sources of estimation uncertainty (Continued)

##### *Allowance for credit losses of trade receivables*

Trade receivables with significant balances and credit-impaired are assessed for ECL individually. In addition, for trade receivables which are individually insignificant or when the Group does not have reasonable and supportable information that is available without undue cost or effort to measure ECL on individual basis, collective assessment is performed by grouping of debtors that have similar loss patterns based on the ageing, repayment history and/or past due status of the respective trade receivables. Estimated loss rates are based on historical observed default rates over the expected life of the debtors and forward-looking information.

As at 31 March 2025, the Group's carrying amount of trade receivables is HK\$204,479,000 (net of allowance for credit losses of HK\$2,951,000) (2024: HK\$162,648,000 (net of allowance for credit losses of HK\$7,473,000)) and out of these trade receivables of HK\$48,997,000 (2024: HK\$48,218,000) were past due.

The provision of ECL is sensitive to changes in estimates. The information about the ECL and the Group's trade receivables is disclosed in notes 23 and 34.

##### *Allowance for inventories*

The Group manufactures and sells Displays products and the valuation of the inventories is subject to technical obsolescence. When there is a downward trend in the market, the selling price of the Displays products of the Group may decrease which imposes pressures on the net realisable values of inventories. The management of the Group is required to exercise judgement and estimates to identify obsolete or slow-moving inventories and determine the allowance for inventories at the end of the reporting period. The management of the Group reviews the usability and saleability of inventories taking into account the nature of inventories, prevailing market conditions, ageing categories and subsequent usages/sales. Where the inventories are determined to be obsolete or slow-moving inventories, the management of the Group determines the allowance for inventories primarily based on latest selling prices in recent sale or the market prices and the necessary costs to make the sales. Where the actual net realisable values of the inventories are less than expected, further allowance for inventories may arise. During the year, the Group reversed allowance for inventories amounting to HK\$2,366,000 (2024: HK\$17,626,000). As at 31 March 2025, the carrying amount of inventories is HK\$133,974,000 (net of allowance for inventories of HK\$41,294,000) (2024: HK\$137,600,000 (net of allowance for inventories of HK\$43,859,000)).

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

## 5. REVENUE

### (i) Disaggregation of revenue from contracts with customers

The Group's revenue represents income from manufacture and sales of LCDs, LCMs, TFTs and CTPs and other services (collectively "Displays and other services").

For types of goods sold and services delivered and geographic markets of the customers, please refer to note 6 for details.

### (ii) Performance obligations for contracts with customers

Revenue is recognised at a point in time when control of the goods has transferred, being when the goods have been delivered and titles are passed to customers according to the specific shipping terms. Following the delivery, the customer has full discretion over the usage of the goods, has the primary responsibility when on utilising the goods and bears the risks of obsolescence and loss in relation to the goods. The normal credit term is 30 to 150 days upon delivery.

The Group normally receives 30% to 100% of the contract value as deposits from certain new customers when the sale order is issued. When the Group receives advance payment from customer, this will give rise to contract liabilities at the start of a contract, until the revenue recognised upon the satisfaction of the performance obligation.

As sales return is rare and not significant to the Group, the Group reverses the revenue when sales return is successfully logged by the customers.

### (iii) Transaction price allocated to the remaining performance obligation for contracts with customers

All contracts with customers of the Group are for periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 6. SEGMENT INFORMATION

Information reported to the executive directors of the Group, being the chief operating decision maker ("CODM"), for the purposes of resource allocation and assessment of segment performance focuses on types of goods and services delivered. The Group has only one reportable and operating segment as Displays and other services.

The management of the Group assesses the performance of the reportable segment based on the revenue and segment profit. The accounting policies of the reportable segment are the same as the Group's accounting policies.

The following is an analysis of Group's revenue and results by reportable and operating segment:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue – Displays and other services	<b>1,038,535</b>	936,607
Segment (loss) profit – Displays and other services	<b>(1,492)</b>	54,956
Interest income	<b>16,046</b>	14,340
Dividend income	<b>35,635</b>	–
Rental income from investment properties	<b>1,099</b>	1,181
Net exchange (loss) gain	<b>(3,309)</b>	5,569
Net (loss) gain on fair value changes of financial assets at FVTPL	<b>(128,756)</b>	174
Gain on fair value changes of derivative financial instruments	–	3,127
Loss on derecognition of debt investments at amortised cost	–	(3,407)
Reversal of (allowance on) credit losses on debt investments at amortised cost	<b>3,452</b>	(14,333)
Unallocated administrative expenses	<b>(11,356)</b>	(10,813)
Finance costs	<b>(6,431)</b>	(1,152)
Gain on disposal of an associate	<b>3,247,300</b>	–
Loss on deemed disposal of associates	–	(2,055)
Share of results of associates	<b>56,233</b>	151,886
Profit before income tax	<b>3,208,421</b>	199,473

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 6. SEGMENT INFORMATION (CONTINUED)

Segment (loss) profit represents the gross profit generated in operating segment and certain items of other income, other gains and losses, net of selling and distribution expenses and administrative expenses directly attributable to the segment without allocation of interest income, dividend income, rental income from investment properties, net exchange differences, fair value changes of financial assets at FVTPL and derivative financial instruments, loss on derecognition of debt investments at amortised cost, reversal of/allowance on credit losses on debt investments at amortised cost, unallocated administrative expenses, finance costs, gain on disposal of an associate, loss on deemed disposal of associates, and share of results of associates. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

The following is an analysis of the Group's revenue by type of products and services:

	2025 HK\$'000	2024 HK\$'000
LCDs	163,457	138,339
LCMs	367,694	367,961
TFTs	175,722	167,297
CTPs	289,316	263,010
Other services	42,346	—
	<b>1,038,535</b>	<b>936,607</b>

#### Segment assets and liabilities

As the CODM reviews the Group's assets and liabilities for the Group as a whole on a consolidated basis, no assets or liabilities are allocated to the operating segments. Therefore, no analysis of segment assets and liabilities is presented.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 6. SEGMENT INFORMATION (CONTINUED)

#### Other segment information

The following other segment information is included in the measure of segment (loss) profit:

For the year ended 31 March 2025

	Displays and other services HK\$'000	Unallocated HK\$'000	Consolidated HK\$'000
Depreciation of property, plant and equipment	79,471	–	79,471
Depreciation of right-of-use assets	2,691	–	2,691
Depreciation of investment properties	–	201	201
Net gain on disposal of property, plant and equipment	(130)	–	(130)
Reversal of credit losses on trade receivables, net	(3,855)	–	(3,855)
Reversal of credit losses on debt investments at amortised cost	–	(3,452)	(3,452)
Reversal of allowance for inventories, net	(2,366)	–	(2,366)

For the year ended 31 March 2024

	Displays and other services HK\$'000	Unallocated HK\$'000	Consolidated HK\$'000
Depreciation of property, plant and equipment	41,540	–	41,540
Depreciation of right-of-use assets	4,823	–	4,823
Depreciation of investment properties	–	201	201
Net gain on disposal of property, plant and equipment	(324)	–	(324)
Reversal of credit losses on trade receivables, net	(6,127)	–	(6,127)
Allowance on credit losses on debt investments at amortised cost	–	14,333	14,333
Loss on derecognition of debt investments at amortised cost	–	3,407	3,407
Reversal of allowance for inventories, net	(17,626)	–	(17,626)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 6. SEGMENT INFORMATION (CONTINUED)

#### Geographical information

The Group operates in two principal geographical areas, including Hong Kong and the PRC.

Information about the Group's revenue from external customers and information about its non-current assets by geographical location of the customers and assets respectively, are detailed below:

	Revenue from external customers		Non-current assets	
	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000 (restated)
The PRC	259,274	173,244	3,295,456	1,498,965
Germany	129,504	157,248	—	—
United States	107,507	95,819	—	—
Hong Kong	77,766	72,969	25,875	7,019
Switzerland	74,254	63,697	—	—
Japan	68,566	64,254	—	—
Spain	50,930	37,192	—	—
Taiwan	24,526	40,788	—	—
Other European countries	145,886	158,330	2,972	3,816
Other Asian countries	95,363	66,403	—	—
Other countries	4,959	6,663	—	—
	<b>1,038,535</b>	<b>936,607</b>	<b>3,324,303</b>	<b>1,509,800</b>

*Note:* Non-current assets exclude debt investments at amortised cost.

#### Information about major customers

Due to the diversification in customers, the Group has no single customer contributing over 10% of the total revenue of the Group for both years.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 7. OTHER INCOME

	2025 HK\$'000	2024 HK\$'000
Government grants	2,318	1,134
Tooling income	1,872	1,940
Scrap sales	687	740
Rental income from investment properties	1,099	1,181
Interest income		
– debt investments at amortised cost	6,764	7,842
– bank and others	9,282	6,498
Compensation income	793	1,041
Dividend income	35,635	–
Others	2,477	3,314
	<b>60,927</b>	<b>23,690</b>

### 8. OTHER GAINS AND LOSSES

	2025 HK\$'000	2024 HK\$'000
Gain on fair value changes of derivative financial instruments	–	3,127
Impairment loss recognised on property, plant and equipment	(6,216)	–
Net gain on disposal of property, plant and equipment	130	324
Net exchange (loss) gain	(3,309)	5,569
	<b>(9,395)</b>	<b>9,020</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

## 9. FINANCE COSTS

	2025 HK\$'000	2024 HK\$'000
Interest on bank borrowings	6,330	662
Interest on lease liabilities	101	490
	<b>6,431</b>	<b>1,152</b>

## 10. INCOME TAX EXPENSE

	2025 HK\$'000	2024 HK\$'000
The income tax expense comprises:		
Current tax:		
Hong Kong Profits Tax	819	994
PRC Enterprise Income Tax ("EIT")	2,109	490
Withholding tax for gain on disposal of an associate	241,001	—
Withholding tax for distributed profits	3,422	2,943
Other jurisdictions	1,942	4,660
	<b>249,293</b>	<b>9,087</b>
Deferred taxation (note 31)		
Charge for the year	169,808	3,609
	<b>419,101</b>	<b>12,696</b>

Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of profits of the qualifying companies will be taxed at 8.25%, and profits above HK\$2,000,000 will be taxed at 16.5%. The profits of companies not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. The directors of the Company considered the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the consolidated financial statements.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 10. INCOME TAX EXPENSE (CONTINUED)

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years. Pursuant to the relevant law and regulations in the PRC, one of the Company's PRC subsidiaries was approved as Hi-Tech Enterprise and entitled to 15% PRC Enterprise Income Tax rate. Accordingly, the PRC Enterprise Income Tax of that PRC subsidiary was provided at 15% (2024: 15%) for the year ended 31 March 2025. The qualification as a Hi-Tech Enterprise will be subject to review by the relevant tax authorities in the PRC for every three years.

Under EIT Law, disposal gain of equity interests and distributable profits earned by foreign investment enterprises since 1 January 2008 are subject to withholding tax of 10% of profit distributed to non-resident investors. However, pursuant to the Arrangement between the PRC and Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion, the withholding tax aforementioned can be reduced to 5%.

Taxation arising in other jurisdictions is calculated at the rate prevailing in the relevant jurisdictions.

The income tax expense for the year can be reconciled to the profit before income tax in the consolidated statement of profit or loss and other comprehensive income as follows:

	2025 HK\$'000	2024 HK\$'000
Profit before income tax	3,208,421	199,473
Tax at Hong Kong Profits Tax rate of 16.5%	529,389	32,913
Tax effect of share of results of associates	(9,279)	(25,061)
Tax effect of expenses that are not deductible for tax purposes	29,804	5,292
Tax effect of income not taxable for tax purposes	(544,142)	(3,078)
Tax effect of research and development expenses that are additionally deducted ( <i>Note</i> )	(2,829)	(2,892)
Effect of different tax rates of subsidiaries operating in other jurisdictions	1,247	2,197
Utilisation of tax losses previously not recognised	–	(24)
Tax effect of tax losses and other deductible temporary difference not recognised	901	855
Withholding tax in the PRC	414,231	3,609
Income tax at concessionary rate	(453)	(1,665)
Others	232	550
Income tax expense for the year	419,101	12,696

*Note:* Pursuant to Caishui [2018] circular No. 99, Jiangmen Yeebo Semiconductor Co., Limited, one of the subsidiaries of the Group, enjoys super deduction of 200% (2024: 200%) on qualifying research and development expenditures for the year ended 31 March 2025.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

## 11. PROFIT FOR THE YEAR

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Profit for the year has been arrived at after charging (crediting):		
Staff costs, including directors' emoluments	207,115	186,415
Retirement benefit scheme contributions, including directors	21,256	19,360
Share-based payment expenses	3,465	4,562
Total staff costs	231,836	210,337
Auditor's remuneration	3,545	3,135
Cost of inventories recognised as expenses	908,354	792,696
Reversal of allowance for inventories, net	(2,366)	(17,626)
Depreciation of property, plant and equipment	79,471	41,540
Depreciation of right-of-use assets	2,691	4,823
Depreciation of investment properties	201	201
Total depreciation	82,363	46,564
Share of tax of associates (included in share of results of associates)	7,650	28,413

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 12. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

Year ended 31 March 2025

	Fees <i>HK\$'000</i>	Salaries and other benefits <i>HK\$'000</i>	Share-based payment expenses (note v) <i>HK\$'000</i>	Retirement benefit scheme contributions <i>HK\$'000</i>	Total <i>HK\$'000</i>
<b>Executive Directors (note i):</b>					
Fang Yan Tak, Douglas (note ii)	–	2,640	–	132	2,772
Li Kwok Wai, Frankie (note iii)	–	4,354	–	217	4,571
Leung Tze Kuen	–	1,320	314	66	1,700
Cheung Wai Man (note iv)	–	900	–	45	945
<b>Independent Non-executive Directors (note i):</b>					
Chu Chi Wai, Allan	300	–	–	–	300
Lau Yuen Sun, Adrian	300	–	–	–	300
Lau Kei May	300	–	–	–	300
	900	9,214	314	460	10,888



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 12. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (CONTINUED)

Year ended 31 March 2024

	Fees <i>HK\$'000</i>	Salaries and other benefits <i>HK\$'000</i>	Share-based payment expenses (note v) <i>HK\$'000</i>	Retirement benefit scheme contributions <i>HK\$'000</i>	Total <i>HK\$'000</i>
<b>Executive Directors (note i):</b>					
Fang Yan Tak, Douglas (note ii)	–	1,320	–	66	1,386
Li Kwok Wai, Frankie (note iii)	–	5,079	–	254	5,333
Leung Tze Kuen	–	2,820	1,885	141	4,846
<b>Non-executive Director (note i):</b>					
Chen Shuang (retired on 21 September 2023)	150	–	–	–	150
<b>Independent Non-executive Directors (note i):</b>					
Chu Chi Wai, Allan	300	–	–	–	300
Lau Yuen Sun, Adrian	300	–	–	–	300
Lau Kei May	300	–	–	–	300
	1,050	9,219	1,885	461	12,615

Notes:

- (i) The emoluments shown above for executive directors were for their services in connection with the management of the affairs of the Company and the Group. The emoluments for the non-executive director and independent non-executive directors were for their services as directors of the Company.
- (ii) Mr. Fang Yan Tak, Douglas is an executive director and the chairman of the Company for the years ended 31 March 2025 and 2024.
- (iii) Mr. Li Kwok Wai, Frankie is also the chief executive of the Company and his emoluments disclosed above include those for services rendered by him as the chief executive.
- (iv) Mr. Cheung Wai Man has been appointed as an executive director of the Company with effect from 12 July 2024.
- (v) One director was granted awarded shares, in respect of its services to the Group under the share award scheme of the Company. Details of the share award scheme are set out in note 37.

No director waived any emoluments for any of the two years reported.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 13. EMPLOYEES' EMOLUMENTS

Of the five individuals with the highest emoluments in the Group, two (2024: two) were directors of the Company whose emoluments are included in note 12 above. The emoluments of the remaining three (2024: three) individuals were as follows:

	2025 HK\$'000	2024 HK\$'000
Salaries and other benefits	8,056	8,287
Retirement benefit scheme contributions	1,856	2,085
Total emoluments	9,912	10,372

Their emoluments were within the following bands:

	2025 No. of employees	2024 No. of employees
HK\$2,000,001 to HK\$2,500,000	1	–
HK\$2,500,001 to HK\$3,000,000	–	1
HK\$3,500,001 to HK\$4,000,000	1	1
HK\$4,000,001 to HK\$4,500,000	1	1

No remuneration was paid to directors and five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office during both years.

### 14. DIVIDENDS

Dividends recognised as distributions during the year:

	2025 HK\$'000	2024 HK\$'000
Final dividend in respect of the year ended 31 March 2024 of HK5.0 cents per share (2024: Final dividend in respect of the year ended 31 March 2023 of HK5.0 cents per share)	46,836	48,006
Special dividend in respect of the year ended 31 March 2025 of HK\$1.8 per share (2024: Second special dividend in respect of the year ended 31 March 2023 of HK5.0 cents per share)	1,679,944	48,005
	1,726,780	96,011

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 14. DIVIDENDS (CONTINUED)

For the year ended 31 March 2025, the Group distributed dividends of HK\$1.85 (2024: HK10.0 cents) per share, amounted to HK\$1,726,780,000 (2024: HK\$96,011,000). The difference between this amount and the amount of dividends recognised as a distribution disclosed in the consolidated statement of changes in equity represented the dividends to be paid to the Group's share award scheme.

Subsequent to the end of the reporting period, a final dividend in respect of the year ended 31 March 2025 of HK5.0 cents (2024: a final dividend in respect of the year ended 31 March 2024 of HK5.0 cents) per ordinary share, in an aggregate amount of HK\$46,665,000 (2024: HK\$47,141,000), have been proposed by the directors of the Company and are subject to approval by the shareholders in the forthcoming annual general meeting.

### 15. EARNINGS PER SHARE

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

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<u>Earnings</u>		
Profit for the year attributable to owners of the Company for the purpose of basic and diluted earnings per share	<u>2,788,741</u>	176,764
	2025 <i>Number of shares '000</i>	2024 <i>Number of shares '000</i>
<u>Number of shares</u>		
Weighted average number of ordinary shares for the purpose of basic earnings per share	929,644	945,089
Effect of dilutive potential ordinary shares in respect of outstanding share awards	<u>4,759</u>	4,284
Weighted average number of ordinary shares for the purpose of diluted earnings per share	<u>934,403</u>	949,373

The weighted average number of ordinary shares for the purpose of basic earnings per share shown above have been arrived at after deducting shares held by the share award scheme trust. The directors of the Company assessed that there is no material impact on the diluted earnings per share on the share-based payment transaction in associates.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 16. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings <i>HK\$'000</i> <i>(Note)</i>	Furniture and fixtures <i>HK\$'000</i>	Office and computer equipment <i>HK\$'000</i>	Plant and machinery <i>HK\$'000</i>	Motor vehicles <i>HK\$'000</i>	Construction in progress <i>HK\$'000</i>	Total <i>HK\$'000</i>
<b>COST</b>							
At 1 April 2023	136,165	130,898	17,549	421,660	8,660	10,219	725,151
Exchange realignment	(6,738)	(9,345)	(993)	(18,805)	(162)	(457)	(36,500)
Additions	–	305	207	79	1,100	43,690	45,381
Disposals	–	(11,138)	(589)	(11,017)	(968)	–	(23,712)
Transfers	–	4,404	169	8,650	–	(13,223)	–
At 31 March 2024	129,427	115,124	16,343	400,567	8,630	40,229	710,320
Exchange realignment	(1,101)	(910)	(1,429)	(3,569)	(15)	(65)	(7,089)
Additions	–	473	145,399	180	–	4,916	150,968
Disposals	–	(953)	(832)	(7,314)	(152)	–	(9,251)
Transfers	–	342	37,233	3,640	–	(41,215)	–
<b>At 31 March 2025</b>	<b>128,326</b>	<b>114,076</b>	<b>196,714</b>	<b>393,504</b>	<b>8,463</b>	<b>3,865</b>	<b>844,948</b>
<b>DEPRECIATION AND IMPAIRMENT</b>							
At 1 April 2023	71,357	95,883	11,084	323,232	7,744	–	509,300
Exchange realignment	(3,590)	(7,066)	(512)	(14,615)	(133)	–	(25,916)
Provided for the year	5,990	6,216	1,582	27,363	389	–	41,540
Eliminated on disposals	–	(11,125)	(517)	(10,997)	(955)	–	(23,594)
At 31 March 2024	73,757	83,908	11,637	324,983	7,045	–	501,330
Exchange realignment	(670)	(715)	(417)	(3,090)	(18)	–	(4,910)
Provided for the year	5,540	8,452	44,587	20,559	333	–	79,471
Impairment loss recognised in profit or loss	–	–	–	6,216	–	–	6,216
Eliminated on disposals	–	(947)	(627)	(7,186)	(64)	–	(8,824)
<b>At 31 March 2025</b>	<b>78,627</b>	<b>90,698</b>	<b>55,180</b>	<b>341,482</b>	<b>7,296</b>	<b>–</b>	<b>573,283</b>
<b>CARRYING VALUES</b>							
<b>At 31 March 2025</b>	<b>49,699</b>	<b>23,378</b>	<b>141,534</b>	<b>52,022</b>	<b>1,167</b>	<b>3,865</b>	<b>271,665</b>
At 31 March 2024	55,670	31,216	4,706	75,584	1,585	40,229	208,990

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 16. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The above items of property, plant and equipment, except for construction in progress after taking into account the residual values, are depreciated on a straight-line basis at the following rates per annum:

Land and buildings	Over the lease term
Furniture and fixtures	10 – 25%
Office and computer equipment	15 – 33%
Plant and machinery	10 – 25%
Motor vehicles	10 – 20%

*Note:* The carrying amounts of owner-occupied leasehold land and buildings of HK\$49,699,000 (2024: HK\$55,670,000) at the end of the reporting period included both the leasehold land and building elements in property, plant and equipment, as in the opinion of the directors of the Company, allocations of the carrying amounts between the leasehold land and buildings elements cannot be made reliably.

### 17. RIGHT-OF-USE ASSETS

	<b>Rented premises</b> <i>HK\$'000</i>	<b>Motor vehicles</b> <i>HK\$'000</i>	<b>Total</b> <i>HK\$'000</i>
<b>As at 31 March 2025</b>			
Carrying amount	<b>1,635</b>	<b>750</b>	<b>2,385</b>
<b>As at 31 March 2024</b>			
Carrying amount	<b>2,550</b>	<b>1,269</b>	<b>3,819</b>
<b>For the year ended 31 March 2025</b>			
Depreciation charge	<b>1,997</b>	<b>694</b>	<b>2,691</b>
<b>For the year ended 31 March 2024</b>			
Depreciation charge	<b>4,010</b>	<b>813</b>	<b>4,823</b>
	<b>2025</b> <i>HK\$'000</i>	<b>2024</b> <i>HK\$'000</i>	
Expense relating to short-term leases	<b>2,196</b>	<b>577</b>	
Total cash outflow for leases	<b>(4,975)</b>	<b>(5,761)</b>	
Addition to right-of-use assets	<b>1,189</b>	<b>2,676</b>	

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 17. RIGHT-OF-USE ASSETS (CONTINUED)

For both years, the Group leases various rented premises and motor vehicles. Lease contracts are entered into for fixed term of 2 to 5 years and with fixed lease payments. Lease terms are negotiated on individual basis and contain different terms. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

During the year, the Group entered into new lease agreements for the use of leased properties for 2 to 5 years. On the lease commencement, the Group recognised right-of-use assets and lease liabilities of HK\$1,189,000 and HK\$1,189,000 (2024: HK\$2,676,000 and HK\$2,676,000) respectively.

The Group regularly entered into short-term leases for rented premises. As at 31 March 2025 and 2024, the portfolio of short-term leases is similar to the portfolio of short-term leases to which the short-term lease expense disclosed in this note above.

#### Restrictions or covenants on leases

In addition, lease liabilities of HK\$2,433,000 are recognised with related right-of-use assets of HK\$2,385,000 as at 31 March 2025 (2024: lease liabilities of HK\$3,923,000 are recognised with related right-of-use assets of HK\$3,819,000). The lease agreements do not impose any covenants in the leased assets that are held by the lessors, and the relevant leased assets may not be used as security for borrowing purposes.

### 18. INVESTMENT PROPERTIES

	<i>HK\$'000</i>
<b>COST</b>	
At 1 April 2023, 31 March 2024 and 31 March 2025	<u>1,892</u>
<b>DEPRECIATION</b>	
At 1 April 2023	1,118
Provided for the year	<u>201</u>
At 31 March 2024	1,319
Provided for the year	<u>201</u>
At 31 March 2025	<u>1,520</u>
<b>CARRYING VALUES</b>	
At 31 March 2025	<u>372</u>
At 31 March 2024	<u>573</u>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 18. INVESTMENT PROPERTIES (CONTINUED)

The Group leased out its investment properties under an operating lease with fixed rental receivable monthly. The leases typically run for an initial period of 1 to 2 years.

The Group's investment properties are erected on land in Hong Kong and are depreciated on a straight-line basis over the term of the lease.

As at 31 March 2025, the fair value of the Group's investment properties was HK\$27,600,000 (2024: HK\$32,300,000).

The fair value of the investment properties as at 31 March 2025 have been arrived at on the basis of a valuation carried out on that date by Asset Appraisal Limited (2024: Asset Appraisal Limited), an independent qualified professional valuer not connected with the Group. Asset Appraisal Limited is a member of the Hong Kong Institute of Surveyors. The valuation was determined based on the market approach and arrived at by reference to market evidence of transaction prices for similar properties. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

The fair value measurement is categorised into Level 3 fair value hierarchy.

The Group is not exposed to foreign currency risk as a result of the lease arrangement, as the lease is denominated in the respective functional currency of the group entity. The lease contract does not contain residual value guarantee and/or lessee's option to purchase the property at the end of lease term.

Rental income from investment properties for the year is HK\$1,099,000 (2024: HK\$1,181,000). The direct operating expenses incurred for investment properties that generated rental income during the year is HK\$201,000 (2024: HK\$201,000).



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 19. INTERESTS IN ASSOCIATES

	2025 HK\$'000	2024 HK\$'000 (restated)
Cost of investments in associates		
Listed in the PRC	165,014	653,963
Unlisted	18,038	18,038
Share of post-acquisition results and other comprehensive income, net of dividends received:		
Listed in the PRC	145,793	1,537,404
Unlisted	(15,921)	(15,921)
Exchange adjustments	(6,146)	(149,349)
	<b>306,778</b>	<b>2,044,135</b>
The analysis includes those classified as held for sale:		
Current assets	–	889,519
Non-current assets	306,778	1,154,616
	<b>306,778</b>	<b>2,044,135</b>
Fair value of listed associates (note)	<b>1,094,244</b>	<b>5,639,809</b>

*Note:* The fair value of the listed investments is determined based on the quoted market bid price multiplied by the quantity of shares held by the Group.

#### Share of results of associates

	2025 HK\$'000	2024 HK\$'000
Listed in the PRC:		
Share of profits	56,233	176,626
Unlisted associate:		
Share of losses	–	(24,740)
	<b>56,233</b>	<b>151,886</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

## 19. INTERESTS IN ASSOCIATES (CONTINUED)

Details of the Group's associates as at 31 March 2025 and 2024 are as follows:

Name	Form of enterprise	Place of incorporation or registration/operation	Proportion of nominal value of issued capital controlled by the Group		Principal activities
			2025	2024	
Listed in the PRC					
Nantong Jianghai Capacitor Co., Limited ("Nantong Jianghai") 南通江海電容器股份有限公司	Sino-foreign cooperate joint stock company	The PRC	N/A (Note 1)	28.83% (Note 2)	Manufacturing and trading of aluminium electrolytic capacitors, thin film capacitors and super capacitors
Suzhou QingYue Optoelectronics Technology Co. Limited ("Suzhou QingYue") 蘇州清越光電科技股份有限公司	Sino-foreign cooperate joint stock company	The PRC	28.08%	28.08%	Development, manufacturing and selling of organic light emitting diode ("OLED") display products
Unlisted associate					
Zaozhuang Reinno Electronics Technology Co. Limited ("Zaozhuang Reinno") 棗莊睿諾電子科技有限公司	Sino-foreign cooperate limited liability company	The PRC	33.33%	33.33%	Development, manufacturing and selling of flexible printed circuits and OLED related products

**Note 1:** During the year ended 31 March 2025, the Group disposed of 127,578,590 shares in Nantong Jianghai, representing approximately 15.00% of the issued shares of Nantong Jianghai, at on aggregate consideration of HK\$2,559,859,000 on The Shenzhen Stock Exchange (the "Disposal"). Additionally, the Group's interest in Nantong Jianghai has been further diluted by 0.02% related to the share option exercised at associate level (the "Deemed Disposal"). Upon the completion of the Disposal and Deemed Disposal, the Group's shareholding interests in Nantong Jianghai decreased to 13.81% and Nantong Jianghai ceased to be an associate of the Group. Accordingly, the disposal resulted in a gain on disposal of associate of HK\$3,247,300,000 to the Group. The remaining 117,442,410 shares in Nantong Jianghai held by the Group are accounted for as financial assets at FVTPL in the consolidated statement of financial position.

**Note 2:** According to the "Guide to Listed Companies' Articles of Association 《上市公司章程指引》" issued by China Securities Regulatory Commission, a company is treated as the controlling shareholder of a company listed in the PRC if it holds more than 30% of the shareholding of the said listed company or if its shareholding/voting right is enough to have a significant influence on the votings in the listed company's shareholders general meetings. Billion Power Investment Limited ("Billion Power"), a wholly-owned subsidiary of the Company, has significant influence but not control, over Nantong Jianghai by virtue of the fact that it has a shareholding of 28.83% of the voting rights at the end of reporting period. Regardless of the fact that Billion Power is disclosed as the controlling shareholder Nantong Jianghai in Nantong Jianghai's public documents in the PRC, it is accounted for as interest in an associate using the equity method under HKAS 28 "Investments in Associates and Joint Ventures" as the Group has significant influence over the financial and operating decisions but not control of Nantong Jianghai.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 19. INTERESTS IN ASSOCIATES (CONTINUED)

The gain on the Disposal is calculated as follows:

	<i>HK\$'000</i>
Sale consideration	2,559,859
Fair value of the remaining interest in Nantong Jianghai as at 13 January 2025 (the "Date of Disposal")	<u>2,734,461</u>
	5,294,320
Less: Carrying amount of the Group's interest in Nantong Jianghai as at the Date of Disposal	(1,720,843)
Less: Reclassification of cumulative translation reserve upon disposal of an associate	(146,852)
Less: Reclassification of cumulative other reserve upon disposal of an associate	(20,087)
Less: Transaction costs and taxes	<u>(159,238)</u>
	<u>3,247,300</u>

#### Summarised financial information of material associates

The summarised financial information of the Group's associates is set out below. The summarised financial information below represents the amount shown in the associates' financial information prepared in accordance with HKFRS Accounting Standards adjusted by the Group for equity accounting purposes.

All of these associates are accounted for using equity method in these consolidated financial statements.

#### ***Nantong Jianghai***

*Financial position*

	2024 <i>HK\$'000</i>
Current assets	4,754,663
Non-current assets	3,116,333
Current liabilities	(1,467,153)
Non-current liabilities	<u>(315,429)</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

## 19. INTERESTS IN ASSOCIATES (CONTINUED)

### Summarised financial information of material associates (Continued)

#### Nantong Jianghai (Continued)

Results for the period/year

	For the period ended 13 January 2025 HK\$'000	For the year ended 31 March 2024 HK\$'000
Revenue	4,111,839	5,190,237
Income for the period/year	596,677	749,830
Other comprehensive expense for the period/year	(20,990)	(27,540)
Total comprehensive income for the period/year	575,687	722,290
Dividend received from the associate during the period/year	32,803	40,145

Reconciliation of the above summarised financial information to the carrying amount of the interest in Nantong Jianghai recognised in the consolidated financial statements:

	2024 HK\$'000
Net assets of Nantong Jianghai	6,088,414
Non-controlling interests of Nantong Jianghai	(39,154)
Proportion of the Group's ownership interest in Nantong Jianghai	28.83%
The Group's share of net assets of Nantong Jianghai	1,744,002
Other adjustments (note)	(35,637)
Carrying amount of the Group's interest in Nantong Jianghai	1,708,365

*Note:* Other adjustments included share-based payment transaction at Nantong Jianghai granted to its employees and the consideration in excess of the carrying amount of the non-controlling interests of Nantong Jianghai upon acquisition of the additional interests in subsidiaries acquired by Nantong Jianghai.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 19. INTERESTS IN ASSOCIATES (CONTINUED)

#### Summarised financial information of material associates (Continued)

##### *Suzhou QingYue*

##### *Financial position*

	2025 HK\$'000	2024 HK\$'000
Current assets	1,038,133	1,386,147
Non-current assets	923,071	964,279
Current liabilities	(539,052)	(789,764)
Non-current liabilities	(216,874)	(212,938)

##### *Results for the year*

	2025 HK\$'000	2024 HK\$'000
Revenue	825,624	649,057
Loss for the year	(93,187)	(144,456)
Total comprehensive expense for the year	(93,187)	(144,456)
Dividend received from the associate during the year	–	9,155

Reconciliation of the above summarised financial information to the carrying amount of the interest in Suzhou QingYue recognised in the consolidated financial statements:

	2025 HK\$'000	2024 HK\$'000
Net assets of the Suzhou QingYue	1,205,278	1,347,724
Non-controlling interests of Suzhou QingYue	(111,206)	(139,682)
Proportion of the Group's ownership interest in Suzhou QingYue	28.08%	28.08%
The Group's share of net assets of Suzhou QingYue	307,215	339,218
Other adjustments ( <i>note</i> )	(437)	(3,448)
Carrying amount of the Group's interest in Suzhou QingYue	306,778	335,770

*Note:* Other adjustments included share-based payment transaction of Suzhou QingYue granted to its employees of Suzhou QingYue.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 20. DEBT INVESTMENTS AT AMORTISED COST

	2025 HK\$'000	2024 HK\$'000
Debt investments	13,166	6,940
Impairment gain recognised	14,546	10,668
	<u>27,712</u>	<u>17,608</u>

At the end of both reporting periods, the Group's debt investments at amortised cost mainly comprise listed bonds that are graded as speculative credit risk investments (Caa3 in Moody's Rating Scale) as per globally understood definitions. The maturity date for all debt investments ranged from June 2028 to September 2029.

On 4 September 2023, the issuer of the debt investments at amortised cost (the "Issuer") announced the plan to seek for the consent of the bondholders for the further extension of the maturity date of all debt investments issued by the Issuer. The original matured dates, ranging from June 2024 to September 2025, are proposed to extend by four years to June 2028 and September 2029. The consent of the bondholders were obtained by the Issuer for the extension of maturity date of debt investments during September 2023.

Since the revised terms have resulted in a substantial modification from the original terms, the carrying amount of the debt investments of HK\$10,347,000 was derecognised during the year ended 31 March 2024 and the fair value of the modified debt investments of HK\$6,940,000 was recognised at the date of modification. This resulted in a loss on derecognition of HK\$3,407,000 which was recognised in the profit or loss for the year ended 31 March 2024.

Subsequent to the modification of the debt investments, an impairment gain of HK\$10,668,000 and HK\$14,546,000 was recognised in the profit or loss for the enhancement of credit risk of the modified debt investment for the years ended 31 March 2024 and 2025 respectively.

The credit-impaired effective interest rates of the debt investments are ranged from 1.1% to 4.6% per annum (2024: 1.1% to 4.6% per annum).

Details of impairment assessment of debt investments at amortised cost are set out in note 34b.

### 21. INTANGIBLE ASSETS

	2025 HK\$'000	2024 HK\$'000
Club Membership	<u>1,459</u>	<u>1,459</u>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 22. INVENTORIES

	2025 HK\$'000	2024 HK\$'000
Raw materials	27,292	31,014
Work in progress	23,224	16,941
Finished goods	83,458	89,645
	<b>133,974</b>	<b>137,600</b>

### 23. TRADE AND OTHER RECEIVABLES

	2025 HK\$'000	2024 HK\$'000
Trade receivables	207,430	170,121
Less: Allowance for credit losses ( <i>Note 34b</i> )	(2,951)	(7,473)
	<b>204,479</b>	<b>162,648</b>
Loan receivables	9	11,309
Other receivables	41,616	7,604
Deposits	1,216	1,374
Prepayments	16,093	20,322
	<b>263,413</b>	<b>203,257</b>
Analysed for reporting purposes as:		
Non-current assets ( <i>Note</i> )	394	3,711
Current assets	263,019	199,546
	<b>263,413</b>	<b>203,257</b>

*Note:* Non-current assets include prepayments of property, plant and equipment as at 31 March 2025 and 2024.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 23. TRADE AND OTHER RECEIVABLES (CONTINUED)

As at 1 April 2023, trade receivables from contracts with customers amounted to HK\$218,016,000.

The Group's trade and other receivables that are denominated in currencies other than functional currencies of the relevant group entities, as stated in note 34b, amounted to HK\$96,057,000 (2024: HK\$93,675,000).

The Group has a policy of allowing credit periods ranging from 30 days to 150 days.

The following is an aged analysis of trade receivables, net of allowance for credit losses, presented based on the invoice date.

	2025 HK\$'000	2024 HK\$'000
1 – 30 days	110,957	90,020
31 – 60 days	55,585	36,540
61 – 90 days	27,363	27,600
91 – 120 days	7,753	6,939
Over 120 days	2,821	1,549
	<b>204,479</b>	<b>162,648</b>

As at 31 March 2025, included in the Group's trade receivables net of allowance for credit losses balance are debtors with aggregate carrying amount of HK\$48,997,000 (2024: HK\$48,218,000) which are past due as at the reporting date. Out of the past due balances, HK\$2,342,000 (2024: HK\$5,463,000) has been past due 90 days or more and is not considered as in default as the Group considered such balances could be recovered based on repayment history, the financial conditions and the current credit worthiness and future economy conditions of each customer. The Group does not hold any collateral over these balances.

Details of impairment assessment of trade and other receivables are set out in note 34b.

### 24. CASH AND CASH EQUIVALENTS

Bank balances and cash comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less.

Bank balances are interest bearing at respective saving deposits rate in Hong Kong and in the PRC and the effective interest rates of the Group's bank balances ranged from 0.100% to 4.500% (2024: 0.001% to 5.200%) per annum.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 24. CASH AND CASH EQUIVALENTS (CONTINUED)

The Group's bank balances and cash that are denominated in currencies other than the functional currencies of the relevant group entities as stated in note 34b, amounted to approximately HK\$397,801,000 (2024: HK\$31,929,000).

Details of impairment assessment of bank balances are set out in note 34b.

### 25. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL")

	2025 HK\$'000	2024 HK\$'000
Unlisted equity investments ( <i>Note a</i> )	120,118	108,474
Investment in unlisted equity investment in limited partnership ( <i>Note b</i> )	32,287	28,158
Equity securities listed in the PRC ( <i>Note c</i> )	2,588,845	–
	<b>2,741,250</b>	<b>136,632</b>

*Notes:*

- (a) During the year ended 31 March 2024, the Group invested RMB100,000,000 (equivalent to HK\$108,300,000) for approximately 1% equity interests in a private company, which is established in the PRC and principally engaged in the design, research and development and sales of graphics processing unit chips. The investment is not held for trading but for long-term strategic purposes. During the current year, a fair value gain of HK\$12,731,000 was recognised in profit or loss.
- (b) During the year ended 31 March 2024, the Group invested RMB26,000,000 (equivalent to HK\$28,158,000) for approximately 92% equity interests in a limited partnership which is established in the PRC. The investment in unlisted equity investment in limited partnership comprises two underlying investments: Suzhou Gaoxin Zhongke Semiconductor Co. Ltd ("Gaoxin Zhongke") and Nanjing TOPTO Materials Co., Ltd ("Nanjing TOPTO"). The Group does not have participate in making operating, investing and financing decisions of the partnership, accordingly, the directors of the Company consider the Company does not have control or influence over the partnership. These investments are not held for trading but for long-term strategic purposes. During the current year, a fair value gain of HK\$4,129,000 was recognised in profit or loss.
- (c) Upon completing the disposal on Date of Disposal, the Group's shareholding interests in Nantong Jianghai decreased to 13.81% and Nantong Jianghai ceased to be an associate of the Group. The remaining shares in Nantong Jianghai held by the Group were accounted for as financial assets at FVTPL in the consolidated statements of financial position. During the current year, a fair value loss of HK\$145,616,000 was recognised in profit or loss.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 25. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (“FVTPL”) (CONTINUED)

#### Movement of financial assets at FVTPL

	<i>HK\$'000</i>
As at 1 April 2024	136,632
Change in fair value credited to profit or loss	(128,756)
Transfer from disposal of an associate ( <i>Note 19</i> )	2,734,461
Exchange realignment	(1,087)
<b>As at 31 March 2025</b>	<b>2,741,250</b>

### 26. ASSETS CLASSIFIED AS HELD FOR SALE AND LIABILITIES ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE

On 12 March 2024, the Group entered into a shares purchase agreement to dispose of 20.02% of the equity interests in Nantong Jianghai (the “Disposal”) to Zhejiang Construction Investment Group Company Limited, an independent third party incorporated in the PRC. Subsequent to the Disposal, the Group would account for its remaining 8.81% shareholding in Nantong Jianghai as an investment measured at FVTPL in the Group’s consolidated financial statements.

As at 31 March 2024, the carrying amount of the interest in Nantong Jianghai and the associated liabilities were classified as assets and liabilities held for sale and were presented separately in the consolidated statement of financial position as the Disposal was expected to be completed within twelve months. As the net proceed of the Disposal was expected to exceed the net carrying amount of the relevant assets and liabilities, no impairment loss has been recognised.

The Disposal was completed on 13 January 2025, which included an amendment to reduce the disposed equity interest in Nantong Jianghai from 20.02% to 15.00%. Following the completion of the Disposal and the dilution from the deemed disposal of approximately 0.02% relating to the share option exercised at associate level, the remaining equity interest in Nantong Jianghai of 13.81% held by the Group is classified as a financial asset at FVTPL. Since then, the management made a retrospective adjustment to restate the corresponding amounts in the consolidated statement of financial position to reflect the 13.81% equity interests previously classified as held for sale no longer meeting the held for sale criteria to interests in associates.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 26. ASSETS CLASSIFIED AS HELD FOR SALE AND LIABILITIES ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE (CONTINUED)

Effect on the consolidated statement of financial position as at 31 March 2024

	As previously reported HK\$'000	Adjustments HK\$'000	As restated HK\$'000
Interests in associates	335,770	818,846	1,154,616
Assets classified as held for sale	1,708,365	(818,846)	889,519
Liabilities associated with assets classified as held for sale	82,710	(37,449)	45,261
Deferred tax liabilities	21,301	37,449	58,750

As at 31 March 2024, the assets and liabilities of Nantong Jianghai classified as held for sale are as follows:

	2024 HK\$'000 (restated)
Interests in associates classified as held for sale	889,519
Deferred tax liabilities associated with assets classified as held for sale	45,261

### 27. TRADE AND OTHER PAYABLES

	2025 HK\$'000	2024 HK\$'000
Trade payables	119,776	119,234
Accrued charges	102,269	62,558
Other payables	38,898	44,338
	<b>260,943</b>	<b>226,130</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 27. TRADE AND OTHER PAYABLES (CONTINUED)

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

	2025 HK\$'000	2024 HK\$'000
1 – 30 days	55,791	57,323
31 – 60 days	19,038	16,758
61 – 90 days	19,280	22,140
91 – 120 days	15,698	12,725
Over 120 days	9,969	10,288
	<b>119,776</b>	<b>119,234</b>

The credit period on purchase of goods is 30 days to 120 days.

The Group's trade and other payables that are denominated in foreign currencies, other than functional currencies of the relevant group entities, amounted to HK\$24,901,000 (2024: HK\$38,526,000).

### 28. CONTRACT LIABILITIES

	2025 HK\$'000	2024 HK\$'000
Deposits received from customers	<b>37,106</b>	26,633

As at 1 April 2023, contract liabilities amounted to HK\$39,303,000.

No significant financing component is involved for the above contract liabilities as they are realised within one year.

Contract liabilities primarily relate to deposits from customers when the sale order is issued. The Group receives 10% to 100% (2024: 30% to 100%) of the contract value as deposits from certain new customers when the sale order is issued. The entire amount of contract liabilities will be recognised as revenue when the customers obtained the control of the products. During the year ended 31 March 2025, the Group has recognised revenue of HK\$26,633,000 (2024: HK\$39,303,000) that was included in the contract liabilities balance at the beginning of the respective year.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 29. BANK BORROWINGS

	2025 HK\$'000	2024 HK\$'000
Bank borrowings – unsecured	15,898	31,735
Carrying amount of bank borrowings repayable based on scheduled repayment dates set out in the loan agreements:		
Within one year	15,898	31,735
Amounts due within one year shown under current liabilities	15,898	31,735

The bank borrowings are carried interest at a variable rate ranging from 4.80% to 6.74% (2024: 1.50% to 6.45%) per annum for the year ended 31 March 2025.

### 30. LEASE LIABILITIES

	2025 HK\$'000	2024 HK\$'000
<b>Lease liabilities payable:</b>		
Within one year	1,498	2,562
Within a period of more than one year but not more than two years	935	1,194
Within a period of more than two years but not more than five years	–	167
	2,433	3,923
Less: Amount due for settlement within 12 months shown under current liabilities	(1,498)	(2,562)
Amount due for settlement after 12 months shown under non-current liabilities	935	1,361

The weighted average incremental borrowing rates applied to lease liabilities is 3.27% (2024: 3.32%).

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

## 31. DEFERRED TAXATION

The deferred tax liabilities (assets) recognised and movements thereon during the current and prior years are as follows:

	Temporary differences on interest in associates (Note) HK\$'000	Undistributed profits in associates HK\$'000	Undistributed other comprehensive income in associates HK\$'000	Fair value change of financial assets at FVTPL HK\$'000	Others HK\$'000	Total HK\$'000
At 1 April 2023	49,641	55,482	1,328	–	(124)	106,327
Withholding tax paid	–	(2,943)	–	–	–	(2,943)
Charge to profit or loss	–	6,509	–	43	–	6,552
Credit to other comprehensive income	–	–	(399)	–	–	(399)
Exchange differences	(2,606)	(3,174)	(65)	–	319	(5,526)
At 31 March 2024	47,035	55,874	864	43	195	104,011
Withholding tax paid	–	(3,422)	–	–	–	(3,422)
(Credit) charge to profit or loss	(27,504)	(51,487)	–	252,221	–	173,230
Credit to other comprehensive income	–	–	(145)	–	–	(145)
Exchange differences	(715)	(965)	558	–	(195)	(1,317)
At 31 March 2025	18,816	–	1,277	252,264	–	272,357

*Note:* Pursuant to the completion of the Disposal, Nantong Jianghai ceased to be an associate of the Group and the remaining shares in Nantong Jianghai held by the Group are accounted for as financial assets at FVTPL in the consolidated statement of financial position, resulting in a decrease in the temporary differences in interests in associates and temporary differences in fair value change of financial assets at FVTPL.

	2025 HK\$'000	2024 HK\$'000 (restated)
The analysis includes those classified as held for sale:		
Current liabilities	–	45,261
Non-current liabilities	272,357	58,750
	272,357	104,011



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 31. DEFERRED TAXATION (CONTINUED)

Under the EIT Law, distributable profits earned by foreign investment enterprises since 1 January 2008 are subject to withholding tax of 10% of profit distributed to non-resident investors. However, pursuant to the Arrangement between the PRC and Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion, the withholding tax aforementioned can be reduced to 5%, if the non-resident investor is a Hong Kong incorporated company, provided that the Hong Kong incorporated company beneficially owns no less than 25% of the PRC company.

At the end of the reporting period, the Group had temporary differences, including unused tax losses, allowance for credit losses on trade and other receivables and interest receivables of debt investments at amortised cost, allowance of inventories, acceleration of depreciation, etc, amounted to HK\$77,603,000 (2024: HK\$21,560,000) available for offset against future profits. No deferred tax asset has been recognised in respect of such losses and temporary differences for both years due to the unpredictability of future profit streams. Included in unrecognised tax losses are HK\$43,240,000 (2024: HK\$2,263,000) that will expire within five years. The remaining unrecognised tax losses may be carried forward indefinitely.

The Group has recognised a deferred tax liability for the Group's share of the undistributed distributable profits earned by its PRC associates since 1 January 2008. Deferred tax liabilities in respect of the distributable profits retained by the Group's PRC subsidiaries have not been recognised as the Group is able to control the timing of reversal of temporary differences of the subsidiaries and it is probable that the temporary differences will not be reversed in the foreseeable future.

### 32. SHARE CAPITAL

	Number of shares '000	Share capital HK\$'000
Authorised ordinary shares of HK\$0.2 each	2,000,000	400,000
Issued and fully paid		
At 1 April 2023	976,182	195,236
Share repurchased and cancelled ( <i>Note (i)</i> )	(20,008)	(4,001)
At 31 March 2024	956,174	191,235
Share repurchased and cancelled ( <i>Note (ii)</i> )	(22,872)	(4,575)
<b>At 31 March 2025</b>	<b>933,302</b>	<b>186,660</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

## 32. SHARE CAPITAL (CONTINUED)

Notes:

- (i) During the year ended 31 March 2024, the Company repurchased its own ordinary shares through SEHK as follows:

Month of repurchase	Number of ordinary shares repurchased '000	Price per share		Aggregate consideration paid HK\$'000
		Highest HK\$	Lowest HK\$	
April 2023	2,174	2.92	2.82	6,257
June 2023	1,830	2.89	2.84	5,260
July 2023	4,454	2.97	2.82	12,916
August 2023	5,108	3.00	2.89	15,084
September 2023	1,546	2.94	2.80	4,445
October 2023	2,640	2.88	2.80	7,552
November 2023	300	2.84	2.79	848
December 2023	3,638	2.81	2.75	10,118
January 2024	2,496	2.97	2.75	7,137
March 2024	4,120	3.50	3.34	14,196
Total	28,306			83,813

Out of 28,306,000 ordinary shares repurchased, 17,752,000 ordinary shares were cancelled during the year ended 31 March 2024, while the remaining 10,554,000 repurchased ordinary shares were cancelled during the year ended 31 March 2025. In addition, 2,256,000 ordinary shares repurchased in March 2023 were cancelled during the year ended 31 March 2024.

- (ii) During the current year, the Company repurchased its own ordinary shares through SEHK as follows:

Month of repurchase	Number of ordinary shares repurchased '000	Price per share		Aggregate consideration paid HK\$'000
		Highest HK\$	Lowest HK\$	
April 2024	2,808	3.50	3.42	9,797
July 2024	3,036	3.18	2.70	8,935
August 2024	3,768	2.98	2.28	10,463
September 2024	2,048	2.40	1.90	4,401
October 2024	658	2.69	2.30	1,673
Total	12,318			35,269

All 12,318,000 ordinary shares were cancelled during the year ended 31 March 2025. In addition, 10,554,000 ordinary shares repurchased during the periods of November 2023, December 2023, January 2024 and March 2024 were cancelled in June 2024.

None of the Company's subsidiaries purchased, sold or redeemed any of the Company's listed securities during the current year.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 33. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior years. The capital structure of the Group consists of equity attributable to equity holders of the Group, comprising issued share capital and reserves.

The directors of the Company review the capital structure on a semi-annual basis. As part of this review, the directors of the Company consider the cost of capital and risks associated with each class of capital. Based on recommendations of the directors of the Company, the Group will balance its overall structure through the payment of dividends, new share issues and share repurchases as well as the issue of new debt or the redemption of existing debt.

### 34. FINANCIAL INSTRUMENTS

#### 34a. Categories of financial instruments

	2025 HK\$'000	2024 HK\$'000
<b>Financial assets</b>		
At amortised cost	781,268	353,410
Financial assets at FVTPL	<u>2,741,250</u>	<u>136,632</u>
<b>Financial liabilities</b>		
At amortised cost	<u>174,572</u>	<u>195,307</u>

#### 34b. Financial risk management objective and policies

The Group's financial instruments include financial assets at FVTPL, trade receivables, loan receivables, other receivables and deposits, debt investments at amortised cost, cash and cash equivalents, trade and other payables and bank borrowings. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risks (currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management of the Group manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

## 34. FINANCIAL INSTRUMENTS (CONTINUED)

### 34b. Financial risk management objective and policies (Continued)

#### **Market risks**

##### *(i) Currency risk*

Several group entities have foreign currency sales and purchases, which expose the Group to foreign currency risk. Approximately 42% (2024: 46%) of the Group's sales are denominated in currencies other than the functional currency of the group entities making the sale, whilst approximately 16% (2024: 17%) of purchases of raw materials are denominated in currencies other than the functional currency of the group entities.

The carrying amount of the Group's significant monetary assets, including trade and other receivables, intercompany balances, cash and cash equivalents, monetary liabilities, including trade and other payables, contract liabilities and intercompany balances, denominated at the currencies other than the functional currency of the relevant group entities, at the end of reporting period are as follows:

	<b>Assets</b>		<b>Liabilities</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>
Renminbi ("RMB")	<b>3,345</b>	1,577	<b>8,298</b>	24,176
Taiwan dollars ("NT\$")	<b>4,222</b>	4,835	<b>356</b>	634
Japanese Yen ("JPY")	<b>397</b>	337	<b>708</b>	917
United States dollars ("US\$")	<b>545,835</b>	229,899	<b>84,259</b>	150,028
Swiss franc ("CHF")	<b>141</b>	120	<b>–</b>	–

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 34. FINANCIAL INSTRUMENTS (CONTINUED)

#### 34b. Financial risk management objective and policies (Continued)

##### *Market risks (Continued)*

##### *(i) Currency risk (Continued)*

##### *Sensitivity analysis*

The following table details the Group's sensitivity to a 5% increase and decrease in the functional currencies of the relevant group entities against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 5% change in foreign currency rates. A positive number below indicates an increase in post-tax profit where the functional currency of the relevant group entities weaken 5% against relevant currencies. For a 5% strengthening of the functional currency of the relevant group entities against the relevant currencies, there would be an equal and opposite impact on the post-tax profit, and the balances below would be negative.

	2025 HK\$'000	2024 HK\$'000
RMB	(207)	(944)
NT\$	161	175
JPY	(13)	(24)
CHF	6	5

For the group entities with functional currency in HK\$, as HK\$ is pegged to US\$, the exposure of a fluctuation in exchange risk of HK\$ against US\$ is not considered significant and thus the effect is not considered in the sensitivity analysis.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

## 34. FINANCIAL INSTRUMENTS (CONTINUED)

### 34b. Financial risk management objective and policies (Continued)

#### ***Market risks (Continued)***

##### *(ii) Interest rate risk*

The Group is exposed to cash flow interest rate risk in relation to variable-rate bank balances (see note 24 for details).

The Group is exposed to fair value interest rate risk in relation to debt investments at amortised cost (see note 20 for details), loan receivables (see note 23 for details), bank borrowings (see note 29 for details) and lease liabilities (see note 30 for details).

The directors of Company consider that cash flow interest rate risk is insignificant. The management continuously monitors interest rate fluctuations and will consider further hedging the interest rate risk should the need arise.

##### *Sensitivity analysis*

No sensitivity analysis is presented since the directors of the Company consider the exposure of cash flow interest rate risk arising from variable-rate bank balances are limited due to their short maturities.

#### ***Credit risk and impairment assessment***

At the end of the reporting period, the carrying amount of the respective recognised financial assets stated in the consolidated statement of financial position as trade receivables, loan receivables, other receivables and deposits, debt investments at amortised cost and bank balances represents the Group's maximum exposure to credit risk which will cause of financial loss due to failure to discharge an obligation by the counterparties.

##### *Trade receivables*

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits and credit approvals. Before accepting any new customer, the Group assesses the potential customer's credit quality and defines corresponding credit limits. Credit quality and limit attributed to customers are reviewed regularly. Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced. In addition, the Group performs impairment assessment under ECL model on trade balances based on individual assessment for those debtors with credit-impaired and/or collective assessment through grouping of various debtors that have similar loss patterns, after considering ageing, repayment history and/or past due status of respective trade receivables.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 34. FINANCIAL INSTRUMENTS (CONTINUED)

#### 34b. Financial risk management objective and policies (Continued)

##### *Credit risk and impairment assessment (Continued)*

###### *Trade receivables (Continued)*

The amounts due from the Group's five largest debtors which are all engaged in manufacturing and trading of electronic consumer products in Hong Kong, Mainland China and United States and with a good payment history, accounted for 28% (2024: 20%) of the Group's total trade receivables. The Group monitors the level of exposures to ensure that follow up actions and/or corrective measures are taken promptly to lower the risk exposure or to recover the overdue balances. Other than the above, the Group has no other significant concentration risk, with exposures spread over a large number of counterparties and customers.

###### *Other receivables and deposits*

For other receivables and deposits, the management makes periodic individual assessment on the recoverability of other receivables and deposits based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportive forward-looking information. The management believes that there are no significant increase in credit risk of these amounts since initial recognition and the management considers the ECL for other receivables and deposits is insignificant and therefore no loss allowances was recognised.

###### *Debt investments at amortised cost*

The Group only invests in debt investments at amortised cost. The Group's debt investments at amortised cost mainly comprise listed bonds that are graded in speculative credit risk investments (Caa3 in Moody's Rating Scale) as per globally understood definitions. During the year ended 31 March 2025, reversal of ECL on debt investments at amortised cost amounting to HK\$3,452,000 (2024: allowance of HK\$14,333,000) is recognised in the profit or loss.

###### *Bank balances*

The credit risks on bank balances are limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 34. FINANCIAL INSTRUMENTS (CONTINUED)

#### 34b. Financial risk management objective and policies (Continued)

##### *Credit risk and impairment assessment (Continued)*

##### *Bank balances (Continued)*

The Group's internal credit risk grading assessment comprises the following categories:

Internal credit rating	Description	Trade receivables	Other financial assets
Low risk	The counterparty has a low risk of default and does not have any past-due amounts	Lifetime ECL - not credit-impaired	12m ECL
Watch list	Debtor frequently repays after due dates but usually settle in full	Lifetime ECL - not credit-impaired	12m ECL
Doubtful	There have been significant increases in credit risk since initial recognition through information developed internally or external resources	Lifetime ECL - not credit-impaired	Lifetime ECL - not credit-impaired
Loss	There is evidence indicating the asset is credit-impaired	Lifetime ECL - credit-impaired	Lifetime ECL - credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off	Amount is written off

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 34. FINANCIAL INSTRUMENTS (CONTINUED)

#### 34b. Financial risk management objective and policies (Continued)

##### *Credit risk and impairment assessment (Continued)*

The tables below detail the credit risk exposures of the Group's financial assets, which are subject to ECL assessment:

	Notes	External credit rating	Internal credit rating	12m or lifetime ECL	Gross carrying amount 2025 HK\$'000	Gross carrying amount 2024 HK\$'000
<b>Financial assets at amortised cost</b>						
Debt investments at amortised cost	20	(Note i)	N/A	Lifetime ECL (2024: Lifetime ECL)	13,166	6,940
Trade receivables	23	N/A	(Note iii)	Lifetime ECL (collective assessment)	205,554	163,446
			Loss (Note iii)	Lifetime ECL (individual assessment)	1,876	6,675
Loan receivables	23	N/A	(Note iv)	12m ECL	9	11,309
Other receivables and deposits	23	N/A	(Note iv)	12m ECL	23,885	8,978
Bank balances	24	(Note ii)	N/A	12m ECL	524,836	152,687

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

## 34. FINANCIAL INSTRUMENTS (CONTINUED)

### 34b. Financial risk management objective and policies (Continued)

#### *Credit risk and impairment assessment (Continued)*

Notes:

- (i) The Group's debt investments at amortised cost mainly comprise listed bonds that are graded in the speculative credit risk investments (Caa3 in Moody's Rating Scale) as per globally understood definitions and therefore are considered to be speculative credit risk investments.
- (ii) Bank balances are deposited with financial institutions with high credit rating (A1 to Aa3 in Moody's Rating Scale) and are considered low credit risk financial assets. The directors of the Company consider these assets are short-term in nature and the probability of default is negligible on the basis of high-credit ratings. Therefore, no impairment allowance are made on these balances.
- (iii) As part of the Group's credit risk management, the Group applies internal credit rating for its customers. The following table provides information about the exposure to credit risk for trade receivables which are assessed based on collective assessment within lifetime ECL (not credit-impaired). Debtors with credit-impaired with gross carrying amounts of HK\$1,876,000 as at 31 March 2025 (2024: HK\$6,675,000) were assessed individually.
- (iv) For the purpose of internal credit risk management, the Group uses historical observed default rates and forward looking information, including but not limited to the historical settlement patterns and financial status of each borrower, and forecasted global economy, respectively, for loan receivables. In addition, the management makes periodic individual assessment on the recoverability of other receivables and deposits based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportive forward-looking information. The management believes that there are no significant increase in credit risk of these amounts since initial recognition and the Group provided impairment based on 12m ECL. For the years ended 31 March 2024 and 2025, no ECL allowance on other receivables is recognised in the profit or loss.

*Gross carrying amount*

	2025		2024	
	Average loss rate	Trade receivables	Average loss rate	Trade receivables
	%	HK\$'000	%	HK\$'000
<b>Internal credit rating</b>				
Low risk	0.18	127,269	0.20	114,548
Watch list	0.68	66,920	0.70	40,918
Doubtful	3.45	11,365	3.57	7,980
Loss	100	1,876	100	6,675
		<b>207,430</b>		<b>170,121</b>

The estimated loss rates are estimated based on historical observed default rates over the expected life of the debtors and forward-looking information that is available without undue cost or effort. The grouping is regularly reviewed by the management of the Group to ensure relevant information about specific debtors is updated.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 34. FINANCIAL INSTRUMENTS (CONTINUED)

#### 34b. Financial risk management objective and policies (Continued)

##### *Credit risk and impairment assessment (Continued)*

##### *Gross carrying amount (Continued)*

The following table shows the movement in lifetime ECL that has been recognised for trade receivables under the simplified approach.

	Lifetime ECL, not-credit impaired HK\$'000	Lifetime ECL, credit- impaired HK\$'000	Total HK\$'000
At 1 April 2023	10,629	3,213	13,842
Changes due to financial instruments recognised as at 1 April 2023:			
– Transfer to credit-impaired	(749)	749	–
– Impairment loss recognised	–	161	161
– Impairment loss reversed	(6,260)	(3,694)	(9,954)
New financial assets originated	3,334	332	3,666
Exchange realignment	(158)	(84)	(242)
At 31 March 2024	6,796	677	7,473
Changes due to financial instruments recognised as at 1 April 2024:			
– Transfer to credit-impaired	(1,501)	1,501	–
– Impairment loss recognised	48	39	87
– Impairment loss reversed	(4,204)	(398)	(4,602)
New financial assets originated	644	16	660
Exchange realignment	(208)	(459)	(667)
<b>At 31 March 2025</b>	<b>1,575</b>	<b>1,376</b>	<b>2,951</b>

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two year past due, whichever occurs earlier.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 34. FINANCIAL INSTRUMENTS (CONTINUED)

#### 34b. Financial risk management objective and policies (Continued)

##### *Credit risk and impairment assessment (Continued)*

The following table shows the movement in lifetime ECL that has been recognised for debt investments at amortised cost.

	Lifetime ECL, credit- impaired HK\$'000
At 1 April 2023	(14,573)
Changes due to financial instruments recognised as at 1 April 2023:	
– Impairment loss recognised	20,142
– Derecognition upon substantial modification	(5,569)
New financial assets originated	
– Settlement	(4,859)
– Impairment gain recognised	(5,809)
At 31 March 2024	(10,668)
Changes due to financial instruments recognised as at 1 April 2024:	
– Impairment gain recognised	(3,452)
– Exchange realignment	(426)
<b>At 31 March 2025</b>	<b>(14,546)</b>

##### *Liquidity risk*

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management of the Group to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management of the Group monitors the utilisation of banking facilities and ensures compliance with loan covenants.

As at 31 March 2025, the Group's banking facilities amounted to HK\$286,000,000 (2024: HK\$285,700,000) of which approximately HK\$15,898,000 (2024: HK\$31,735,000) were utilised for issuance of letters of credit and bank borrowings.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

## 34. FINANCIAL INSTRUMENTS (CONTINUED)

### 34b. Financial risk management objective and policies (Continued)

#### *Liquidity risk (Continued)*

##### *Liquidity table*

The following table details the Group's remaining contractual maturity for its financial liabilities based on the agreed repayment terms. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The maturity dates for non-derivative financial liabilities are based on the agreed repayment dates. The table includes both interest and principal cash flows.

	Weighted average interest rate %	Repayable on demand or less than 1 year HK\$'000	1 to 2 years HK\$'000	2 to 5 years HK\$'000	Total undiscounted cash flow HK\$'000	Carrying amount HK\$'000
<b>At 31 March 2025</b>						
<b>Non-derivative financial liabilities</b>						
Trade and other payables	–	158,674	–	–	158,674	158,674
Bank borrowings	6.74	15,898	–	–	15,898	15,898
<b>Other item</b>						
Lease liabilities	3.27	1,548	970	–	2,518	2,433
		<b>176,120</b>	<b>970</b>	<b>–</b>	<b>177,090</b>	<b>177,005</b>
<b>At 31 March 2024</b>						
<b>Non-derivative financial liabilities</b>						
Trade and other payables	–	163,572	–	–	163,572	163,572
Bank borrowings	6.45	31,735	–	–	31,735	31,735
<b>Other item</b>						
Lease liabilities	3.32	2,592	1,219	121	3,932	3,923
		<b>197,899</b>	<b>1,219</b>	<b>121</b>	<b>199,239</b>	<b>199,230</b>

The amounts included above for variable interest rate instruments for non-derivative financial liabilities are subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

## 34. FINANCIAL INSTRUMENTS (CONTINUED)

### 34c. Fair value measurements of financial instruments

Some of the Group's financial instruments are measured at fair value for financial reporting purposes. In estimating the fair value, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation or to establish the appropriate valuation techniques and inputs to the model.

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

Financial assets	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)
	31 March 2025	31 March 2024			
	HK\$'000	HK\$'000			
<b>Financial assets at FVTPL</b>					
– Equity securities listed in the PRC	2,588,845	–	Level 1	Quoted bid prices in an active market	N/A
– Unlisted equity investments	120,118	108,474	Level 3	Binomial option pricing model, the key inputs are: underlying share price and share price volatility	Expected volatility of 58.35% (31 March 2024: 62.49% <i>(Note i)</i> )
– Investment in unlisted equity investment in limited partnership – Suzhou Gaoxin	9,843	10,830	Level 3 (31 March 2024: Level 2)	Binomial option pricing model, the key inputs are: underlying share price and share price volatility (31 March 2024: Recent transaction price)	Expected volatility of 56.40% (31 March 2024: N/A) <i>(Note ii)</i>
– Investment in unlisted equity investment in limited partnership – Nanjing TOPTO	22,444	17,328	Level 3 (31 March 2024: Level 2)	Price to earnings ratio adjusted for marketability (31 March 2024: Recent transaction price)	Price to earnings ratio multiple from 17.82 to 42.88 (31 March 2024: N/A) <i>(Note iii)</i>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

## 34. FINANCIAL INSTRUMENTS (CONTINUED)

### 34c. Fair value measurements of financial instruments (Continued)

Notes:

- (i) An increase in the expected volatility used in isolation would result in an increase in the fair value measurement of the unlisted equity investment, and vice versa. A 5% increase/decrease in the expected volatility holding all other variables constant would increase/decrease the carrying amount of the unlisted equity investment by HK\$771,000.
- (ii) An increase in the expected volatility used in isolation would result in an increase in the fair value measurement of the unlisted equity investment, and vice versa. A 5% increase/decrease in the expected volatility holding all other variables constant would increase/decrease the carrying amount of the unlisted equity investment by HK\$98,000.
- (iii) An increase in the price to earnings ratio multiple used in isolation would result in an increase in the fair value measurement of the investment in unlisted equity investment in partnership, and vice versa. A 5% increase/decrease in the price to earnings ratio multiple holding all other variables constant would increase/decrease the carrying amount of the unlisted equity investment by HK\$1,181,000.

### 34d. Reconciliation of Level 3 fair value measurements

	<i>HK\$'000</i>
As at 1 April 2024	108,474
Change in fair value credited to profit or loss	16,860
Transfers into Level 3	28,158
Exchange realignment	(1,087)
<b>As at 31 March 2025</b>	<b>152,405</b>

Of the total gain for the year included in profit or loss, HK\$16,860,000 gain relates to financial assets measured at FVTPL held at the end of the current reporting period. Fair value gains or losses on financial assets measured at FVTPL are included in 'other gains and losses'.

Except as detailed in the above table, the fair value of the Group's financial assets and financial liabilities are not measured at fair value on a recurring basis:

- The fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on a discounted cash flow analysis.
- The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values, except for the debt investments at amortised cost which were detailed below.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 34. FINANCIAL INSTRUMENTS (CONTINUED)

#### 34d. Reconciliation of Level 3 fair value measurements (Continued)

***Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis***

Except as detailed in the following table, the management considers that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values.

As at 31 March 2025

Financial asset	Carrying amount HK\$'000	Fair value HK\$'000	Fair value hierarchy	Key input
Debt investments at amortised cost	<u>27,712</u>	<u>24,684</u>	Level 1	Quoted bid price in an active market

As at 31 March 2024

Financial asset	Carrying amount HK\$'000	Fair value HK\$'000	Fair value hierarchy	Key input
Debt investments at amortised cost	<u>17,608</u>	<u>12,973</u>	Level 1	Quoted bid price in an active market

The carrying amount includes accrued interest receivables.

### 35. CAPITAL COMMITMENT

	2025 HK\$'000	2024 HK\$'000
Expenditure contracted for but not provided in the consolidated financial statements in respect of:		
– Acquisition of plant and machinery and construction in progress	<u>30,581</u>	<u>121,321</u>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 36. OPERATING LEASES

#### The Group as lessor

All of the properties held for rental purposes have committed leases for the next 2 years.

Undiscounted lease payments receivable on leases are as follows:

	2025 HK\$'000	2024 HK\$'000
Within one year	960	1,238
In the second year	960	—
	<b>1,920</b>	<b>1,238</b>

### 37. SHARE-BASED PAYMENT TRANSACTIONS

#### Share Award Scheme

The purpose of the share award scheme is to recognise and motivate the contribution of certain qualifying person and to provide incentives and help the Group in retaining its existing qualifying person and recruiting additional qualifying person for the continual operation and development of the Group and to provide them with a direct economic interest in attaining the long-term business objectives of the Company.

The share award scheme of the Company was adopted by the board of directors on 24 October 2012. Pursuant to the share award scheme, existing shares will be purchased by the trustee from the market out of cash contributed by the Group and be held in trust for the relevant selected participants until such shares are vested upon retirement age or from the sixth year of grant with the relevant selected participants in accordance with the provisions of the scheme, whichever is earlier. When the selected participant has satisfied all vesting conditions specified by the board at the time of making the award and become entitled to the shares forming the subject of the award, the trustee shall transfer the relevant vested shares to that qualifying person.

Recognition of equity-settled share-based payment expenses under share award scheme during the year was approximately HK\$3,406,000 (2024: HK\$4,562,000).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 37. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

Details of specific categories of share awards are as follows:

Date of grant	Vesting period	Number of shares As at 31 March	
		2025	2024
25 August 2014	From 1 April 2020 to 31 March 2025	–	178,800
25 September 2015	From 1 April 2021 to 31 March 2026	130,800	268,000
27 September 2016	From 1 April 2022 to 31 March 2027	320,000	498,000
29 August 2017	From 1 April 2023 to 31 March 2028	498,000	688,000
29 October 2018	From 1 April 2024 to 31 March 2029	920,000	1,180,000
3 December 2019	From 1 April 2025 to 31 March 2030	1,820,000	1,880,000
18 April 2023	From 1 April 2026 to 31 March 2033	1,510,000	1,560,000
31 March 2024	From 1 April 2029 to 31 March 2034	1,140,000	1,360,000
25 March 2025	From 1 April 2030 to 31 March 2035	3,350,000	–
		<b>9,688,800</b>	<b>7,612,800</b>

Movements in the number of unvested awarded shares were as follows:

	Number of shares
At 1 April 2023	7,829,600
Granted	3,840,000
Vested ( <i>Note</i> )	(4,056,800)
At 31 March 2024	7,612,800
Granted	3,560,000
Vested ( <i>Note</i> )	(1,484,000)
<b>At 31 March 2025</b>	<b>9,688,800</b>

All the awarded shares are purchased from the market.

*Note:* These represent awarded shares vested during the year.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 37. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

#### Share Option Scheme

The Company's share option scheme (the "Scheme") was adopted pursuant to a resolution passed on 16 August 2024 for the primary purpose of providing incentives to eligible employees, and will expire on 15 August 2034. Under the Scheme, the directors of the Company may grant options (the "Options") to eligible employees (the "Grantees"), including directors of the Group, to subscribe for shares in the Company. There is no performance target attached to the Options.

The following table discloses movements of share options during the year:

Grantees	Date of grant	Exercise price	Vesting and exercise period	Number of share options			As at 31 March 2025
				As at 1 April 2024	Granted during the year	Lapsed during the year	
Employees	6 March 2025	HK\$1.892	6 March 2026 to 5 March 2035	–	5,150,000	(2,400,000)	2,750,000

Recognition of equity-settled share-based payment expenses under share option scheme during the year was approximately HK\$59,000 (2024: nil).

### 38. RETIREMENT BENEFIT PLANS

The Group participates in the MPF Scheme for all qualifying employees in Hong Kong. The assets of the MPF Schemes are held separately from those of the Group, in funds under the control of trustees. The Group contributes 5% of the relevant payroll costs to the MPF Scheme, which contribution is matched by employees.

The retirement benefit scheme contributions arising from the MPF Scheme charged in profit or loss represent contributions paid or payable to the funds by the Group at rates specified in the rules of the schemes.

The employees of the group entities in the PRC are members of a state-managed retirement benefit scheme operated by the government in the PRC. The group entities are required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the specified contributions.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 39. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Bank borrowings <i>HK\$'000</i> <i>(Note)</i>	Lease liabilities <i>HK\$'000</i>	Dividend payable <i>HK\$'000</i>	Dividend payable to non- controlling interests <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 1 April 2023	4,284	16,697	–	–	20,981
Financing cash flows	26,661	(5,184)	(94,257)	(17,235)	(90,015)
New lease entered ( <i>Note 17</i> )	–	2,676	–	–	2,676
Lease modified	–	(10,464)	–	–	(10,464)
Interest expenses	662	490	–	–	1,152
Declaration of dividend	–	–	94,257	17,235	111,492
Exchange realignment	128	(292)	–	–	(164)
At 31 March 2024	31,735	3,923	–	–	35,658
Financing cash flows	(22,214)	(2,779)	(1,693,286)	(15,148)	(1,733,427)
New lease entered ( <i>Note 17</i> )	–	1,189	–	–	1,189
Interest expenses	6,330	101	–	–	6,431
Declaration of dividend	–	–	1,693,286	15,148	1,708,434
Exchange realignment	47	(1)	–	–	46
<b>At 31 March 2025</b>	<b>15,898</b>	<b>2,433</b>	<b>–</b>	<b>–</b>	<b>18,331</b>

*Note:* The financing cash flows from bank borrowings make up the net amount of new bank borrowings raised, repayment of bank borrowings and interest paid in the consolidated statement of cash flows.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 40. RELATED PARTY TRANSACTIONS

Saved as the transactions and balances with related parties disclosed in the consolidated statement of financial position and note 12, the Group entered into the following transactions with related parties.

#### 40a. Transactions with related parties

	2025 HK\$'000	2024 HK\$'000
Dividend income from an associate which has been classified as assets held for sale	35,635	—
Interest income from loans to shareholders of associates	—	526
Rental and related expenses to a fellow subsidiary	243	—
Rental expense to a company controlled by the shareholders of ultimate holding company	412	—

#### 40b. Compensation of key management personnel

The remuneration of key management personnel during the year was as follows:

	2025 HK\$'000	2024 HK\$'000
Short-term benefits	10,114	10,269
Share-based payment expenses	314	1,885
Post-employment benefits	460	461
	10,888	12,615

The remuneration of directors of the Company who are also key management personnel, is determined by the remuneration committee having regard to the performance of individual and market trends.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 41. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Non-current assets</b>		
Investments in subsidiaries	83,414	83,414
Amounts due from subsidiaries	101,442	101,442
Debt investments at amortised cost	27,712	17,608
	<b>212,568</b>	202,464
<b>Current assets</b>		
Amounts due from subsidiaries	640,838	429,497
Other receivables	2,007	410
Cash and cash equivalents	35,003	5,944
	<b>677,848</b>	435,851
<b>Current liabilities</b>		
Accrued charges	5,060	7,930
Amounts due to subsidiaries	84,560	142,673
	<b>89,620</b>	150,603
<b>Net current assets</b>	<b>588,228</b>	285,248
	<b>800,796</b>	487,712
<b>Capital and reserves</b>		
Share capital	186,661	191,235
Reserves	614,135	296,477
	<b>800,796</b>	487,712

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

## 41. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (CONTINUED)

### Movement of reserves

	Share premium HK\$'000	Capital redemption reserve HK\$'000	Share award reserve HK\$'000	Share option reserve HK\$'000	Shares held for share award scheme HK\$'000 (Note)	Contributed surplus HK\$'000	Other reserve HK\$'000	Retained profits HK\$'000	Total HK\$'000
At 1 April 2023	110,750	15,275	11,444	-	(33,474)	49,259	(451)	101,417	254,220
Profit and total comprehensive income for the year	-	-	-	-	-	-	-	218,145	218,145
Repurchase and cancellation of ordinary shares (note 32)	-	5,661	-	-	-	-	(1,660)	(83,813)	(79,812)
Shares purchased for share award scheme	-	-	-	-	(6,381)	-	-	-	(6,381)
Recognition of equity-settled share-based payment expenses under share award scheme (note 37)	-	-	4,562	-	-	-	-	-	4,562
Shares vested under share-award scheme (note 37)	-	-	(8,459)	-	11,740	-	-	(3,281)	-
Dividends recognised as distribution (note 14)	-	-	-	-	-	-	-	(94,257)	(94,257)
At 31 March 2024	110,750	20,936	7,547	-	(28,115)	49,259	(2,111)	138,211	296,477
Profit and total comprehensive income for the year	-	-	-	-	-	-	-	2,043,747	2,043,747
Repurchase and cancellation of ordinary shares (note 32)	-	2,464	-	-	-	-	2,111	(35,269)	(30,694)
Shares purchased for share award scheme	-	-	-	-	(5,574)	-	-	-	(5,574)
Recognition of equity-settled share-based payment expenses under share award scheme (note 37)	-	-	3,406	-	-	-	-	-	3,406
Recognition of equity-settled share-based payment expenses under share option scheme (note 37)	-	-	-	59	-	-	-	-	59
Shares vested under share-award scheme (note 37)	-	-	(3,503)	-	4,562	-	-	(1,059)	-
Dividends recognised as distribution (note 14)	-	-	-	-	-	-	-	(1,693,286)	(1,693,286)
At 31 March 2025	110,750	23,400	7,450	59	(29,127)	49,259	-	452,344	614,135

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 41. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (CONTINUED)

#### Movement of reserves (Continued)

*Note:* The contributed surplus of the Company represents the difference between the consolidated shareholders' funds of Yeebo (B.V.I.) Limited at the date on which it was acquired by the Company, and the nominal amount of the Company's shares issued for the acquisition at the time of the group reorganisation prior to the listing of the Company's shares in 1993. Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus account of the Company is available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of the contributed surplus, if:

- (a) it is, or would after the payment be, unable to pay its liabilities as they become due; or
- (b) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 42. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(a) Details of the Company's principal subsidiaries at 31 March 2025 and 2024 were as follows:

Name of subsidiaries	Legal form of business	Place of incorporation or registration/ operations	Issued and fully paid up share/ registered capital	Percentage of nominal value of issued shares/registered capital held by the Company		Principal activities
				2025	2024	
Billion Power (Notes 1 and 2)	Incorporated	Hong Kong	HK\$1	100%	100%	Investment holding
Crown Capital (Notes 1, 2 and 3)	Incorporated	BVI	US\$8,502	47.05%	47.05%	Investment holding
Faith Crown International Limited (Note 1)	Incorporated	BVI	US\$1	100%	100%	Investment holding
Jiangmen Yeebo Electronics Technology Co., Limited (Note 1) 江門億都電子科技有限公司	Wholly-owned foreign enterprise	The PRC	US\$1,700,000 registered capital (2024: US\$3,708,314)	100%	100%	Manufacture of LCMs
Jiangmen Yeebo Semiconductor Co., Limited (Note 1) 江門億都半導體有限公司	Wholly-owned foreign enterprise	The PRC	US\$23,000,000 registered capital	100%	100%	Manufacture of LCDs, LCMs, TFTs and CTPs
Yeebo (B.V.I.) Limited (Notes 1 and 2)	Incorporated	BVI	US\$8,100	100%	100%	Investment holding
Yeebo Display Limited (Note 1)	Incorporated	Hong Kong	HK\$1	100%	100%	Trading of LCDs, LCMs, TFTs and CTPs
Yeebo LCD Limited (Note 1)	Incorporated	Hong Kong	HK\$10,000	100%	100%	Trading of LCDs and LCMs and investment holding
Yeebo Manufacturing Limited (Note 1)	Incorporated	Hong Kong	HK\$10,000	100%	100%	Trading of LCDs, LCMs, TFTs and CTPs
DMB Technics AG (Note 1)	Wholly-owned foreign enterprise	Switzerland	CHF400,000	51%	51%	Trading of LCDs, LCMs, TFTs and CTPs

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 42. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (CONTINUED)

#### (a) Details of the Company's principal subsidiaries at 31 March 2025 and 2024 were as follows: (Continued)

*Note 1:* In the opinion of the directors, these subsidiaries principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

*Note 2:* The shares of these subsidiaries are directly held by the Company and the remaining subsidiaries are indirectly held by the Company.

*Note 3:* Crown Capital is considered as a subsidiary of the Group even though the Group has only a 47.05% ownership interest and has only 47.05% of the voting rights in Crown Capital since the date of incorporation and the remaining 52.95% of the ownership interests are held by seven independent shareholders. The Group has a sufficiently dominant voting interest to direct the relevant activities of Crown Capital and therefore the Group has control over Crown Capital.

None of the subsidiaries had any debt capital outstanding at the end of the year or at any time during the year.

#### (b) Details of non-wholly owned subsidiary that have material non-controlling interests

The table below shows details of the non-wholly owned subsidiary of the Company that has material non-controlling interests:

Name of subsidiary	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests		(Loss) profit allocated to non-controlling interests		Accumulated non-controlling interests	
		2025	2024	2025	2024	2025	2024
				HK\$'000	HK\$'000	HK\$'000	HK\$'000
Crown Capital	BVI	52.95%	52.95%	(3,782)	(5,568)	56,982	61,222
Individual immaterial subsidiaries with non-controlling interests				4,361	15,581	34,332	35,275
				579	10,013	91,314	96,497

Summarised financial information in respect of the Group's subsidiary that has a material non-controlling interest is set out below. The summarised financial information below represents amounts before intragroup eliminations.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 42. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (CONTINUED)

#### (b) Details of non-wholly owned subsidiary that have material non-controlling interests (Continued)

##### *Crown Capital*

	2025 HK\$'000	2024 HK\$'000
Current assets	26,522	26,543
Current liabilities	(12,436)	(13,351)
Non-current assets	93,528	102,431
Equity attributable to owners of the Company	50,632	54,401
Non-controlling interests	56,982	61,222
Share of results of an associate	(8,036)	(11,211)
Other income	894	695
Loss for the year	(7,142)	(10,516)
Other comprehensive expense	(867)	(6,365)
Loss attributable to owners of the Company	(3,360)	(4,948)
Other comprehensive expense attributable to owners of the Company	(408)	(2,995)
Loss attributable to non-controlling interests	(3,782)	(5,568)
Other comprehensive expense attributable to non-controlling interests	(459)	(3,370)
Loss and total comprehensive expense for the year	(8,009)	(16,881)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

### 43. EVENT AFTER THE REPORTING PERIOD

1. Subsequent to the reporting period, the Group invested RMB100,000,000 (equivalent to approximately HK\$107,000,000) for approximately 3.34% of the equity interest in a private company, which is established in the PRC and principally engaged in the design, development and sale of intelligent network chips and offers reliable and cost-effective network infrastructure solutions and products. Additionally, the Group also invested RMB20,000,000 (equivalent to approximately HK\$21,464,000) for approximately 5.20% of the equity interest in another private company, which is established in the PRC and principally engaged in the development and sale of AI hardware, software and auxiliary products and providing technical services and offers AI data platform and information system integration.

These investments are not held for trading but for long-term strategic purposes. Therefore, these investments will be accounted for as financial assets at FVTPL in the Group's consolidated financial statements for the year ending 31 March 2026.

2. On 20 June 2025, the Group entered into the servers and auxiliary products sale agreement to purchase the servers and auxiliary products and software at a total consideration of RMB106,560,000 (equivalent to approximately HK\$116,150,400) (inclusive of tax) subject to and in accordance with the terms and conditions thereof. Details of the above were set out in announcement of the Company dated 20 June 2025.



## FINANCIAL SUMMARY

	For the year ended 31 March				
	2021 HK\$'000	2022 HK\$'000	2023 HK\$'000	2024 HK\$'000	2025 HK\$'000
Revenue	891,969	1,266,641	1,325,806	936,607	<b>1,038,535</b>
Profit before income tax	214,666	306,388	737,030	199,473	<b>3,208,421</b>
Income tax expense	(16,656)	(24,035)	(75,786)	(12,696)	<b>(419,101)</b>
Profit for the year	198,010	282,353	661,244	186,777	<b>2,789,320</b>
Attributable to:					
Owners of the Company	187,734	266,579	615,109	176,764	<b>2,788,741</b>
Non-controlling interests	10,276	15,774	46,135	10,013	<b>579</b>
	198,010	282,353	661,244	186,777	<b>2,789,320</b>

	As at 31 March				
	2021 HK\$'000	2022 HK\$'000	2023 HK\$'000	2024 HK\$'000	2025 HK\$'000
<b>ASSETS AND LIABILITIES</b>					
Total assets	2,532,000	2,978,212	3,114,070	2,906,940	<b>4,274,191</b>
Total liabilities	(374,318)	(486,248)	(455,213)	(405,646)	<b>(598,769)</b>
	2,157,682	2,491,964	2,658,857	2,501,294	<b>3,675,422</b>
Equity attributable to owners of the Company	2,103,385	2,424,257	2,551,785	2,404,797	<b>3,584,108</b>
Non-controlling interests	54,297	67,707	107,072	96,497	<b>91,314</b>
	2,157,682	2,491,964	2,658,857	2,501,294	<b>3,675,422</b>