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COMPUTIME GROUP LIMITED

金寶通集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 320)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 MARCH 2025

The board of directors (the “**Board**”) of Computime Group Limited (the “**Company**” or “**Computime**”) announces the consolidated results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 March 2025 (the “**Year**”, or “**FY2025**”) together with the comparative figures for the year ended 31 March 2024 (“**FY2024**”), as follows:

HIGHLIGHTS

	FY2025	FY2024	Year-on-year
	HK\$’million	HK\$’million	change
Revenue	3,996.6	4,037.8	-1.0%
Gross profit	653.3	631.1	3.5%
Adjusted EBITDA (Note 1)	332.2	333.9	-0.5%
Profit after tax	90.3	83.9	7.6%
Proposed final dividend	HK\$0.054	HK\$0.050	8.0%

Note 1: Adjusted earnings before interest, taxes, depreciation and amortisation (“**Adjusted EBITDA**”) excluded loss on valuation of HK\$1.6 million in current year and gain on valuation of HK\$7.0 million in last year.

MANAGEMENT DISCUSSION AND ANALYSIS

Established in 1974, Computime began as a manufacturer of electronic clocks and timing devices and has since evolved into a leading technology, brand and manufacturing company focused on smart and sustainable living. Over the past five decades, we have grown into a transnational enterprise with regional hubs in Greater China, Southeast Asia, the European Union (the “EU”), the United Kingdom (the “UK”) and North America. These operations are coordinated and supported by the Group’s headquarters in Hong Kong.

The Group operates through two primary segments: Control Solutions and Branded Business. The Control Solutions segment delivers end-to-end engineering and manufacturing services to global brands across a broad spectrum of industries, including Heating, Ventilation, and Air Conditioning (“HVAC”), Appliances, Water and Air, Industrial Controls, Medical Devices, and Tools. The Branded Business segment focuses on delivering integrated products, services, and ecosystems in areas such as HVAC, smart home, electric vehicle (“EV”) charger, security, and energy management. Our innovative offerings are marketed worldwide under the Salus and Braeburn brands, serving professional installers, property developers, and wholesalers. Our consumer-facing division, Computime Brands, includes the ntv home brand and specializes in smart home technologies, climate control, and security solutions. In addition, our C Plus J technology integration platform provides sustainable, high-performance solutions in audiovisual systems, EV charging infrastructure, robotics, and smart building Internet of Things (“IoT”) applications.

Market Overview

The macroeconomic environment in FY2025 has grown increasingly complex and volatile, marked by shifting geopolitical dynamics, persistent inflationary pressures, and elevated interest rates. Following a series of unprecedented disruptions and the highest effective tariff rates in a century, the global macroeconomic outlook is increasingly shaped by heightened downside risks, as governments worldwide shift and realign their policy priorities.

Geopolitical and Trade Developments

The return of the Trump administration in the United States (the “US”) has intensified global policy uncertainty, especially regarding trade and tariffs. The reintroduction of tariffs targeting key partners such as China, the EU, and others has heightened market volatility and disrupted established supply chains. These measures, coupled with retaliatory responses from affected nations, have complicated international trade frameworks. Consequently, businesses worldwide are compelled to reevaluate supply chain resilience and recalibrate their industrial strategies to navigate this challenging environment.

Ongoing geopolitical tensions, including the protracted Russo-Ukrainian war and the unresolved Israeli-Palestinian situation, have further dampened business confidence and impeded efforts toward global economic recovery.

Economic Growth and Monetary Policy Outlook

The International Monetary Fund (“IMF”) revised its global GDP growth forecast downward in its April 2025 World Economic Outlook from 3.3% to 2.8%. Global inflation is projected to ease, though the pace of decline is expected to be gradual. The US growth forecast for 2025 has been revised down to 1.8% from 2.7% in January, while the Eurozone and the UK have lowered their projections to 0.8% and 1.1%, respectively, from previous estimates of 1.0% and 1.6%¹.

The US Federal Reserve (the “Fed”) kept its interest rate steady at 4.5% in March 2025, signaling continued concerns about inflation and economic uncertainty. The Fed acknowledged that tariffs are likely to contribute to higher inflation this year, reinforcing its decision to hold rates unchanged².

¹ IMF: The Global Economy Enters a New Era. <https://www.imf.org/en/Blogs/Articles/2025/04/22/the-global-economy-enters-a-new-era>

² APNews: The Federal Reserve sees tariffs raising inflation this year and keeps key rate unchanged. <https://apnews.com/article/fed-federal-reserve-rates-trump-tariffs-inflation-prices-a9008f1bb081093cd149967e3e637c7b>

New Home-Build Activity Slows Down

In the US, tariffs are compounding existing pressures on the housing market. They are expected to have a negative impact on new home construction by driving up costs and potentially reducing affordability for homebuyers. According to a forecast by Forisk, new home builds are projected to total 1.35 million units in 2025³, slightly below the 1.364 million units of new home builds recorded in 2024⁴.

In the UK, the NHBC reported a 7% decline in new home builds for the full year of 2024, while the number of new homes registered remained relatively stable year-on-year⁵.

In the EU, Bloomberg reported—citing Euroconstruct research conducted with Ifo and other institutes—that Europe is expected to complete 1.5 million new residential units in 2025, representing a 5.5% decrease from 2024⁶. Experts attribute this slowdown to weak economic growth, reduced public investment, and persistently high construction costs, all of which continue to hinder the recovery of the region’s housing construction sector.

Business and Financial Review

In FY2025, Computime demonstrated resilient financial performance amid a challenging macroeconomic environment and industry headwinds.

Revenue for the Year amounted to HK\$3,996.6 million, representing a slight decline of 1.0% compared to HK\$4,037.8 million in FY2024. This modest decrease is primarily attributable to continued market sluggishness and a HK\$133 million shipment backlog in the Control Solutions segment that was carried forward from the previous fiscal year. Despite these challenges, the Group recorded a notable rebound in the second half of FY2025, traditionally our peak sales season, with a strong revenue growth of 20.6% over the first half, reaching HK\$2,185.3 million, marking an improvement compared to the second half of FY2024. This recovery was largely driven by robust growth in the Appliances business within the Control Solutions segment.

³ Forisk: U.S. Housing Starts Outlook, Q2 2025 Update <https://forisk.com/u-s-housing-starts-outlook-q2-2025-update/>

⁴ NRCA: Housing starts increased in December 2024 <https://www.nrca.net/RoofingNews/housing-starts-increased-in-december-2024.1-28-2025.12549/Details/Story>

⁵ NHBC: Economic challenges and wet weather dampen house building in first quarter, reports NHBC. <https://www.nhbc.co.uk/insights-and-media/insights/economic-challenges-and-wet-weather-dampen-house-building-in-first-quarter-reports-nhbc>

⁶ International investment: Housing Completions in Europe to Drop to a 10-Year Low. <https://internationalinvestment.biz/en/real-estate/5383-housing-completions-in-europe-to-drop-to-a-10-year-low.html>

Gross profit increased 3.5% year-on-year to HK\$653.3 million (FY2024: HK\$631.1 million), while gross profit margin improved to 16.3%, up from 15.6% in the prior year. This margin stability is due to strict operational expense control and improved margins in the Branded Business segment.

Selling, distribution, and administrative expenses for FY2025 rose to HK\$510.8 million, a 5.4% increase from HK\$484.5 million in the previous year. This was driven by strategic investments in facility upgrades, talent acquisition, and the development of new products in the EV charger segment, in line with the Group's long-term growth agenda.

Profit after tax rose 7.6% to HK\$90.3 million in FY2025, from HK\$83.9 million of the previous year. During the Year under review, the Adjusted EBITDA came in at HK\$332.2 million, marginally lower than the HK\$333.9 million recorded in the previous year. Upon a 0.5% decline, the current Adjusted EBITDA margin stood at a healthy 8.3%, underpinned by tighter product cost controls and improved operational efficiency.

The Group's cash and bank balances remained robust, amounting to HK\$214.2 million as of 31 March 2025 (31 March 2024: HK\$226.7 million), which included cash and bank balances of HK\$195.8 million (31 March 2024: HK\$210.8 million) and restricted deposits of HK\$18.4 million (31 March 2024: HK\$15.9 million) for issuance of bank acceptance notes, with net cash steady at HK\$95.9 million compared to HK\$90.3 million as of 31 March 2024. These figures demonstrate effective cash flow management and a stable liquidity position.

Inventory levels decreased to HK\$756.0 million as of 31 March 2025, down from HK\$824.0 million as of 31 March 2024, benefiting from enhanced inventory and stock management. Trade receivables amounted to HK\$770.9 million as of 31 March 2025, compared to HK\$509.4 million as of 31 March 2024. Trade and bills payable stood at HK\$950.8 million as of 31 March 2025, up from HK\$745.3 million as of 31 March 2024. The latest increases in our trade receivables and trade and bills payables were primarily driven by the Group's strong sales momentum in the second half of FY2025. This momentum was largely attributed to a seasonal uplift in the fourth quarter, which is traditionally our peak sales period. Our sales activities follow typical seasonal patterns, with stronger performance expected in the latter part of the fiscal year.

The Group's gearing ratio improved to 8.4% from 9.9% a year earlier, mainly due to a reduction in bank borrowings, further strengthening the Group's financial position.

Overall, despite a turbulent external environment, Computime maintained steady revenue, improved profitability, and sustained a strong balance sheet—positioning us well for future growth opportunities.

Group Operational Review

Control Solutions

Revenue from Computime's Control Solutions segment reached HK\$3,565.8 million in FY2025, representing a marginal decline of 1.0% compared to HK\$3,601.0 million in the previous fiscal year. The modest dip was primarily attributed to softer performance in the HVAC sector, which saw headwinds due to unfavorable climatic factors and a slowdown in both new home construction and residential retrofit activities. These macroeconomic and industry-specific challenges offset the solid growth achieved in the Appliances, Water & Air and Tools segments, which remained aligned as planned.

Looking ahead, the segment is poised for recovery and expansion, underpinned by emerging business opportunities in newly targeted geographic markets. With continued investment in product innovation and customer partnerships, Control Solutions is expected to regain growth momentum.

Branded Business

Our Branded Business segment recorded revenue of HK\$430.8 million in FY2025, compared to HK\$436.8 million in FY2024, reflecting a slight decline of 1.4%. The revenue contraction was primarily due to a weakened US market environment. Nevertheless, Salus delivered strong growth in the second half of FY2025, fueled by the successful launch of the new smart home solution and regained market share in Eastern Europe.

With the HVAC market showing signs of gradual recovery, we are strategically prepared to build on our momentum in the EU. Continued investment in product development and targeted market expansion will further enable us to capture new opportunities and enhance the resilience of our Branded Business.

Our Approach: Glocalization Focus within our Five-Year Plan

Upon the 2nd year of execution of the Five-Year Plan, our strong focus on Glocalization is further anchored. Our Glocalization strategy emphasizes local operations supported by centralized management in Hong Kong. By combining “globalization” and “localization”, this approach allows us to tailor global products to meet specific regional and local needs. As a result, we can better adapt to diverse local contexts and more effectively serve the unique requirements of our customers.

Implemented ahead of current market turbulence, this roadmap has enabled us to pursue strategic investments in future growth, even amid economic uncertainties. It serves as a guiding framework for sustainable development and enhances our ability to manage crises, ensuring structural resilience in navigating ongoing market challenges.

This Glocalization Model has kept us firmly on course, enabling steady progress despite a rapidly shifting environment. It has positioned us to secure new projects and sustain our market presence. With this proven approach and a clear strategic direction, we are confident in our ability to successfully achieve the goals of our Five-Year Plan and continue delivering long-term value.

Strategies Under Glocalization

Under the Glocalization and Region-to-Region Model, we tailor our market strategies to meet local requirements while leveraging on our global resources to extend market reach and reduce operational costs.

Our Region-to-Region operational approach relies on dedicated local business development teams in each market. These specialized teams handle customer interactions, align production needs, and lead front-end sales efforts, allowing us to better understand customer requirements and secure new business projects. By hiring local talent to manage regional activities, we combine our core management expertise with local insights, thereby strengthening market responsiveness and reinforcing our business-to-business relationships.

With the Hub and Spoke Model, Hong Kong functions as our central hub, providing strategic support and direction to regional offices to optimize resource allocation and ensure broad, effective market coverage.

Adhering to our Specialized and Flexible Hybrid Model, each site leverages on its unique strengths while operating within a shared strategic framework that promotes resource sharing and cross-location collaboration.

Corporate Priorities

Computime is advancing the leadership in smart and sustainable living through a focused growth strategy built on four core pillars:

Targeted Growth

Computime is expanding into high-growth green and smart home markets to meet increasing global demand. The Group is developing advanced energy and water management platforms powered by artificial intelligence. All new products are aligned with MATTER standards to ensure full compatibility within the evolving IoT and smart home ecosystem.

1 to N Technologies

With over 500 engineers and more than 200 patents, Computime is well-positioned to transform innovation into scalable solutions. The Group is leveraging the latest sensor and connectivity technologies to create energy-efficient products that offer measurable benefits.

Globalization Rewired

As part of our “Globalization Rewired” strategy, the Group implemented the Region-to-Region Model and Glocalization plans, tailored to the specific needs of each business unit. To further support this transformation, we enhanced our corporate culture, talent development model, and reporting structure, creating a more responsive, collaborative, and accountable organization. Under our Globalization Rewired strategy, we are building integrated business development, engineering and manufacturing capabilities across North America, the EU, Southeast Asia and China, forming a global presence that supports localized responsiveness and global coordination. These initiatives are propelling the Group’s Glocalization journey—enabling us to better serve customers, attract global talent, and drive sustainable growth across diverse markets.

Operation Remastered

Computime is implementing a Region-to-Region Model and a Hub and Spoke infrastructure to stay close to key markets and customers. This is complemented by flexible hybrid operations that enhance responsiveness and efficiency. These upgrades enable the Group to allocate resources more effectively and promote seamless cross-regional collaboration. To further strengthen execution, the Group is establishing profit and loss ownership and empowered business structures across all business units, driving greater accountability and agility. In parallel, operational efficiency is being enhanced through comprehensive process reorganization and implementation of the SAP system across all areas.

Together, these pillars support Computime's next phase of growth, driven by innovation, operational agility, and a clear vision to lead in the global smart and sustainable living market. The Group's Glocalization strategy further empowers customers to navigate global disruptions such as tariffs, which has fueled greater demand for Computime's overseas manufacturing facilities and accelerated overall business expansion.

Sustainability Stewardship

At Computime, Environmental, Social, and Governance ("ESG") considerations are deeply embedded in our operations and corporate culture. In FY2025, we continued to make meaningful progress across all key ESG dimensions, demonstrating our commitment to responsible business practices and sustainable growth.

At Computime, our commitment to environmental excellence is reflected in the recognition we have received through several prestigious certifications.

In FY2025, we were awarded three (3) Low Carbon Manufacturing Programme ("LCMP") Gold Labels from World Wide Fund ("WWF"), a testament to our ongoing efforts to minimize carbon emissions across our manufacturing facilities. In Hong Kong, our continued emphasis on sustainable office practices and resource efficiency earned us the LOOP+ Label – Third Level from WWF, the second-highest tier in the programme. Our Malaysia office was also recognized with the Penang Green Office Label, acknowledging our consistent implementation of green initiatives at the regional level.

Our performance was also reflected in external ESG assessments. We were awarded the Bronze Medal by EcoVadis, and our percentile ranking rose significantly from the 53rd to the 78th percentile, indicating that our overall ESG score is now equal to or higher than 78% of all rated companies globally.

Computime has made substantial progress in reducing the environmental impact, particularly in carbon emissions. We exceeded our five-year target for Scope 1 and Scope 2 greenhouse gas emissions and achieved a notable 38.3% reduction against the 2020 baseline—demonstrating the effectiveness of our environmental management.

We have outlined an ESG roadmap through 2050, structured around short-, medium-, and long-term targets to embed sustainability across our operations.

As part of our long-term sustainability strategy, Computime has formally committed to achieving net zero emissions. This pledge reflects both our environmental responsibility and strategic foresight, recognizing that decarbonization is critical not only for climate stewardship but also for long-term business resilience.

Outlook

Global uncertainties are continuing to shape the business landscape, but Computime remains cautiously optimistic about the road ahead. Our resilient business model, combined with disciplined execution and a clear strategic direction, equips us to navigate challenges and seize emerging opportunities.

Market Opportunities

Despite ongoing short-term headwinds, Computime remains optimistic about emerging market opportunities that could support our long-term growth trajectory. We expect a potential rebound in the HVAC market, which presents a valuable avenue for expansion within our Branded Business segment. In anticipation of this recovery, we are intensifying efforts to promote our high-performing product lines while simultaneously developing innovative offerings that address the sector's evolving requirements.

In our Control Solutions segment, we are actively pursuing strategic geographic expansion across key regions in Asia and Europe, particularly in China. This initiative is aimed at diversifying our revenue streams and mitigating the risks associated with reliance on any single market. By broadening our footprint, we are positioning ourselves to better capture demand in a more balanced and resilient manner.

To further strengthen our competitive advantage, we will continue to invest in advanced technologies and expand our product portfolio. These efforts are aligned with global market trends, particularly the growing emphasis on energy efficiency, smart control systems, and environmental monitoring. By responding to these increasingly sophisticated customer needs, Computime is well-positioned to deliver innovative, high-value solutions across our global markets.

Southeast Asia Expansion

As part of Computime's broader globalization strategy, we are establishing a key operational hub to drive our long-term growth in Singapore. This hub is designed to integrate our business, engineering, customer support and operational functions, enabling us to deliver seamless, end-to-end solutions that are specifically tailored to meet the needs of customers across the region. It has been granted the International Headquarters Award by the Singapore Economic Development Board and is now ready for operation.

Singapore's strategic advantages—its robust regional connectivity, business-friendly environment, and proximity to high-growth emerging markets—make it an ideal base for our expansion efforts. Through this hub, we aim to deepen our regional presence and enhance responsiveness to customer demands.

We also see compelling growth potential in sectors such as Medical and Wellness, both of which align closely with Computime's core capabilities and strategic direction. By leveraging our expertise and expanding into these focus areas, the hub will serve as a catalyst for innovation and sustainable growth in Southeast Asia.

Operational Optimization and Strategic Investment

In response to today's volatile and unpredictable business environment, Computime is committed to implementing a disciplined and agile operational model that enhances both resilience and long-term sustainability. At the core of this approach is a strong focus on financial prudence. We understand the critical importance of maintaining healthy cash flow and will rigorously manage operational expenses to ensure our financial stability remains intact.

Our strategic investment efforts will be highly targeted, with capital expenditure carefully allocated to areas that deliver the greatest value. This includes the development of new products, alignment with customers' production schedules and regional market demands, and upgrades to our manufacturing facilities and equipment as well as nurture talents to support scalable and efficient operations.

Additionally, we will intensify our investment in research and development, recognizing its central role in driving innovation and maintaining our competitive edge. Alongside this, we will continue to streamline our operations and enhance efficiency across the value chain. These combined efforts will strengthen our ability to navigate external challenges, including geopolitical uncertainties, shifting tariff structures, and ongoing global supply chain disruptions.

Conclusion

Looking ahead, the global business landscape is expected to remain challenging amid persistent macroeconomic uncertainties, geopolitical tensions, and policy shifts. Despite this, long-term structural trends prevailing around the world, particularly the accelerating urgency of climate change and the global emphasis on sustainability, continue to open new avenues for innovation and growth, from which we can profit. As a company dedicated to smart and sustainable living, Computime remains committed to navigating this complex environment with strategic focus, operational agility, and adaptive resilience.

Our approach is rooted in adaptive resilience, the ability to embrace change and respond to adversity with agility and strength. We will continue to evolve our business model and operations to stay ahead of market dynamics, ensuring that we remain competitive, customer-centric, and forward-looking.

With a strong focus on sustainable innovation and global expansion, we are committed to creating lasting value for our customers, partners, and shareholders. With a steadfast focus on operational excellence and technological advancement, the Group is well-equipped to succeed in an increasingly complex and dynamic global landscape.

Liquidity, Financial Resources, and Capital Structure

The Group maintained a sound financial and liquidity position in the Year. As of 31 March 2025, the Group maintained cash and bank balances of HK\$214,188,000 (FY2024: HK\$226,699,000), which included cash and bank balances of HK\$195,820,000 (FY2024: HK\$210,824,000) and restricted deposits of HK\$18,368,000 (FY2024: HK\$15,875,000) for issuance of bank acceptance notes. The Group held a cash and bank balance of HK\$50,844,000 (FY2024: HK\$53,263,000) denominated in RMB. The remaining balance was mainly denominated in US dollars, Hong Kong dollars (“**HK dollars**” or “**HK\$**”), or Euros (“**EUR**”). Overall, the Group maintained a robust current ratio of 1.4 times as of 31 March 2025 (FY2024: 1.5 times).

As of 31 March 2025, total interest-bearing bank borrowings were HK\$118,249,000 (FY2024: HK\$136,445,000), comprising mainly bank loans repayable within one year. Most of these borrowings were denominated in US dollars or HK dollars (FY2024: US dollars, HK dollars, RMB or EUR), and the interest rates applied were primarily subject to floating rate terms.

As of 31 March 2025, total equity attributable to owners of the Company amounted to HK\$1,401,268,000 (FY2024: HK\$1,380,738,000). The Group had a net balance of total cash and bank balances less total interest-bearing bank borrowings of HK\$95,939,000 (FY2024: HK\$90,254,000).

Treasury Policies

The Group is exposed to foreign exchange risk through sales and purchases denominated in currencies other than the functional currency of the operations to which they relate. The currencies are primarily US dollars, RMB, EUR, and British pounds. The Group closely monitors its overall foreign exchange exposure from time to time and will adopt a proactive but prudent approach to minimise the relevant exposures.

Capital Expenditure and Commitments

During the Year, the Group incurred total capital expenditures of approximately HK\$124,680,000 (FY2024: HK\$160,320,000) for additions to leasehold land, property, plant, and equipment, software as well as deferred expenditure associated with developing new products.

As of 31 March 2025, the Group had capital commitments contracted but not provided for HK\$12,211,000 (FY2024: HK\$8,102,000), mainly for the acquisition of property, plant, and equipment.

Contingent Liabilities

As of 31 March 2025, the Group had no significant contingent liabilities (FY2024: Nil).

Charges on Assets

The Group undertakes to the bank that short-term bank deposits of HK\$18.4 million (FY2024: HK\$15.9 million) must be maintained with the respective bank during the life of certain bill payables.

Employee Information

As of 31 March 2025, the Group had a total of 4,007 employees (FY2024: 4,005 employees). Total staff costs for the Year amounted to HK\$661,386,000 (FY2024: HK\$652,372,000). Salaries and wages are generally reviewed annually by individual qualifications, performance, the Group's results, and market conditions. The Group provides its employees year-end double pay, discretionary bonus, medical insurance, provident fund, educational subsidy, and training.

SHARE SCHEMES

2023 Share Award Plan

A share award plan (“**2023 Share Award Plan**”) has been adopted by the Company in the annual general meeting on 7 September 2023 (the “**2023 AGM**”). Details of the 2023 Share Award Plan are set out in the circular of the Company dated 25 July 2023 (the “**Circular**”). The purposes of the 2023 Share Award Plan are to recognise and reward the contributions of certain eligible participants to the growth and development of the Group and to give incentives in order to retain them for continual operation and development of the Group, and to attract suitable personnel for further development of the Group. The eligible participants include the employee participants and related entity participants.

The 2023 Share Award Plan shall be valid and effective for a term of 10 years from 7 September 2023 unless terminated earlier by the Board and is administered by the Board or its delegates and Tricor Trust (Hong Kong) Limited (the “**Trustee**”). The total number of shares to be awarded under the 2023 Share Award Plan shall not exceed 10% of the total number of issued shares of the Company (the “**Shares**”), being 84,254,000 shares, as at the adoption date of the 2023 Share Award Plan from time to time.

The maximum number of Shares which may be awarded to a selected participant under the 2023 Share Award Plan shall not exceed 1% of the total number of issued Shares from time to time. As all awarded shares (“**Awards**”) granted under the 2023 Share Award Plan will be satisfied by existing Shares, no new Shares may be issued in respect of all awards granted during the respective periods to eligible participants pursuant to the 2023 Share Award Plan and the 2023 Share Option Scheme (as defined below). The selected participants are not required to pay any amount for the acceptance of the Awards. The awarded shares were bought by the Trustee through the market under the terms of the 2023 Share Award Plan by utilising the funds of the Company.

On 26 April 2024 (the “**First Grant Date**”), the Board (including all the independent non-executive directors of the Company) resolved to, among other things, grants 5,100,000 and 3,200,000 Awards under the 2023 Share Award Plan to Mr. AU YANG Pak Hong Bernard and Mr. WONG Wah Shun respectively. The conditional grant was approved by the independent shareholders at the annual general meeting on 5 September 2024. Details of the conditional grant of Awards were set out in the announcement of the Company dated 26 April 2024. On 20 March 2025 (the “**Second Grant Date**”), the Company granted 9,300,000 Awards to 11 employee participants. Details of the grant of Awards were set out in the announcement of the Company dated 20 March 2025. Save as disclosed above, no other Awards were granted after the reporting period.

The closing price of the Shares, immediately before the First Grant Date was HK\$0.37. The aggregate fair value of the Awards at the First Grant Date amounted to approximately HK\$3,071,000. The fair value of equity-settled the Awards granted was estimated on the basis of the closing price of the Shares as stated in the Hong Kong Stock Exchange's daily quotations sheet on 26 April 2024. The closing price of the Shares, immediately before the Second Grant Date was HK\$0.43. The aggregate fair value of the Awards at the Second Grant Date amounted to approximately HK\$3,813,000. The fair value of equity-settled the Awards granted was estimated on the basis of the closing price of the Shares as stated in the Hong Kong Stock Exchange's daily quotations sheet on 20 March 2025.

During the Year, the Company has granted 17,600,000 Awards under the 2023 Share Award Plan, 1,600,000 Awards were vested, 1,200,000 Awards were lapsed, 20,800,000 Awards were unvested. The number of Awards available for grant under the 2023 Share Award Plan and other schemes of the Company under the scheme mandate limit at (i) the beginning of the Year was 78,254,000, and (ii) the end of the Year was 61,854,000, representing approximately 7.34% of the issued share capital of the Company.

The vesting of the above Awards is subject to the fulfilment of certain performance targets and other requirements as set out in the grant notice entered into between the Company and each grantee. The performance targets shall include: financial targets such as net profit after tax for the year of the Group and management targets (such as stakeholder engagement, productivity, client satisfaction etc.) which shall be determined based on the (i) individual performance; (ii) performance of the Group and/or (iii) performance of business groups, business units, business lines, functional departments, projects and/or geographical area managed by the selected Grantees. The basis of determining the purchase price of Awards is not applicable as there is no purchase price under the rules of the 2023 Share Award Plan.

Details of the movement of the Awards under the 2023 Share Award Plan during the Year were as follows:

Number of the Awards			Movement during the Year						Weighted average closing price of the Share immediately before the date of vesting during the Year (in HK\$)	
Name of Director/ Category of participant	Date of grant	Vesting period	Number of granted Shares	Unvested as at 1 April 2024	Granted during the Year	Vested during the Year	Lapsed/ cancelled during the Year	Unvested as at 31 March 2025		Purchase Price (in HK\$)
- Director										
Mr. AUYANG Pak Hong Bernard	26 April 2024	26 April 2024 to 25 April 2025	1,700,000	-	1,700,000	-	-	1,700,000	N/A	N/A
	26 April 2024	26 April 2024 to 25 April 2026	1,700,000	-	1,700,000	-	-	1,700,000	N/A	N/A
	26 April 2024	26 April 2024 to 25 April 2027	1,700,000	-	1,700,000	-	-	1,700,000	N/A	N/A
Mr. WONG Wah Shun	26 April 2024	26 April 2024 to 25 April 2025	1,100,000	-	1,100,000	-	-	1,100,000	N/A	N/A
	26 April 2024	26 April 2024 to 25 April 2026	1,100,000	-	1,100,000	-	-	1,100,000	N/A	N/A
	26 April 2024	26 April 2024 to 25 April 2027	1,000,000	-	1,000,000	-	-	1,000,000	N/A	N/A
Subtotal			8,300,000	-	8,300,000	-	-	8,300,000		
Other grantees:										
- Employee participants:	26 September 2023	26 September 2023 to 25 September 2024	2,000,000	2,000,000	-	1,600,000	400,000	-	N/A	0.42
	26 September 2023	26 September 2023 to 25 September 2025	2,000,000	2,000,000	-	-	400,000	1,600,000	N/A	N/A
	26 September 2023	26 September 2023 to 25 September 2026	2,000,000	2,000,000	-	-	400,000	1,600,000	N/A	N/A
	20 March 2025	20 March 2025 to 19 March 2027	4,650,000	-	4,650,000	-	-	4,650,000	N/A	N/A
	20 March 2025	20 March 2025 to 19 March 2028	4,650,000	-	4,650,000	-	-	4,650,000	N/A	N/A
- Related entity participants	-	-	-	-	-	-	-	-	-	-
Subtotal			15,300,000	6,000,000	9,300,000	1,600,000	1,200,000	12,500,000		
Total			23,600,000	6,000,000	17,600,000	1,600,000	1,200,000	20,800,000		

2023 Share Option Scheme

The Company had a share option scheme which was adopted on 14 September 2016 (“**2016 Share Option Scheme**”) following the expiry of the old share option scheme on 14 September 2016 (“**2006 Share Option Scheme**”). The 2016 Share Option Scheme was terminated in the 2023 AGM. A share option scheme of the Company was adopted in the 2023 AGM (“**2023 Share Option Scheme**”) under which the Company can grant options to, inter alia, employees of the Group to subscribe for shares of the Company with a view to rewarding those who have contributed to the Group and encouraging employees to work towards enhancing the value of the Company and its shares for the benefit of the Company and its shareholders of the Company (the “**Shareholders**”) as a whole. Details of the 2023 Share Option Scheme are set out in the Circular.

During the Year, no share options were granted, exercised and cancelled under the 2023 Share Option Scheme. The number of share options available for grant under the 2023 Share Option Scheme and other schemes of the Company under the share scheme mandate limit at (i) the beginning of the Year was 78,254,000 and (ii) at the end of the Year was 61,854,000, representing approximately 7.34% of the issued share capital of the Company.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 March 2025

		2025	2024
	<i>Notes</i>	HK\$'000	HK\$'000
REVENUE	3, 4	3,996,600	4,037,818
Cost of sales		<u>(3,343,337)</u>	<u>(3,406,739)</u>
Gross profit		653,263	631,079
Other income	4	8,825	14,499
Selling and distribution expenses		(110,525)	(106,631)
Administrative expenses		(400,303)	(377,892)
Other operating income, net		17,608	10,134
Finance costs	5	(58,533)	(65,677)
Share of profits/(losses) of associates		201	(414)
Share of profit of a joint venture		<u>2,345</u>	<u>2,482</u>
PROFIT BEFORE TAX	6	112,881	107,580
Income tax expense	7	<u>(22,576)</u>	<u>(23,668)</u>
PROFIT FOR THE YEAR		<u>90,305</u>	<u>83,912</u>
ATTRIBUTABLE TO:			
Owners of the Company		92,602	84,772
Non-controlling interests		<u>(2,297)</u>	<u>(860)</u>
		<u>90,305</u>	<u>83,912</u>
EARNINGS PER SHARE ATTRIBUTABLE			
TO OWNERS OF THE COMPANY	9		
Basic		<u>11.12 HK cents</u>	<u>10.10 HK cents</u>
Diluted		<u>11.03 HK cents</u>	<u>10.08 HK cents</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 March 2025

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
PROFIT FOR THE YEAR	<u>90,305</u>	<u>83,912</u>
OTHER COMPREHENSIVE EXPENSE		
Other comprehensive expense that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	<u>(31,733)</u>	<u>(1,659)</u>
OTHER COMPREHENSIVE EXPENSE FOR THE YEAR, NET OF TAX	<u>(31,733)</u>	<u>(1,659)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>58,572</u>	<u>82,253</u>
Attributable to:		
Owners of the Company	60,907	83,129
Non-controlling interests	<u>(2,335)</u>	<u>(876)</u>
	<u>58,572</u>	<u>82,253</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

	<i>Notes</i>	2025	2024
		HK\$'000	HK\$'000
NON-CURRENT ASSETS			
Property, plant and equipment		318,056	342,066
Right-of-use assets		74,164	111,942
Goodwill		111,089	111,549
Club debenture		705	705
Intangible assets		322,847	302,615
Interests in associates		201	–
Interest in a joint venture		21,359	13,513
Financial asset at fair value through other comprehensive income		–	–
Financial assets at fair value through profit or loss		12,437	12,065
Prepayments and deposits		34,327	36,626
Deferred tax assets		30,948	22,338
Total non-current assets		926,133	953,419
CURRENT ASSETS			
Inventories		756,044	823,976
Trade receivables	<i>10</i>	770,881	509,376
Amount due from a joint venture		3,005	6,970
Prepayments, deposits and other receivables		138,333	100,246
Derivative financial instruments		203	242
Cash and bank balances		214,188	226,699
Total current assets		1,882,654	1,667,509
CURRENT LIABILITIES			
Trade and bills payables	<i>11</i>	950,807	745,346
Other payables and accrued liabilities		185,430	166,732
Contract liabilities		31,099	40,216
Interest-bearing bank borrowings		118,249	136,445
Lease liabilities		39,308	44,665
Tax payable		11,465	2,713
Total current liabilities		1,336,358	1,136,117
NET CURRENT ASSETS		546,296	531,392
TOTAL ASSETS LESS CURRENT LIABILITIES		1,472,429	1,484,811

CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(continued)*

As at 31 March 2025

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
NON-CURRENT LIABILITIES		
Lease liabilities	22,959	52,977
Deferred tax liabilities	46,838	47,397
	<hr/>	<hr/>
Total non-current liabilities	69,797	100,374
	<hr/>	<hr/>
Net assets	1,402,632	1,384,437
	<hr/> <hr/>	<hr/> <hr/>
EQUITY		
Equity attributable to owners of the Company		
Issued capital	84,254	84,254
Reserves	1,317,014	1,296,484
	<hr/>	<hr/>
	1,401,268	1,380,738
	<hr/>	<hr/>
Non-controlling interests	1,364	3,699
	<hr/>	<hr/>
Total equity	1,402,632	1,384,437
	<hr/> <hr/>	<hr/> <hr/>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE AND GROUP INFORMATION

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 23 June 2006 under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.

The registered address of the Company is Walkers Corporate Limited, 190 Elgin Avenue, George Town, Grand Cayman KY1-9008, Cayman Islands and the principal place of business is located at 6/F, Building 20E, Phase 3, Hong Kong Science Park, 20 Science Park East Avenue, Shatin, New Territories, Hong Kong.

The Group is principally engaged in the research and development, manufacture, sales, and brand management of electronic control products, focusing on smart and sustainable living.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for a financial asset at fair value through other comprehensive income, financial assets at fair value through profit or loss and derivative financial instruments which have been measured at fair value. These financial statements are presented in HK dollars and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 March 2025. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group’s voting rights and potential voting rights.

2.1 BASIS OF PREPARATION *(continued)*

Basis of consolidation *(continued)*

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised HKFRS Accounting Standards for the first time for the current year's financial statements.

Amendments to HKFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current</i> (the "2020 Amendments")
Amendments to HKAS 1	<i>Non-current Liabilities with Covenants</i> (the "2022 Amendments")
Amendments to HKAS 7 and HKFRS 7	<i>Supplier Finance Arrangements</i>

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES *(continued)*

The nature and the impact of the revised HKFRS Accounting Standards are described below:

- (a) Amendments to HKFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of HKFRS 16, the amendments did not have any impact on the financial position or performance of the Group.
- (b) The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

The Group has reassessed the terms and conditions of its liabilities as at 1 April 2023 and 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

- (c) Amendments to HKAS 7 and HKFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. As the Group does not have supplier finance arrangements, the amendments did not have any impact on the Group's financial statements.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services.

Management monitors the results of its operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit or loss, which is a measure of adjusted profit before tax. The adjusted profit before tax is measured consistently with the Group's profit before tax except that other income, finance costs, share of profits or losses of associates, share of profit of a joint venture, as well as corporate and other unallocated expenses are excluded from such measurement.

Segment assets mainly exclude property, plant and equipment, goodwill, club debenture, interests in associates, interest in a joint venture, a financial asset at fair value through other comprehensive income, financial assets at fair value through profit or loss, right-of-use assets, deferred tax assets, cash and bank balances, amount due from a joint venture, derivative financial instruments, certain balances of intangible assets, certain balances of prepayments, deposits and other receivables, and corporate and other unallocated assets as these assets are managed on a group basis.

Segment liabilities mainly exclude interest-bearing bank borrowings, lease liabilities, certain balances of deferred tax liabilities, certain balances of trade and bills payables, certain balances of other payables and accrued liabilities, tax payable, and corporate and other unallocated liabilities as these liabilities are managed on a group basis.

Inter-segment revenue and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

3. OPERATING SEGMENT INFORMATION (continued)

	Control Solutions		Branded Business		Total	
	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000
Segment revenue						
Sales to external customers	<u>3,565,761</u>	<u>3,600,983</u>	<u>430,839</u>	<u>436,835</u>	<u>3,996,600</u>	<u>4,037,818</u>
Segment results	<u>295,143</u>	<u>314,476</u>	<u>783</u>	<u>(29,544)</u>	<u>295,926</u>	<u>284,932</u>
Bank interest income					2,021	2,060
Government grants					5,351	9,467
Other income (excluding bank interest income and government grants)					1,453	2,972
Corporate and other unallocated expenses					(135,883)	(128,242)
Finance costs					(58,533)	(65,677)
Share of profits/(losses) of associates	–	–	201	(414)	201	(414)
Share of profit of a joint venture	2,345	2,482	–	–	2,345	2,482
Profit before tax					112,881	107,580
Income tax expense					(22,576)	(23,668)
Profit for the year					<u>90,305</u>	<u>83,912</u>
Assets and liabilities						
Segment assets	1,296,575	1,172,277	480,413	381,843	1,776,988	1,554,120
Interests in associates	–	–	201	–	201	–
Interest in a joint venture	21,359	13,513	–	–	21,359	13,513
Corporate and other unallocated assets					1,010,239	1,053,295
Total assets					<u>2,808,787</u>	<u>2,620,928</u>
Segment liabilities	45,522	51,992	30,685	45,256	76,207	97,248
Corporate and other unallocated liabilities					1,329,948	1,139,243
Total liabilities					<u>1,406,155</u>	<u>1,236,491</u>
Other segment information						
Capital expenditure*					124,680	160,320
Depreciation of property, plant and equipment					67,770	70,263
Depreciation of right-of-use assets					47,425	49,752
Amortisation of intangible assets	45,348	49,061	649	658	45,997	49,719
Fair value losses/(gains) from financial assets at fair value through profit or loss	–	–	1,581	(7,045)	1,581	(7,045)
Impairment/(reversal of impairment) of trade receivables, net	79	210	(6)	3,039	73	3,249
Write-down of inventories to net realisable value	24,906	8,523	5	3,193	24,911	11,716

* Capital expenditure consists of additions to property, plant and equipment, intangible assets and leasehold land classified as right-of-use assets.

3. OPERATING SEGMENT INFORMATION *(continued)*

Geographical information

(a) Revenue from external customers

	2025	2024
	HK\$'000	HK\$'000
		<i>(Re-presented)</i>
The Americas	813,219	1,077,248
Europe	1,558,216	1,408,846
Asia	1,612,526	1,543,826
Oceania	12,639	7,898
	<u>3,996,600</u>	<u>4,037,818</u>

During the year, management has revisited the disclosure of the geographical information of the revenue for external customers and analysed the revenue information based on the location of individual customer.

(b) Non-current assets

	2025	2024
	HK\$'000	HK\$'000
The Americas	38,659	37,478
Europe	30,539	8,026
Asia	378,909	458,643
	<u>448,107</u>	<u>504,147</u>

The non-current assets information above is based on the locations of the assets and excludes goodwill, club debenture, intangible assets, a financial asset at fair value through other comprehensive income, financial assets at fair value through profit or loss and deferred tax assets.

Information about major customers

For the year ended 31 March 2025, revenue of approximately HK\$979,456,000 (2024: HK\$860,458,000) and HK\$871,637,000 (2024: HK\$813,560,000), which represented 24.5% (2024: 21.3%) and 21.8% (2024: 20.1%) of the Group's total revenue, respectively, was derived from sales by the Control Solutions segment to two separate single customers. They included sales to a group of entities which are known to be under common control with these customers.

4. REVENUE AND OTHER INCOME

An analysis of revenue is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue from contracts with customers	<u>3,996,600</u>	<u>4,037,818</u>

Revenue from contracts with customers

(i) *Disaggregated revenue information*

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i> <i>(Re-presented)</i>
Geographical markets		
The Americas	813,219	1,077,248
Europe	1,558,216	1,408,846
Asia	1,612,526	1,543,826
Oceania	12,639	7,898
	<u>3,996,600</u>	<u>4,037,818</u>

The following table shows the amounts of revenue recognised in the current reporting period that was included in the contract liabilities at the beginning of the reporting period:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:		
Sale of electronic control products	<u>32,754</u>	<u>31,309</u>

(ii) *Performance obligations*

Sale of electronic control products

The performance obligation is satisfied upon delivery of the goods and payment is generally due within 30 to 150 days (2024: 30 to 150 days) from delivery, except for new customers, where payment in advance is normally required. Some contracts provide customers with early settlement rebates which give rise to variable consideration subject to constraint.

4. REVENUE AND OTHER INCOME (continued)

An analysis of other income is as follows:

	2025 HK\$'000	2024 HK\$'000
Bank interest income	2,021	2,060
Government grants*	5,351	9,467
Sundry income	1,453	2,972
	<u>8,825</u>	<u>14,499</u>

* *Government grants were granted by respective governmental authorities in Hong Kong and Mainland China. During the year ended 31 March 2025, Nil (2024: HK\$119,000) and RMB718,000 (2024: RMB521,000) (equivalent to approximately HK\$786,000 (2024: HK\$575,000)) were granted by respective governmental authorities to subsidise stable employment of enterprises in Hong Kong and Mainland China, and RMB4,210,000 (2024: RMB7,981,000) (equivalent to approximately HK\$4,565,000 (2024: HK\$8,773,000)) was granted by governmental authorities in Mainland China to subsidise the development of the industry which the Group operates. There are no unfulfilled conditions and other contingencies attached to the receipts of those grants. There is no assurance that the Group will continue to receive such grants in the future.*

5. FINANCE COSTS

An analysis of finance costs is as follows:

	2025 HK\$'000	2024 HK\$'000
Interest on bank loans	54,252	61,428
Interest on lease liabilities	4,281	4,249
	<u>58,533</u>	<u>65,677</u>

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	2025	2024
	HK\$'000	HK\$'000
Cost of inventories sold*	3,318,426	3,395,023
Depreciation of property, plant and equipment	67,770	70,263
Depreciation of right-of-use assets	47,425	49,752
Amortisation of intangible assets^	4,895	2,957
Research and development (“R&D”) costs:		
Amortisation of deferred expenditure^^	41,102	46,762
Current year expenditure	16,528	15,061
	57,630	61,823
Foreign exchange differences, net#	(14,224)	(5,549)
Loss on disposal of items of property, plant and equipment, net#	180	706
Impairment of trade receivables, net#	73	3,249
Write-down of inventories to net realisable value**	24,911	11,716
Derivative instruments – transactions not qualifying as hedges#		
– Realised gains, net	(546)	(1,105)
Fair value losses/(gains) from financial assets at fair value through profit or loss#	1,581	(7,045)

* *Employee benefit expense of HK\$352,348,000 (2024: HK\$369,984,000) is included in “Cost of inventories sold” above.*

** *Write-down of inventories to net realisable value is included in “Cost of sales” on the face of the consolidated statement of profit or loss.*

^ *The amortisation of intangible assets for (i) patent and customer relationships and (ii) software for the year are included in “Administrative expenses” on the face of the consolidated statement of profit or loss.*

^^ *The amortisation of deferred expenditure for the year are included in “Administrative expenses” on the face of the consolidated statement of profit or loss.*

These items are included in “Other operating income, net” on the face of the consolidated statement of profit or loss.

7. INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the year, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 (2024: HK\$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2024: 8.25%) and the remaining assessable profits are taxed at 16.5% (2024: 16.5%). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group entities operate.

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current – Hong Kong:		
Charge for the year	22,567	12,378
(Overprovision)/underprovision in prior years	(3,408)	15
Current – Mainland China and other countries:		
Charge for the year	10,617	5,753
Underprovision in prior years	2,967	1,290
Deferred	(10,167)	4,232
Total tax charge for the year	<u>22,576</u>	<u>23,668</u>

8. DIVIDENDS

Dividend paid during the year

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Final dividend in respect of the financial year ended 31 March 2024 – HK\$0.050 per ordinary share (2024: final dividend of HK\$0.021 per ordinary share, in respect of the financial year ended 31 March 2023)	42,127	17,693
Less: dividend for ordinary shares held by share award scheme	(431)	–
	<u>41,696</u>	<u>17,693</u>

Proposed final dividend

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Final – HK\$0.054 (2024: HK\$0.050) per ordinary share	<u>45,497</u>	<u>42,127</u>

The proposed final dividend for the year ended 31 March 2025 is subject to the approval of the Company's shareholders at the forthcoming annual general meeting. This announcement does not reflect the final dividend payable.

9. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of basic earnings per share is based on the profit for the year attributable to owners of the Company of HK\$92,602,000 (2024: HK\$84,772,000) and the weighted average number of ordinary shares of 832,659,000 (2024: 839,589,000) in issue during the year.

For the year ended 31 March 2025, the calculation of the diluted earnings per share amount is based on the profit for the year attributable to owners of the Company of HK\$92,602,000 (2024: HK\$84,772,000). The weighted average number of ordinary shares used in the calculation of 839,872,000 (2024: 840,692,000) is the number of ordinary shares in issue during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration in relation to the share awards granted during the year.

A reconciliation between the weighted average number of ordinary shares used in calculating the basic earnings per share and that used in calculating the diluted earnings per share for the year ended 31 March 2025 is as follows:

	2025	2024
Weighted average number of ordinary shares used in calculating the basic earnings per share	832,659,000	839,589,000
Effect of dilution – weighted average number of ordinary shares:		
Share awards	<u>7,213,000</u>	<u>1,103,000</u>
Weighted average number of ordinary shares used in calculating the diluted earnings per share	<u>839,872,000</u>	<u>840,692,000</u>

10. TRADE RECEIVABLES

	2025	2024
	HK\$'000	HK\$'000
Trade receivables	773,822	515,471
Impairment	<u>(2,941)</u>	<u>(6,095)</u>
	<u>770,881</u>	<u>509,376</u>

The Group's trading terms with its customers are mainly on credit. The credit period granted to customers generally ranges from one to five months (2024: one to five months). The Group maintains strict credit control over its customers and outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

10. TRADE RECEIVABLES *(continued)*

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Within 1 month	516,683	249,472
1 to 2 months	134,330	136,841
2 to 3 months	63,090	67,214
Over 3 months	56,778	55,849
	<u>770,881</u>	<u>509,376</u>

An ageing analysis of the trade receivables as at the end of the reporting period, based on the payment due date and net of loss allowance, is as follows:

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Current and due within 1 month	741,089	459,258
1 to 2 months	5,452	27,897
2 to 3 months	2,907	7,125
Over 3 months	21,433	15,096
	<u>770,881</u>	<u>509,376</u>

11. TRADE AND BILLS PAYABLES

An ageing analysis of trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Within 1 month	291,727	300,741
1 to 2 months	339,840	245,388
2 to 3 months	199,612	28,256
Over 3 months	119,628	170,961
	<u>950,807</u>	<u>745,346</u>

An ageing analysis of trade and bills payables as at the end of the reporting period, based on the payment due date, is as follows:

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Current and due within 1 month	850,863	695,280
1 to 2 months	84,687	13,642
2 to 3 months	14,144	15,565
Over 3 months	1,113	20,859
	<u>950,807</u>	<u>745,346</u>

The trade payables are non-interest-bearing and generally have payment terms ranging from one to six months (2024: one to six months).

FINAL DIVIDEND

The Board has resolved to recommend to the Shareholders at the forthcoming annual general meeting of the Company to be held on Thursday, 4 September 2025 (the “**2025 AGM**”) a final dividend of HK\$0.054 per share for the Year (the “**Proposed Final Dividend**”) to be paid on Friday, 24 October 2025 to those Shareholders whose names appear on the register of members of the Company on Monday, 6 October 2025.

CLOSURE OF REGISTER OF MEMBERS

(a) Entitlement to attend and vote at the 2025 AGM

The 2025 AGM is scheduled to be held on Thursday, 4 September 2025. For determining the entitlement to attend and vote at the 2025 AGM, the register of members of the Company will be closed from Monday, 1 September 2025 to Thursday, 4 September 2025, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the 2025 AGM, unregistered holders of shares of the Company should ensure that all share transfer documents 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 Friday, 29 August 2025.

(b) Entitlement to the Proposed Final Dividend

The Proposed Final Dividend is subject to the approval of the Shareholders at the 2025 AGM. For determining the entitlement to the Proposed Final Dividend, the register of members of the Company will be closed from Thursday, 2 October 2025 to Monday, 6 October 2025, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for entitlement to the Proposed Final Dividend, unregistered holders of shares of the Company should ensure that all share transfer documents 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, 30 September 2025.

ANNUAL GENERAL MEETING

It is proposed that the 2025 AGM will be held on Thursday, 4 September 2025. Notice of the 2025 AGM will be sent to the Shareholders in due course.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the Year.

CORPORATE GOVERNANCE

The Company is committed to maintaining a high standard of corporate governance practices with a view to enhancing the management efficiency of the Company as well as preserving the interests of the Shareholders as a whole. In the opinion of the Board, the Company has complied with the code provisions (the “**Code Provisions**”) set out in the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) throughout the Year, except for the deviation from Code Provisions C.2.1 of the CG Code as described below:

Code Provision C.2.1 of the CG Code provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual. With effect from 13 April 2022, Mr. AUYANG Pak Hong Bernard, the chief executive officer of the Company, has also assumed the role of the chairman of the Board. The Board believes that this can provide the Group with consistent leadership and allow more effective implementation of the overall strategy of the Group. The Board is of the view that this structure does not compromise the balance of power and authority, as major decisions are made in consultation with the Board, which currently comprises a high percentage of independent non-executive directors who can scrutinise important decisions and monitor the power of the chairman and chief executive. The current senior management team of the Group also possesses rich knowledge and experience in different professional fields to assist Mr. AUYANG Pak Hong Bernard in making decisions about the businesses and operations of the Group. The Board believes that the interests of the Group and the Shareholders as a whole have been safeguarded. The Board will regularly review the effectiveness of this structure to ensure that it is appropriate to the Group's circumstances.

AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”), which comprises the three independent non-executive directors of the Company, namely, Ms. MAY Man Yee Mariana (chairperson of the Audit Committee), Mr. HO Pak Chuen Patrick and Ms. LEE Shang Yuee Christabel, and a non-executive director of the Company, namely, Mr. KAM Chi Chiu, Anthony, have reviewed the consolidated financial statements of the Group for the Year, and discussed with the management and the auditor of the Company on the accounting principles and practices adopted by the Group, and internal control and financial reporting matters.

SCOPE OF WORK OF ERNST & YOUNG ON THE PRELIMINARY ANNOUNCEMENT

The figures in respect of the Group’s consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of financial position and the related notes thereto for the year ended 31 March 2025 as set out in this announcement have been agreed by the Company’s auditor, Ernst & Young, to the amounts set out in the Group’s consolidated financial statements for the Year. The work performed by Ernst & Young in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by Ernst & Young on this announcement.

PUBLICATION OF FURTHER INFORMATION

The annual report of the Company for the Year, containing the information required by the Listing Rules, will be despatched to the Shareholders as well as published on the websites of The Stock Exchange of Hong Kong Limited (*www.hkexnews.hk*) and the Company (*www.computime.com*) in due course.

APPRECIATION

On behalf of the Board, I would like to express my gratitude to our management and staff for their dedication and contribution to the Group throughout the Year.

By Order of the Board
Computime Group Limited
AUYANG Pak Hong Bernard
Chairman and Chief Executive Officer

Hong Kong, 30 June 2025

As at the date of this announcement, the Board comprises the following directors:

Executive directors

Mr. AUYANG Pak Hong Bernard (*Chairman and Chief Executive Officer*)

Mr. WONG Wah Shun

Non-executive directors

Mr. KAM Chi Chiu, Anthony

Mr. WONG Chun Kong

Independent non-executive directors

Mr. HO Pak Chuen Patrick

Ms. LEE Shang Yuee Christabel

Ms. MAY Man Yee Mariana

* *For identification purposes only*