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IMS Group Holdings Limited
英馬斯集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8136)

ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 MARCH 2025

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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

ANNUAL RESULTS

The board of Directors (the “**Board**”) of the Company is pleased to announce the audited consolidated results of the Group for the year ended 31 March 2025, together with the comparative audited figures for the corresponding period of last year as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 March 2025

		2025	2024
	Note	HK\$'000	HK\$'000
Revenue	5	68,616	85,617
Cost of sales		<u>(30,130)</u>	<u>(37,084)</u>
Gross profit		38,486	48,533
Other income		1,975	2,201
Other gains and losses, net		(737)	(226)
Administrative expenses		(31,084)	(30,714)
Reversal of loss allowance (Loss allowance) on trade receivables	11(a)	<u>2,282</u>	<u>(1,712)</u>
Profit from operation		10,922	18,082
Finance costs	6(a)	<u>(200)</u>	<u>(134)</u>
Profit before income tax expenses	6	10,722	17,948
Income tax expenses	8	<u>(1,289)</u>	<u>(2,493)</u>
Profit attributable to owners of the Company		<u>9,433</u>	<u>15,455</u>
Other comprehensive loss:			
<i>Item that is or may be reclassified to profit or loss:</i>			
Exchange difference on translating foreign operations		<u>(251)</u>	<u>(693)</u>
Other comprehensive loss for the year		<u>(251)</u>	<u>(693)</u>
Total comprehensive income for the year attributable to owners of the Company		<u>9,182</u>	<u>14,762</u>
		HK cent	HK cent
Earnings per share			
Basic and diluted	9	<u>0.94</u>	<u>1.55</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2025

	Note	2025 HK\$'000	2024 HK\$'000
Non-current assets			
Property, plant and equipment		13,653	8,446
Intangible assets		34	125
Right-of-use assets		3,205	1,483
		<u>16,892</u>	<u>10,054</u>
Current assets			
Inventories		4,354	6,810
Trade and other receivables	11	5,603	7,347
Cash and bank balances		88,340	91,756
		<u>98,297</u>	<u>105,913</u>
Current liabilities			
Trade and other payables	12	7,961	11,110
Contract liabilities		2,481	10,186
Lease liabilities		2,379	1,222
Tax payables		704	1,334
		<u>13,525</u>	<u>23,852</u>
Net current assets		<u>84,772</u>	<u>82,061</u>
Total assets less current liabilities		<u>101,664</u>	<u>92,115</u>
Non-current liabilities			
Other payables	12	47	179
Contract liabilities		46	67
Deferred tax liabilities		304	367
Lease liabilities		906	323
		<u>1,303</u>	<u>936</u>
NET ASSETS		<u>100,361</u>	<u>91,179</u>
Capital and reserves			
Share capital	13	1,000	1,000
Reserves		99,361	90,179
TOTAL EQUITY		<u>100,361</u>	<u>91,179</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2025

1. GENERAL

IMS Group Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands on 15 February 2017, as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The registered office of the Company is located at the offices of Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business is located at Unit 1201, 12th Floor, Block C, Seaview Estate, 8 Watson Road, North Point, Hong Kong.

The Company is an investment holding company, and its subsidiaries (together referred to the “**Group**”) are principally engaged in the sale of light-emitting diode (“**LED**”) lighting fixtures and visual-audio system, provision of integrated LED lighting solution services, project consultancy, LED lighting system maintenance services, sale of 3D printing materials and provision for 3D printing services.

2. ADOPTION OF HKFRS ACCOUNTING STANDARDS

(a) Adoption of new/revised HKFRS Accounting Standards

The Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) has issued a number of new/revised HKFRS Accounting Standards and amendments to HKFRS Accounting Standards. The Group has applied, for the first time, the following new/revised HKFRS Accounting Standards that are relevant to the Group’s consolidated financial statements:

Amendments to HKAS 1: Classification of Liabilities as Current or Non-current

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the consolidated statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The amendments include clarifying the classification requirements for debt a company might settle by converting it into equity.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

Amendments to HKAS 1: Non-current Liabilities with Covenants

The amendments specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require a company to disclose information about these covenants in the notes to the consolidated financial statements.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

Amendments to HK Interpretation 5: Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

This Interpretation is revised as a consequence of the above Amendments to HKAS 1 to align the corresponding wordings with no change in conclusion.

The adoption of the amendments on this Interpretation does not have any significant impact on the consolidated financial statements.

Amendments to HKAS 7 and HKFRS 7: Supplier Finance Arrangements

The amendments introduce new disclosure requirements to enhance the transparency of supplier finance arrangements and their effects on an entity's liabilities, cash flows and exposure to liquidity risk.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

Amendments to HKFRS 16: Lease Liability in a Sale and Leaseback

The amendments require a seller-lessee to subsequently determine lease payments arising from a sale and leaseback in a way that it does not recognise any amount of the gain or loss that relates to the right of use it retains. The new requirements do not prevent a seller-lessee from recognising in profit or loss any gain or loss relating to the partial or full termination of a lease.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

(b) New/revised HKFRS Accounting Standards that have been issued but are not yet effective

The following new/revised HKFRS Accounting Standards, potentially relevant to the Group's consolidated financial statements, have been issued, but are not yet effective and have not been early adopted by the Group.

Amendments to HKAS 21	Lack of Exchangeability ¹
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Annual Improvements to HKFRS Accounting Standards	Volume 11 ²
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity ²
HKFRS 18	Presentation and Disclosure in Financial Statements ³
HKFRS 19	Subsidiaries without Public Accountability: Disclosures ³
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴

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

² Effective for annual periods beginning on or after 1 January 2026

³ Effective for annual periods beginning on or after 1 January 2027

⁴ The effective date to be determined

The directors of the Company do not anticipate that the adoption of the new/revised HKFRS Accounting Standards and HKAS in future periods will have any material impact on the results of the Group.

3. BASIS OF PREPARATION

(a) Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with HKFRS Accounting Standards, which collective term includes all Hong Kong Financial Reporting Standards (“**HKFRSs**”), Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by the HKICPA, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Companies Ordinance. These consolidated financial statements also comply with the applicable disclosure requirements of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”).

(b) Basis of measurement

The consolidated financial statements have been prepared under the historical cost basis.

(c) Functional and presentation currency

The consolidated financial statements are presented in Hong Kong Dollar (“**HK\$**”), which is also the functional currency of the Company, and all values are rounded to the nearest thousands, except when otherwise indicated. Each entity in the Group maintains its books and records in its own functional currency.

4. SEGMENT INFORMATION

Operating segments

During the year, the Group was principally engaged in sale of LED lighting fixtures and visual-audio system, provision of integrated LED lighting solution services, project consultancy and LED lighting system maintenance services, sale of 3D printing materials and provision for 3D printing services.

Information reported to the Group’s chief operating decision maker, for the purpose of resources allocation and performance assessment, focuses on the operating results of the Group as a whole. Therefore, the executive director of the Company considers the Group as one single operating segment during the year.

Geographical information

The following table sets out the information about the geographical location of the Group’s revenue from external customers and non-current assets other than financial instruments (“**Specified non-current assets**”).

The Group comprises the following major geographical segments:

	Revenue from external customers by customers' location		Specified non-current assets by assets' location	
	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Hong Kong (place of domicile)	8,030	8,159	7,455	7,482
The PRC	43,101	61,967	1,885	2,572
Japan	–	–	7,552	–
Asia (excluding Hong Kong, the PRC and Japan)	16,514	14,714	–	–
Others	971	777	–	–
	<u>68,616</u>	<u>85,617</u>	<u>16,892</u>	<u>10,054</u>

Information about major customers

Revenue attributed from customers that accounted for 10% or more of the Group's total revenue during the year is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Customer A	N/A	16,335
Customer B	<u>N/A</u>	<u>8,647</u>

The revenue from Customer A and B was less than 10% of the revenue of the Group for the year ended 31 March 2025.

In the following table, revenue is disaggregated by primary geographical market, major products and service lines and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segment.

Disaggregation of revenue from contracts with customers

	Integrated LED lighting solution service		Sales of LED lighting fixtures		Sales of visual-audio systems		LED lighting system consultation and maintenance services		Sales of 3D printing materials and provision for 3D printing services		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Geographical markets												
– Hong Kong (place of domicile)	–	–	3,106	2,066	378	601	3,384	3,382	1,162	2,110	8,030	8,159
– The PRC	8,552	28,818	33,204	32,275	–	–	1,345	874	–	–	43,101	61,967
– Asia (excluding Hong Kong and the PRC)	–	–	16,043	14,451	–	–	471	263	–	–	16,514	14,714
– Others	–	–	863	709	–	–	108	68	–	–	971	777
	<u>8,552</u>	<u>28,818</u>	<u>53,216</u>	<u>49,501</u>	<u>378</u>	<u>601</u>	<u>5,308</u>	<u>4,587</u>	<u>1,162</u>	<u>2,110</u>	<u>68,616</u>	<u>85,617</u>
Timing of revenue recognition												
– At a point in time	–	–	53,216	49,501	378	601	–	–	1,162	2,110	54,756	52,212
– Over time	8,552	28,818	–	–	–	–	5,308	4,587	–	–	13,860	33,405
	<u>8,552</u>	<u>28,818</u>	<u>53,216</u>	<u>49,501</u>	<u>378</u>	<u>601</u>	<u>5,308</u>	<u>4,587</u>	<u>1,162</u>	<u>2,110</u>	<u>68,616</u>	<u>85,617</u>

5. REVENUE

Revenue includes the net invoiced value of goods sold, project consultancy, maintenance services and printing services rendered and contracts on LED lighting solution projects earned by the Group. The amounts of each significant category of revenue recognised during the year are as follows:

	2025	2024
	HK\$'000	HK\$'000
Revenue from contracts with customers within the scope of HKFRS 15		
<i>Revenue – at point in time</i>		
Sales of LED lighting fixtures	53,216	49,501
Sales of visual-audio systems	378	601
Sales of 3D printing materials and provision for 3D printing services	1,162	2,110
<i>Revenue – over time</i>		
LED lighting system consultation and maintenance services	5,308	4,587
Integrated LED lighting solution service	8,552	28,818
	<u>68,616</u>	<u>85,617</u>

6. PROFIT BEFORE INCOME TAX EXPENSES

The Group's profit before income tax expenses is arrived at after charging:

	2025 HK\$'000	2024 HK\$'000
(a) Finance costs		
Interest on lease liabilities	200	134
(b) Other items		
Costs of inventories recognised as expenses	23,176	29,368
Amortisation of intangible assets	90	111
Auditor's remuneration	600	610
Depreciation of property, plant and equipment	2,413	2,106
Depreciation of right-of-use assets	2,991	2,747
Leases expenses of other premises under short term leases	250	139

7. EMPLOYEE BENEFIT EXPENSES, INCLUDING DIRECTORS' REMUNERATION

	2025 HK\$'000	2024 HK\$'000
Fees, wages, salaries and allowances	25,562	24,287
Post-employment benefits – payment to defined contribution retirement plan	1,008	888
	26,570	25,175

Employee benefit expenses included an amount of HK\$6,496,000 (2024: HK\$6,611,000) charged to “cost of sales” as labour costs for the year ended 31 March 2025.

No forfeited contributions were available for the years ended 31 March 2025 and 2024 to reduce the employer's contributions. There were no forfeited contributions as at 31 March 2025 (2024: HK\$Nil).

8. INCOME TAX EXPENSE

The amount of income tax expense in the consolidated statement of profit or loss and other comprehensive income represents:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current tax		
Hong Kong profits tax		
– Current year	752	1,053
– Over provision in respect of prior years	–	(152)
PRC enterprise income tax (“ EIT ”)		
– Current year	600	1,656
– Over provision in respect of prior years	(4)	(4)
	<u>1,348</u>	<u>2,553</u>
Deferred tax		
Origination and reversal of temporary differences	(59)	(60)
Income tax expense	<u><u>1,289</u></u>	<u><u>2,493</u></u>

Hong Kong profits tax

Under the two-tiered profits tax rates regime introduced in 2018, the first HK\$2,000,000 of profits of qualifying group entity are taxed at 8.25% and profits above HK\$2,000,000 are taxed at 16.5%. The profits of other group entities in Hong Kong not qualifying for the two-tiered profits tax rates regime continue to be taxed at a flat rate of 16.5%.

PRC EIT

Under the Law of the PRC on EIT (the “**EIT Law**”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

For the year ended 31 March 2025, Bluelite Illumination (Zhongshan) Limited, a subsidiary of the Company, meets the criteria of Micro-enterprise. Pursuant to the Announcement of Ministry of Finance and the State Administration of Taxation No.13 of 2022 and the Announcement of Ministry of Finance and the State Administration of Taxation No.6 of 2023, Micro-enterprise could enjoy an EIT at 20% on the assessable profits below RMB3,000,000 after reduction of 75% of assessable profits (2024: the same).

9. EARNINGS PER SHARE

(a) Basic

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

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Numerator		
Profit attributable to owners of the Company	<u>9,433</u>	<u>15,455</u>
	<i>'000 shares</i>	<i>'000 shares</i>
Denominator		
Weighted average number of ordinary shares for the purpose of basic earnings per share	<u>1,000,000</u>	<u>1,000,000</u>
Basic earnings per share (<i>HK cent</i>)	<u>0.94</u>	<u>1.55</u>

(b) Diluted

Diluted earnings per share is same as basic earnings per share as there were no potential dilutive ordinary shares for the years ended 31 March 2025 and 2024.

10. DIVIDENDS

The Board does not recommend the payment of any dividend in respect of the year ended 31 March 2025 (2024: HK\$Nil).

11. TRADE AND OTHER RECEIVABLES

	Note	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade receivables			
From third parties		6,792	10,711
Less: Loss allowance		<u>(3,548)</u>	<u>(5,899)</u>
Trade receivables, net	(a)	<u>3,244</u>	<u>4,812</u>
Other receivables			
Prepayment and deposits		1,618	1,740
Interest receivables		–	246
Other tax receivables		616	466
Other receivables		<u>125</u>	<u>83</u>
		<u>2,359</u>	<u>2,535</u>
Total trade and other receivables		<u>5,603</u>	<u>7,347</u>

Note:

- (a) The Group generally allows a credit period within 30 (2024: 30) days to its trade customers. Application for progress payments on projects are made on regular basis. The Group does not hold any collateral over these balances.

The following is an ageing analysis of trade receivables, net of loss allowance, presented based on the earlier of invoice date or revenue recognition date:

	2025 HK\$'000	2024 <i>HK\$'000</i>
Less than 1 month	552	303
1 month to 3 months	754	839
4 months to 6 months	493	2,846
More than 6 months but less than one year	1,445	824
	<u>3,244</u>	<u>4,812</u>

Movements in loss allowance for impairment of trade receivables are as follows:

	2025 HK\$'000	2024 <i>HK\$'000</i>
At beginning of the reporting period	5,899	4,575
Amount written off	(27)	(199)
(Reversal of loss allowance) Loss allowance on trade receivables	(2,282)	1,712
Exchange realignment	(42)	(189)
	<u>3,548</u>	<u>5,899</u>

Trade receivables of HK\$27,000 (2024: HK\$199,000) written off during the year are still subject to enforcement activity.

12. TRADE AND OTHER PAYABLES

	<i>Note</i>	2025 HK\$'000	2024 HK\$'000
Trade payables	<i>(a)</i>	4,088	7,283
Other payables			
Provision of warranties		655	954
Staff cost payables		2,138	1,844
Other tax payables		185	352
Other payables and accruals		942	856
		3,920	4,006
Total trade and other payables		8,008	11,289
Less: Non-current portion			
Provision of warranties		(47)	(179)
Current portion		7,961	11,110

Note:

- (a) The credit period of trade payables is normally within 30 (2024: 30) days. The ageing analysis of the trade payables based on invoice date is as follows:

	2025 HK\$'000	2024 HK\$'000
Current or less than 1 month	741	2,570
1 month to 3 months	523	971
4 months to 6 months	1,820	1,865
7 months to 12 months	576	1,438
More than one year	428	439
	4,088	7,283

13. SHARE CAPITAL

	2025		2024	
	<i>Number of</i> <i>shares</i>	<i>HK\$'000</i>	<i>Number of</i> <i>shares</i>	<i>HK\$'000</i>
Authorised:				
Ordinary shares of HK\$0.001 each	10,000,000,000	10,000	10,000,000,000	10,000
Issued and fully paid:				
At 1 April and 31 March	1,000,000,000	1,000	1,000,000,000	1,000

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is principally engaged in provision of LED lighting fixtures and integrated LED lighting solution services for retail stores of world-renowned luxury brands with focus in the Asia market.

For the year ended 31 March 2025, the Group recorded revenue of approximately HK\$68.6 million and profit attributable to owners of the Company of approximately HK\$9.4 million, as compared to revenue of approximately HK\$85.6 million and profit attributable to owners of the Company of approximately HK\$15.5 million for the year ended 31 March 2024. The Group considers the decrease in revenue was mainly caused by the decrease in revenue generated from integrated LED lighting solution services. As for the decrease in profit attributable to owners of the Company, it was mainly due to the decrease in gross profit for the year ended 31 March 2025.

The following table sets forth the details of the Group's revenue sources:

Revenue sources	For the year ended 31 March			
	2025		2024	
	<i>HK\$ million</i>	<i>%</i>	<i>HK\$ million</i>	<i>%</i>
Sales of LED lighting fixtures	53.2	77.6	49.5	57.8
Integrated LED lighting solution services	8.5	12.4	28.8	33.6
LED lighting system consultation and maintenance services	5.3	7.7	4.6	5.4
Sales of visual-audio systems	0.4	0.6	0.6	0.7
Sales of 3D printing materials and provision for 3D printing services	1.2	1.7	2.1	2.5
	68.6	100.0	85.6	100.0

Sales of LED lighting fixtures

Our revenue generated from sales of LED lighting fixtures has increased from approximately HK\$49.5 million for the year ended 31 March 2024 to approximately HK\$53.2 million for the year ended 31 March 2025, representing an increase of approximately 7.5% in this segment. The increase was mainly due to the customers increasing the budget in their projects for new retail stores in the People's Republic of China (the "PRC").

Integrated LED lighting solution services

Our revenue generated from integrated LED lighting solution services has decreased from approximately HK\$28.8 million for the year ended 31 March 2024 to approximately HK\$8.5 million for the year ended 31 March 2025, representing a decrease of approximately 70.5%. The decrease was mainly due to the decrease in the contract sum of projects involved during the year.

LED lighting system consultation and maintenance services

Our revenue generated from LED lighting system consultation and maintenance services has increased from approximately HK\$4.6 million for the year ended 31 March 2024 to approximately HK\$5.3 million for the year ended 31 March 2025, representing an increase of approximately 15.2%. The increase was mainly due to the increase in maintenance services requested by the customers during the year.

Sales of visual-audio systems

Our sales of visual-audio systems has decreased from approximately HK\$0.6 million for the year ended 31 March 2024 to approximately HK\$0.4 million for the year ended 31 March 2025. The amount has remained stable during the year.

Sales of 3D printing materials and provision for 3D printing services

Our sales of 3D printing materials and provision for 3D printing services has decreased from approximately HK\$2.1 million for the year ended 31 March 2024 to approximately HK\$1.2 million for the year ended 31 March 2025. The decrease was mainly due to the decrease in the demand of 3D printing materials and 3D printing services during the year.

FINANCIAL REVIEW

Revenue

Our revenue decreased from approximately HK\$85.6 million for the year ended 31 March 2024 by approximately HK\$17.0 million or 19.9%, to approximately HK\$68.6 million for the year ended 31 March 2025. The decrease was mainly due to the decrease in revenue generated from integrated LED lighting solution services.

Cost of Sales

Our cost of sales decreased from approximately HK\$37.1 million for the year ended 31 March 2024 by approximately HK\$7.0 million or 18.9%, to approximately HK\$30.1 million for the year ended 31 March 2025. The decrease was in line with the decrease in revenue.

Gross Profit

With the impact from the above factors, the gross profit decreased from approximately HK\$48.5 million for the year ended 31 March 2024 by approximately HK\$10.0 million or 20.6%, to approximately HK\$38.5 million for the year ended 31 March 2025. Besides, the gross profit margin decreased from approximately 56.7% for the year ended 31 March 2024 by approximately 0.6%, to approximately 56.1% for the year ended 31 March 2025.

Other Income and Other Gains and Losses, net

Our other income and other gains and losses decreased from approximately HK\$2.0 million for the year ended 31 March 2024 by approximately HK\$0.8 million or 40.0% to approximately HK\$1.2 million for the year ended 31 March 2025. The decrease was mainly due to the combined effects of the decrease in interest income of approximately HK\$0.2 million and the increase in exchange loss of approximately HK\$0.5 million.

Administrative Expenses

Administrative expenses increased from approximately HK\$30.7 million for the year ended 31 March 2024 by approximately HK\$0.4 million or 1.3%, to approximately HK\$31.1 million for the year ended 31 March 2025. The amount has remained stable during the year.

Reversal of Loss Allowance (Loss Allowance) on Trade Receivables

The reversal of loss allowance of approximately HK\$2.3 million (2024: loss allowance of approximately HK\$1.7 million) was recognised for the year ended 31 March 2025.

Finance Costs

Finance costs representing the interest on lease liabilities in relation to various office premises, manufacturing centre, staff accommodation and a shop were approximately HK\$0.2 million (2024: approximately HK\$0.1 million) for the year ended 31 March 2025. The amount has remained stable during the year.

Income Tax Expense

Profit before income tax expenses has decreased from approximately HK\$17.9 million for the year ended 31 March 2024 by approximately HK\$7.2 million or 40.2%, to approximately HK\$10.7 million for the year ended 31 March 2025 due to the decrease in gross profit for the year ended 31 March 2025. The income tax expenses decreased from approximately HK\$2.5 million for the year ended 31 March 2024 by approximately HK\$1.2 million or 48.0%, to approximately HK\$1.3 million for the year ended 31 March 2025. The decrease in income tax expense was mainly due to the decrease in the assessable profits during the year.

Profit for the year

The Group recorded a profit of approximately HK\$9.4 million attributable to owners of the Company for the year ended 31 March 2025 compared to the profit of approximately HK\$15.5 million attributable to owners of the Company for the year ended 31 March 2024. The decrease in profit was mainly due to the decrease in revenue and gross profit during the year.

DIVIDEND

The Board did not recommend the payment of a final dividend (2024: HK\$Nil) for the year ended 31 March 2025. There is no arrangement that a shareholder has waived or agreed to waive any dividend.

LIQUIDITY AND FINANCIAL RESOURCES

The Group financed its operations primarily through cash generated from operating activities. As at 31 March 2025, the Group did not have any bank borrowings.

Liquidity ratios

	2025	2024
Current ratio	7.3	4.4
Quick ratio	7.0	4.2

Current ratio: The current ratio is calculated by dividing current assets with current liabilities as at the end of the respective year.

Quick ratio: The quick ratio is calculated by dividing current assets minus inventories with current liabilities as at the end of the respective year.

The increase in both current ratio and quick ratio were mainly due to the decrease in current liabilities being larger than the decrease in current assets during the year.

Cash and bank balances

As at 31 March 2025, the currency denomination of the Group's cash and bank balances are as follows:

Currency denomination	2025 HK\$ million	2024 HK\$ million
Denominated in:		
HKD	22.2	61.8
RMB	23.4	26.7
EUR	— ⁽¹⁾	— ⁽¹⁾
USD	33.9	3.3
JPY	8.8	—
	88.3	91.8

(1) Represents amount less than HK\$26,000 (2024: HK\$3,000).

Net current assets

As at 31 March 2025, the Group had net current assets of approximately HK\$84.8 million (2024: approximately HK\$82.1 million).

Total equity

The equity of the Group mainly comprises share capital, share premium and reserves. The Group's total equity attributable to owners of the Company amounted to approximately HK\$100.4 million (2024: approximately HK\$91.2 million).

CAPITAL STRUCTURE

There has been no change in the capital structure of the Group during the year ended 31 March 2025 and up to the date of this announcement.

GEARING RATIO

As at 31 March 2025, the gearing ratio of the Group, which is calculated as the ratio of total borrowings to total equity, was Nil (2024: Nil).

TREASURY POLICY

The Group has adopted a conservative approach towards its treasury policies and thus maintained a healthy liquidity position throughout the year. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

FOREIGN EXCHANGE EXPOSURE

Majority of the Group's business operations were conducted in Hong Kong and the PRC. The sales of the Group are denominated in Hong Kong dollars and Renminbi, which are the functional currencies. The purchases of the Group are denominated in Renminbi, Hong Kong dollars and United States dollars. During the year ended 31 March 2025, there was no material impact to the Group arising from the fluctuation in the foreign exchange rates. As a result, the Group does not currently engage in hedging activities to manage potential exchange rate risk. However, the management will continue to monitor the potential exposure to exchange rate risk and will take appropriate measures as it deems prudent.

The Group did not enter in any derivatives agreement and did not commit to any financial instruments to hedge its foreign exchange exposure during the year.

PLEDGE OF ASSETS

As at 31 March 2025, the Group did not pledge nor charge on any of its assets (2024: HK\$Nil).

FUTURE PLANS FOR MATERIAL INVESTMENTS

The Group did not have any plans for material investment and acquisition of material capital assets as at 31 March 2025.

CONTINGENT LIABILITIES

As at 31 March 2025, the Group did not have any contingent liabilities (2024: HK\$Nil).

CAPITAL EXPENDITURE

During the year, the Group acquired items of property, plant and equipment of approximately HK\$7.7 million (2024: approximately HK\$4.0 million) and did not acquire any intangible assets (2024: HK\$Nil).

CAPITAL COMMITMENT

As at 31 March 2025, the Group had capital commitment of approximately HK\$53,000 (2024: approximately HK\$79,000).

EMPLOYEES AND REMUNERATION POLICY

As at 31 March 2025, including our executive Directors, the Group had a total of 66 (as at 31 March 2024: 66) employees, of which 33 employees were in Hong Kong and 33 employees were in the PRC. The total employee benefit expenses for the year ended 31 March 2025, including Directors' remuneration, allowances and payment to the defined contribution retirement plan, were approximately HK\$26.6 million (2024: approximately HK\$25.2 million).

Human resources are vital to our business. The remuneration package for the Group's employees includes salaries, commission, bonus and allowances which is determined with reference to the market term, qualification and experience of individual employee. Taking into account external competitiveness and internal fairness within the Group, the Group regularly reviews its remuneration plan in accordance with the employees' experience, responsibilities and performance, etc. to ensure that remuneration is in line with market competitiveness. The Group is committed to providing fair market remuneration in form and value, and provides on-site trainings to existing employees to update their knowledge and skills to attract, retain and motivate high quality employees. The Group operates the following retirement schemes for its employees:

- (1) a defined scheme under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) for those employees in Hong Kong who are eligible to participate; and
- (2) a "five social insurance and one housing fund" retirement pension scheme in accordance with the Retirement Policy of the Chinese Government for those employees in the PRC.

Furthermore, the Company conditionally adopted a share option scheme (the "**Share Option Scheme**") on 22 December 2017 so as to motivate, attract and retain the right employees.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

On 17 January 2025, Project Across Company Limited, a wholly-owned subsidiary of the Company (as the purchaser) and ジョイライフ株式会社, a company established in Japan (as the vendor) entered into two sale and purchase agreements, pursuant to which Project Across Company Limited agreed to purchase, and ジョイライフ株式会社 agreed to sell, two properties which located at 3-Chome-62, Nakahama, Joto District, Osaka, Japan* (日本大阪市城東区中浜三丁目62番) and at 2-Chome-16-4, Oimazatomnami, Higashinari District, Osaka, Japan* (日本大阪市東城区大今里南二丁目16番4) (the "**Properties**") at a total consideration of JPY139,500,000 (equivalent to approximately HK\$6,835,500). The Properties are held under freehold. The acquisition of the Properties was completed on 28 February 2025 and constituted discloseable transaction of the Company. Please refer to the announcement of the Company dated 17 January 2025 for further details.

Save as disclosed above, the Group did not have any significant investment as at 31 March 2025 (2024: HK\$Nil). The Group did not have any material acquisition and disposal of subsidiary or affiliated company during the year ended 31 March 2025 (2024: HK\$Nil).

* For identification purpose only

USE OF PROCEEDS FROM THE INITIAL PUBLIC OFFERING (THE “IPO”) AND COMPARISON OF BUSINESS OBJECTIVES WITH ACTUAL BUSINESS PROGRESS

As of 31 March 2025, the net proceeds raised from the IPO had been fully utilized in accordance with the designated uses set out in the prospectus issued by the Company on 11 January 2018 (the “**Prospectus**”), the supplemental announcement of the Company issued on 24 August 2020, the change in use of proceeds announcement of the Company issued on 3 December 2021 (the “**Change in Use of Proceeds Announcement**”) and the interim report for the six month ended 30 September 2022 dated 9 November 2022 (the “**Interim Report**”) as follows:

Description	Amount designated in the Prospectus (as adjusted based on the actual net proceeds raised) <i>HK\$ million</i>	Reallocation as stated in the Change in Use of Proceeds Announcement and the Interim Report <i>HK\$ million</i>	Utilised amount as at 31 March 2025 <i>HK\$ million</i>	Unutilised amount as at 31 March 2025 <i>HK\$ million</i>
Setting up a factory				
– Rental of factory and staff quarters	2.0	Nil	2.0	Nil
– Operating expense including staff costs	3.9	Nil	3.9	Nil
– Purchasing computer numeric control machines, 3D printer and testing equipment	3.7	Nil	3.7	Nil
– Capital expenditure including renovation and purchasing furniture and equipment	1.0	Nil	1.0	Nil
Subtotal	10.6	Nil	10.6	Nil
Recruiting high calibre staff	4.3	Nil	4.3	Nil
Pursuing suitable acquisitions	13.0	(13.0)	Nil	Nil
Enhancing our ERP system	3.7	Nil	3.7	Nil
Purchasing Industrial PolyJet 3D Printer	N/A	3.0	3.0	Nil
Expanding 3D printing facilities and operating a 3D printing solution workshop	N/A	10.0	10.0	Nil
Expanding and upgrading the infrastructure of our workshop and office	1.9	Nil	1.9	Nil
Working capital and general corporate purpose	1.2	Nil	1.2	Nil
Total	34.7	Nil	34.7	Nil

EVENTS AFTER REPORTING PERIOD

The Group does not have any significant events after the reporting period and up to the date of this announcement.

FUTURE DEVELOPMENT AND OUTLOOK

The Group will continue its efforts to be one of the leading LED lighting solutions providers in Asia. During the year 2024/25, approximately 62.8% of our sales originates from the PRC and we believe that the domestic demand from luxury renowned brands will remain active in the PRC market which will therefore require more renovation of retail stores in the PRC's shopping malls. The Group will continue to look for new customers and opportunities, and to expand our customer base through our existing network.

Looking ahead, we believe that the recovery brought about by the resumption of cross-border travel will certainly drive the economy growth again, however, the market is still full of uncertainty and with new challenges. We will continue to focus on strengthening our core businesses, and at the same time explore for new business opportunities.

CORPORATE GOVERNANCE PRACTICES

The Company has applied the principles as set out in the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 of the GEM Listing Rules throughout the year ended 31 March 2025 and up to the date of this announcement. During the year ended 31 March 2025, the Directors considered that the Company has complied with the CG Code except for the deviations from code provision C.2.1 of the CG code, the details of which are set out below.

Pursuant to code provision C.2.1 of the CG Code, the responsibilities between the Chairman and the Chief Executive Officer (“**CEO**”) should be segregated and should not be performed by the same individual. However, in view of Mr. Tam Yat Ming Andrew, being the founder of the Group, with his experience and roles performed in the Group, the Board considers it beneficial to the business prospect and operational efficiency of the Group that Mr. Tam Yat Ming Andrew acts as the Chairman and continues to act as the CEO.

The Directors consider that the current structure does not impair the balance of power and authority between the Board and the management of the Company given the appropriate delegation of power by the Board and the effective functions of the independent non-executive Directors. The Company will, with the Chairman's support, continue to review and monitor its corporate governance practices from time to time to ensure compliance with the legal and regulatory requirements, the CG Code and alignment with the latest developments.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct for dealing in securities of the Company by the Directors in accordance with Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiries of all Directors, all Directors confirmed that they have complied with the required standard of dealings and the code of conduct regarding Directors' securities transactions adopted by the Company during the year ended 31 March 2025.

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

The Directors confirm that during the year ended 31 March 2025 and up to the date of this announcement, neither the Company nor any of its subsidiaries purchased, sold, redeemed or cancelled any of the Company's listed securities.

SHARE OPTION SCHEME

On 22 December 2017, the Share Option Scheme was approved and conditionally adopted by the then shareholders of the Company by way of written resolutions.

No share options have been granted by the Company under the Share Option Scheme since its adoption.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this announcement, there is a sufficient public float of at least 25% of the issued Shares as required under the GEM Listing Rules.

AUDIT COMMITTEE

The Company established an Audit Committee pursuant to a resolution of our Directors passed on 22 December 2017 in compliance with Rule 5.28 to 5.33 of the GEM Listing Rules. Written terms of reference in compliance with code provision D.3 of the CG Code as set out in Appendix C1 to the GEM Listing Rules has been adopted. The primary duties of the Audit Committee are to assist the Board in reviewing the financial information and reporting system, the risk management and internal control systems, the effectiveness of the internal audit function, scope of audit and relationship with external independent auditor, and arrangements that enable employees of the Company to raise concerns, in confidence, about possible improprieties in financial reporting, internal control or other matters of the Company and performing the Company's corporate governance functions.

As at the date of this announcement, the Audit Committee of our Company consists of three members who are Mr. Li Chun Hung, Mr. Ha Yiu Wing and Dr. Wilson Lee. Mr. Li Chun Hung is the chairman of the Audit Committee.

The Audit Committee has reviewed the annual results of the Group for the year ended 31 March 2025.

SCOPE OF WORK OF FORVIS MAZARS CPA LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 March 2025 as set out in the preliminary announcement have been agreed by the Group's auditor, Forvis Mazars CPA Limited, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by Forvis Mazars CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Forvis Mazars CPA Limited on the preliminary announcement.

By Order of the Board
IMS Group Holdings Limited
Tam Yat Ming Andrew
Chairman and Executive Director

Hong Kong, 20 June 2025

As at the date of this announcement, the Board comprises Mr. Tam Yat Ming Andrew (Chairman and Chief Executive Officer) and Ms. Fok Yee Man as Executive Directors, and Mr. Li Chun Hung, Mr. Ha Yiu Wing and Dr. Wilson Lee as Independent Non-executive Directors.

This announcement will remain on the "Latest Listed Company Information" page on the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk for at least 7 days from the day of its publication. This announcement will also be published on the Company's website at www.ims512.com.