China Digital Video Holdings Limited
中國數字視頻控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8280)

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

In this announcement, "we", "us" or "our" refers to the Company and where the context otherwise requires, the Group (as defined below).

The board of Directors (the "**Board**") of the Company is pleased to announce the consolidated financial results of the Company and its subsidiaries (collectively, the "**Group**") for the year ended 31 March 2025 (the "**2024 Annual Year**"), together with the comparative figures for the year ended 31 March 2024 (the "**2023 Annual Year**").

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	**2025**	2024
		RMB'000	RMB'000
Revenue	6	**134,576**	145,948
Cost of sales		**(105,952)**	(122,931)
Gross profit		**28,624**	23,017
Other income	7	**5,464**	1,631
Selling and marketing expenses		**(30,643)**	(54,410)
Administrative expenses		**(15,723)**	(18,406)
Research and development expenses		**(18,426)**	(24,998)
Finance costs	8	**(9,177)**	(8,433)
Net reversal of impairment loss/(impairment loss) on trade and other receivables and contract assets		**4,178**	(35,378)
Reversal of impairment loss on property, plant and equipment	14	**—**	3,024
Impairment loss on intangible assets	15	**(3,855)**	(29,536)
Impairment loss on interest in an associate	19	**(17,450)**	(12,481)
Share of results of associates	19	**26,462**	(3,286)
Loss before income tax		**(30,546)**	(159,256)
Income tax credit	9	**—**	8,580
Loss for the year	10	**(30,546)**	(150,676)

	Notes	2025	2024
		RMB'000	RMB'000
Other comprehensive income/(loss)			
Item that may be subsequently reclassified to profit or loss:			
Exchange difference arising on the translation of a foreign operation		**1,297**	(269)
Total comprehensive loss for the year		**(29,249)**	(150,945)
Loss for the year attributable to:			
Owners of the Company		**(28,001)**	(147,396)
Non-controlling interests		**(2,545)**	(3,280)
		(30,546)	(150,676)
Total comprehensive loss for the year attributable to:			
Owners of the Company		**(26,704)**	(147,665)
Non-controlling interests		**(2,545)**	(3,280)
		(29,249)	(150,945)
Loss per share (expressed in RMB cents per share)	11		
Basic		**(4.53)**	(23.84)
Diluted		**(4.53)**	(23.84)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2025

	Notes	2025 RMB'000	2024 RMB'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	14	**188**	—
Intangible assets	15	**2,785**	9,290
Goodwill	16	**—**	—
Interest in a joint venture	18	**—**	—
Interests in associates	19	**22,428**	13,416
Financial assets at fair value through profit or loss ("**FVTPL**")	20	**8,753**	11,888
		34,154	34,594
Current assets			
Inventories	21	**38,097**	33,825
Trade and other receivables	22	**190,119**	289,566
Contract assets	23	**7,962**	11,799
Restricted bank deposits	24	**2,376**	1,644
Cash and cash equivalents	24	**141,021**	151,070
		379,575	487,904
Current liabilities			
Trade and other payables	25	**239,746**	313,749
Contract liabilities	23	**31,593**	18,318
Interest-bearing borrowings	26	**178,381**	193,245
Lease liability	28	**—**	3,354
		449,720	528,666
Net current liabilities		**(70,145)**	(40,762)
Total assets less current liabilities		**(35,991)**	(6,168)

	Notes	**2025**	2024
		RMB'000	RMB'000
Non-current liability			
Lease liability	28	**—**	574
		—	574
Net liabilities		**(35,991)**	(6,742)
EQUITY			
Share capital	29	**43**	43
Reserves	30	**(39,157)**	(12,453)
Equity attributable to owners of the Company		**(39,114)**	(12,410)
Non-controlling interests		**3,123**	5,668
Total deficit		**(35,991)**	(6,742)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2025

	Equity attributable to owners of the Company										
	Share capital RMB'000	Treasury shares* RMB'000	Share premium* RMB'000	Statutory reserve* RMB'000	Translation reserve* RMB'000	Share option reserve* RMB'000	Other reserve* RMB'000	Accumulated losses* RMB'000	Sub-total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
Balance at 1 April 2023	43	(1)	600,213	30,781	(261)	27,165	31,278	(553,963)	135,255	6,948	142,203
Comprehensive loss for the year											
Loss for the year	–	–	–	–	–	–	–	(147,396)	(147,396)	(3,280)	(150,676)
Other comprehensive loss for the year											
Item that may be subsequently reclassified to profit or loss:											
Exchange difference arising on translation of a foreign operation	–	–	–	–	(269)	–	–	–	(269)	–	(269)
Total comprehensive loss for the year	–	–	–	–	(269)	–	–	(147,396)	(147,665)	(3,280)	(150,945)
Transaction with owners											
Capital injection by non-controlling shareholders of a subsidiary	–	–	–	–	–	–	–	–	–	2,000	2,000
	–	–	–	–	–	–	–	–	–	2,000	2,000
Balance at 31 March 2024	43	(1)	600,213	30,781	(530)	27,165	31,278	(701,359)	(12,410)	5,668	(6,742)

	Equity attributable to owners of the Company										
	Share capital RMB'000	Treasury shares* RMB'000	Share premium* RMB'000	Statutory reserve* RMB'000	Translation reserve* RMB'000	Share option reserve* RMB'000	Other reserve* RMB'000	Accumulated losses* RMB'000	Sub-total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
Balance at 1 April 2024	43	(1)	600,213	30,781	(530)	27,165	31,278	(701,359)	(12,410)	5,668	(6,742)
Comprehensive loss for the year											
Loss for the year	–	–	–	–	–	–	–	(28,001)	(28,001)	(2,545)	(30,546)
Other comprehensive income for the period											
Item that may be subsequently reclassified to profit or loss:											
Exchange difference arising on translation of a foreign operation	–	–	–	–	1,297	–	–	–	1,297	–	1,297
Total comprehensive income/(loss) for the year	–	–	–	–	1,297	–	–	(28,001)	(26,704)	(2,545)	(29,249)
Balance at 31 March 2025	43	(1)	600,213	30,781	767	27,165	31,278	(729,360)	(39,114)	3,123	(35,991)

* These reserves comprise the Group's deficiency in reserves of RMB39,157,000 (2024: reserves of RMB12,453,000) in the consolidated statement of financial position as at 31 March 2025.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	**2025**	2024
		RMB'000	RMB'000
OPERATING ACTIVITIES			
Loss before income tax		**(30,546)**	(159,256)
Adjustments for:			
Depreciation of property, plant and equipment	14	**35**	996
Amortisation of intangible assets	15	**2,650**	16,292
Interest income	7	**(16)**	(3,959)
Finance costs	8	**9,177**	8,433
Net reversal of impairment loss/(impairment loss) on trade and other receivables and contract assets	22	**(4,178)**	35,387
Reversal of allowance for inventories	21	**(252)**	(2,608)
Reversal of impairment loss on property, plant and equipment	14	**—**	(3,024)
Impairment loss on intangible assets	15	**3,855**	29,536
Written off on development cost	7	**—**	5,958
Impairment loss on interest in an associate	19	**17,450**	12,481
Loss on lease modification	7	**—**	971
Gain on early termination of lease	7	**(2,271)**	—
Fair value loss on financial assets at FVTPL	7	**3,135**	1,433
Net foreign exchange gains		**923**	221
Share of results of associates	19	**(26,462)**	3,286
Government grant recognised	7	**(356)**	—
Gain on written off of other payable	7	**(2,625)**	—

	Notes	2025	2024
		RMB'000	RMB'000
OPERATING CASH FLOWS BEFORE WORKING CAPITAL CHANGES		**(29,481)**	(53,853)
Increase in inventories		**(4,020)**	(12,444)
Decrease/(increase) in trade and other receivables		**82,048**	(62,789)
Decrease in contract assets		**5,837**	7,132
(Decrease)/increase in trade and other payables		**(7,450)**	3,843
Increase in contract liabilities		**13,275**	8,772
NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES		**60,209**	(109,339)
INVESTING ACTIVITIES			
Interest received		**16**	3,959
Purchase of property, plant and equipment	14	**(223)**	(494)
Addition in development costs through internal development		**—**	(2,286)
Increase in amount due from a joint venture		**(2,693)**	(6,727)
Decrease/(increase) in amounts due from related parties		**21,337**	(29,008)
Decrease/(increase) in amounts due from associates		**1,133**	(4,197)
Increase in restricted bank deposits		**(732)**	(460)
Increase in amount due from a director		**(200)**	—
NET CASH GENERATED FROM/(USED IN) INVESTING ACTIVITIES		**18,638**	(39,213)

	Notes	**2025**	2024
		RMB'000	RMB'000
FINANCING ACTIVITIES			
Interest paid	34	**(9,101)**	(8,634)
Decrease in amounts due to related parties	34	**(11,558)**	(340)
(Decrease)/increase in amounts due to associates	34	**(30,760)**	29,157
Decrease in amount due to a joint venture	34	**(18)**	—
(Decrease)/increase in amount due to a director	34	**(20,855)**	28,238
Bank borrowings raised	34	**212,000**	216,160
Repayment of bank borrowings	34	**(226,864)**	(142,515)
Repayment of other borrowings	34	**—**	(6,459)
Payment of lease liability	34	**(1,657)**	(2,899)
Interest paid for lease liability	34	**(76)**	(252)
Capital contribution by a non-controlling shareholder of a subsidiary		**—**	2,000
NET CASH (USED IN)/GENERATED FROM FINANCING ACTIVITIES		**(88,889)**	114,456
NET DECREASE IN CASH AND CASH EQUIVALENTS		**(10,042)**	(34,096)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		**151,070**	185,169
Effect of foreign exchange rate changes		**(7)**	(3)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	24	**141,021**	151,070

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1. GENERAL INFORMATION

China Digital Video Holdings Limited (the "**Company**") was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law (as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is P.O. Box 309, Ugland House, Grand Cayman KY1-1104, Cayman Islands. The address of the Company's principal place of business in Hong Kong is Room A5, 7/F, China United Plaza, 1008 Tai Nan West Street, Cheung Sha Wan, Kowloon, Hong Kong. The Company's shares were listed on GEM of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") since 27 June 2016.

The Company is an investment holding company and its subsidiaries (together with the Company collectively referred to as the "**Group**") are principally engaged in research, development and sales of video-related and broadcasting equipment and software and provision of related technical services in the People's Republic of China (the "**PRC**").

In the opinion of the directors of the Company (the "**Directors**"), the immediate holding company and the ultimate holding company of the Company is Wing Success Holdings Limited, a company incorporated in the British Virgin Islands, while the ultimate beneficial owner of the Company is Mr. Zheng Fushuang ("**Mr. Zheng**").

These consolidated financial statements are presented in Renminbi ("**RMB**"), unless otherwise stated.

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

These consolidated financial statements of the Group has been prepared in accordance with IFRS Accounting Standards ("**IFRSs**") issued by the International Accounting Standards Board (the "**IASB**"), International Accounting Standards ("**IASs**") issued by International Accounting and Assurance Standards Board (the "**IAASB**") and interpretations issued by the IASB. The consolidated financial statements also comply with the disclosure requirements of the Hong Kong Companies Ordinance and include the applicable disclosure requirements of the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "**GEM Listing Rules**").

The consolidated financial statements have been prepared under the historical cost convention, except for financial assets at FVTPL, which are measured at fair value. The measurement bases are fully described in the accounting policies below.

The material accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

The preparation of consolidated financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates and assumptions. It also requires management to exercise its judgements in the process of applying the accounting policies of the Group. Although these estimates are based on management's best knowledge and judgements of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgements or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5 below.

Going Concern

The Group incurred a net loss of approximately RMB30,546,000 for the year ended 31 March 2025 and as of that date, the Group's current liabilities exceeded its current assets by approximately RMB70,145,000 and the Group had net liabilities of approximately RMB35,991,000. Notwithstanding this fact, the Directors consider it is appropriate to prepare the consolidated financial statements on a going concern basis as the Group is expected to have sufficient financial resources to meet its obligation as they fall due for at least the next twelve months from 31 March 2025 based on its projected cash flow forecasts. The Directors have reviewed the financial position of the Group as at 31 March 2025, including its working capital and bank and cash balances, together with the projected cash flow forecasts for the next twelve months from 31 March 2025 and the Directors consider that the Group is financially viable to continue as a going concern.

In addition, the Group can also improve its financial position, immediate liquidity and cash flows, by adopting the following measures:

(a) the Group had interest-bearing borrowings of approximately RMB178,381,000 as at 31 March 2025. The Group continues to negotiate/seek opportunities with banks for the renewal of existing/inception of bank borrowings in order to secure necessary funds to meet the Group's working capital and financial requirements in the foreseeable future;

(b) the management of the Group will closely monitor the financial position of the Group and the director of the Company has committed to provide continuous financial support to the Group to enable it to have sufficient liquidity to finance its operation;

(c) the Group is implementing active cost saving measures to control costs through various ways to improve operating cash flows at a level sufficient to finance the working capital requirements of the Group; and

(d) the Group is continuously expanding its product portfolio to meet new customer demands and enhance the Group's market competitiveness.

Should the Group be unable to continue as a going concern, adjustments would have to be made to the consolidated financial statements to adjust the value of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effects of these potential adjustments have not been reflected in the consolidated financial statements.

3. APPLICATION OF NEW AND AMENDMENTS TO IFRSs

Application of new and amendments to IFRSs

In the current period, the Group has applied for the first time the following amendments to IFRSs issued by IASB, which are effective for the Group's financial year beginning on 1 April 2024 and relevant to the Group:

Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IAS 1	Non-current Liabilities with Covenants
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements

The application of the amendments to IFRSs in the current year has had no material effect on the Group's financial performance and positions for the current and prior periods and on the disclosures set out in these consolidated financial statements.

New and amendment to IFRSs issued but not effective

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

Amendments to IAS 21	Lack of Exchangeability[1]
Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7	Annual Improvements to IFRS Accounting Standards — Volume 11[2]
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments[2]
IFRS 18	Presentation and Disclosure in Financial Statements[3]
IFRS 19	Subsidiaries without Public Accountability: Disclosures[3]
Amendments to IFRS 10 and IAS 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 Effective for annual periods beginning on or after a date to be determined.

IFRS 18 Presentation and Disclosure in Financial Statements

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

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

Except for the impact of IFRS 18, the directors of the Company considers that the adoption of the above mentioned new and amendments are not expected to have a material impact on the Group's consolidated financial statements in future reporting periods when they become effective.

4. MATERIAL ACCOUNTING POLICY INFORMATION

4.1 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries for the year ended 31 March 2025.

Subsidiaries are entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power over the entity, only substantive rights relating to the entity (held by the Group and others) are considered.

The Group includes the income and expenses of subsidiaries in the consolidated financial statements from the date it gains control until the date when the Group ceases to control the subsidiary.

Intra-group transactions, balances and unrealised gains and losses on transactions between group companies are eliminated in preparing the consolidated financial statements. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Non-controlling interests represent the equity on a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at their proportionate share of the subsidiary's net identifiable assets.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from the equity attributable to the owners of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of comprehensive income as an allocation of the total profit or loss and total comprehensive income or expense for the year between non-controlling interests and the owners of the Company.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received; and (ii) the previous carrying amount of the assets (including goodwill, if any) and liabilities of the subsidiary and any non-controlling interests.

In the Company's statement of financial position, subsidiaries are carried at cost less any impairment loss. Cost also includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable at the end of the reporting period. All dividends whether received out of the investee's pre or post-acquisition profits are recognised in the Company's statement of profit or loss and other comprehensive income.

4.2 Associates and joint ventures

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

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions relating about relevant activities require the unanimous consent of the parties sharing control.

In consolidated financial statements, an investment in an associate or a joint venture is initially recognised at cost and subsequently accounted for using the equity method. Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate or joint venture recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment. The cost of acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed and equity instruments issued by the Group, plus any costs directly attributable to the investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in consolidated statement of profit or loss and other comprehensive income in the determination of the Group's share of the associate or joint venture's profit or loss in the period in which the investment is acquired.

Under the equity method, the Group's interest in the associate or joint venture is carried at cost and adjusted for the post-acquisition changes in the Group's share of the associate or joint venture's net assets less any identified impairment loss. The consolidated statement of profit or loss and other comprehensive income for the year includes the Group's share of the post-acquisition, post-tax results of the associate or joint venture for the year, including any impairment loss on the investment in associate or joint venture recognised for the year.

Unrealised gains on transactions between the Group and its associate and joint venture are eliminated to the extent of the Group's interest in the associate or joint venture. Where unrealised losses on assets sales between the Group and its associate or joint venture are reversed on equity accounting, the underlying asset is also tested for impairment from the Group's perspective. Where the associate or joint venture uses accounting policies other than those of the Group for like transactions and events in similar circumstances, adjustments are made, where necessary, to conform the associate or joint venture's accounting policies to those of the Group when the associate or joint venture's financial statements are used by the Group in applying the equity method.

When the Group's share of losses in an associate or a joint venture equals or exceeds its interest in the associate or joint venture, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. For this purpose, the Group's interest in the associate or joint venture is the carrying amount of the investment under the equity method together with the Group's long-term interests that in substance form part of the Group's net investment in the associate or joint venture.

After the application of equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in its associate or joint venture. At the end of each reporting period, the Group determines whether there is any objective evidence that the investment in associate or joint venture is impaired. If such indications are identified, the Group calculates the amount of impairment as being the difference between the recoverable amount (i.e. higher of value in use and fair value less costs of disposal) of the associate or joint venture and its carrying amount. In determining the value in use of the investment, the Group estimates its share of the present value of the estimated future cash flows expected to be generated by the associate or joint venture, including cash flows arising from the operations of the associate or joint venture and the proceeds on ultimate disposal of the investment.

The Group discontinues the use of equity method from the date when it ceases to have significant influence over an associate or joint control over a joint venture. The difference between (i) the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture; and (ii) the carrying amount of the investment at the date the equity method was discontinued, is recognised in the consolidated statement of profit or loss and other comprehensive income. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would have been required if the associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by the investee would be reclassified to profit or loss on the disposal of the related assets or liabilities, the entity reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

4.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-makers (the "**CODM**") (i.e. executive directors of the Company), who are responsible for allocating resources and assessing performance of the operating segments.

4.4 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "**functional currency**"). The functional currency of the Company is United States dollars ("**USD**"). The Company's primary subsidiaries were established in the PRC and these subsidiaries considered RMB as their functional currency. As the development and operation of the Group during the years are mainly within the PRC, the Group determined to present the consolidated financial statements in RMB, unless otherwise stated.

(b) Transactions and balance

In the individual financial statements of the consolidated entities, foreign currency transactions are translated into the functional currency of the individual entity using the exchange rates prevailing at the dates of the transactions. At the end of the reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the end of the reporting period retranslation of monetary assets and liabilities are recognised in consolidated statement of profit or loss and other comprehensive income.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated (i.e. only translated using the exchange rates at the transaction date).

(c) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- all resulting currency translation differences are recognised in other comprehensive income and accumulated in "translation reserve" in equity.

(d) Transactions and balance

In the individual financial statements of the consolidated entities, foreign currency transactions are translated into the functional currency of the individual entity using the exchange rates prevailing at the dates of the transactions. At the end of the reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the end of the reporting period retranslation of monetary assets and liabilities are recognised consolidated statement of profit or loss and other comprehensive income.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated (i.e. only translated using the exchange rates at the transaction date).

(e) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- all resulting currency translation differences are recognised in other comprehensive income and accumulated in "translation reserve" in equity.

4.5 Property, plant and equipment

Property, plant and equipment (other than cost of right-of-use assets as described in Note 4.13) is stated at historical cost less accumulated depreciation and impairment loss, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount or recognised as separate assets, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other costs, such as repairs and maintenance, are charged to consolidated statement of profit or loss and other comprehensive income during the reporting period in which they are incurred.

Depreciation is provided to write off the cost less their residual values over their estimated useful lives, using the straight-line method, as follows:

Leasehold improvement	Shorter of remaining term of the lease and the estimated useful lives of the assets
Computer equipment	3-5 years
Furniture and office equipment	5 years
Motor vehicle	10 years

Accounting policy for depreciation of right-of-use assets is set out in Note 4.13.

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gain or loss on retirement or disposal is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in consolidated statement of profit or loss and other comprehensive income.

4.6 Goodwill

Goodwill arising in a business combination is recognised as an asset at the date that control is acquired (the acquisition date). Goodwill is measured at the excess of the aggregate of the fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the Group's interest in the net fair value of the acquiree's identifiable assets and liabilities measured as at the acquisition date.

Set out below are the accounting policies on goodwill arising on acquisition of a subsidiary. Accounting for goodwill arising on acquisition of interest in an associate or a joint venture is set out in Note 4.2.

4.7 Intangible assets (other than goodwill)

(a) Video-related and broadcasting intellectual properties, patents, trademarks and licenses

Separately acquired video-related and broadcasting intellectual properties, patents, trademarks and licenses are initially recorded at cost and include internally generated intangible assets (i.e. capitalised development costs as detailed in Note 4.7(b)) that are available-for-use. Video-related and broadcasting intellectual properties, patents, trademarks and licenses acquired in a business combination are recognised at fair value at the acquisition date. These intangible assets have a finite useful life and are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is calculated on a straight-line basis over the shorter of their license periods or estimate useful lives (ranged from 2 to 5 years).

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring the software for their intended use. These costs are amortised over their estimated useful lives of 1 to 10 years.

The assets' amortisation methods and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Intangible assets are tested for impairment as described in Note 4.18.

(b) Research and development costs

Costs associated with research activities are expensed in consolidated statement of profit or loss and other comprehensive income as they occur. Costs that are directly attributable to development activities are recognised as intangible assets provided they meet the following recognition requirements:

(i) demonstration of technical feasibility of the prospective product for internal use or sale;

(ii) there is intention to complete the intangible asset and use or sell it;

(iii) the Group's ability to use or sell the intangible asset is demonstrated;

(iv) the intangible asset will generate probable economic benefits through internal use or sale;

(v) sufficient technical, financial and other resources are available for completion; and

(vi) the expenditure attributable to the intangible asset can be reliably measured.

Direct costs include employee costs incurred on development activities along with an appropriate portion of relevant overheads. The costs of development of internally generated software, products or knowhow that meet the above recognition criteria are recognised as intangible assets. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Capitalised development costs are recorded as intangible assets and are transferred to "Video-related and broadcasting intellectual properties, patents, trademarks and licenses" (Note 4.7(a)) once the asset is available for use. Amortisation commences when the intangible assets are available for use and are calculated on a straight-line basis over its estimated useful lives (ranged from 2 to 5 years). All other development costs are expensed as incurred.

4.8 Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all of its risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Financial assets

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15 Revenue from Contracts with Customers, all financial assets are initially measured at fair value, in case of a financial asset not at FVTPL, plus transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in consolidated statement of profit or loss and other comprehensive income.

Financial assets are classified into the following categories:

- amortised cost; or
- FVTPL

The classification is determined by both:

- the entity's business model for managing the financial asset; and
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in consolidated statement of profit or loss and other comprehensive income are presented within finance costs or interest income, except for the expected credit loss ("**ECL**") of trade and other receivables which is presented as "net impairment loss on trade and other receivables and contract assets" in the consolidated statement of profit or loss and other comprehensive income.

<u>Subsequent measurement of financial asset</u>

Debt investments

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

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

After initial recognition, these are measured at amortised cost using the effective interest method. Interest income from these financial assets is included in "other income" in consolidated statement of profit or loss and other comprehensive income. Discounting is omitted where the effect of discounting is immaterial. The Group's restricted bank deposits, cash and cash equivalents and trade and other receivables fall into this category of financial assets.

Equity instruments

An investment in equity securities are classified as measured at FVTPL unless the equity investment is not held for trading purposes and on initial recognition of the investment, the Group makes an election to designate the investment as measured at FVOCI (non-recycling) such that subsequent changes in fair value are recognised in other comprehensive income. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective.

Dividends from investment in equity instrument are recognised in consolidated statement of profit or loss and other comprehensive income when the Group's right to receive the dividends is established. Dividends are included in the "other income" in the consolidated statement of profit or loss and other comprehensive income.

The equity instruments at FVTPL are not subject to impairment assessment. Changes in the fair value of financial assets at FVTPL are recognised in "other income" in the consolidated statement of profit or loss and other comprehensive income.

Financial liabilities

Classification and measurement of financial liabilities

The Group's financial liabilities include borrowings, trade and other payables and lease liability.

Financial liabilities (other than lease liability) are initially measured at fair value, and, where applicable, adjusted for transaction costs.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in consolidated statement of profit or loss and other comprehensive income are included within "finance costs" or "other income" in the consolidated statement of profit or loss and other comprehensive income.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in consolidated statement of profit or loss and other comprehensive income over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period.

Trade and other payables

Trade and other payables are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest method.

Offsetting financial assets and financial liabilities

Financial assets and liabilities of the Group are offset and the net amount presented in the consolidated statement of financial position when, and only when, there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

4.9 Impairment of financial assets and contract assets

IFRS 9's impairment requirements use forward-looking information to recognise ECL – the "ECL model". Instruments within the scope included loans and other debt-type financial assets measured at amortised cost, trade receivables and contract assets recognised and measured under IFRS 15.

The Group considers a broader range of information when assessing credit risk and measuring ECL, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ("Stage 1"); and

- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ("Stage 2").

"Stage 3" would cover financial assets that have objective evidence of impairment at the end of the reporting period.

"12-month ECL" are recognised for the Stage 1 category while "lifetime ECL" are recognised for the Stage 2 category.

Measurement of the ECL is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Trade receivables and contract assets

For trade receivables and contract assets, the Group applies the simplified approach for individual customers with significant outstanding balances and other customers under provision matrix in calculating ECL and recognises a loss allowance based on lifetime ECL at the end of each reporting period. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial assets. In calculating the ECL for other customers, the Group has established a provision matrix that is based on its historical credit loss experience and external indicators, adjusted for forward-looking factors specific to the debtors and the economic environment.

To measure the ECL under provision matrix, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the ECL rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

Other financial assets measured at amortised cost

The Group measures the ECL allowance for other receivables equal to 12-month ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increase in the likelihood or risk of default occurring since initial recognition.

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

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

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

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

Despite the aforegoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the end of each reporting period. A debt instrument is determined to have low credit risk if it has a low risk of default, the borrower has strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfill its contractual cash flow obligations.

4.10 Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and applicable variable selling expenses. Cost, which comprises all costs of purchase and, where applicable, cost of conversion and other costs that have been incurred in bringing the inventories to their present location and condition, is calculated using the weighted average method.

4.11 Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand, demand deposits with banks and short-term highly liquid investments with original maturities of three months or less that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

4.12 Contract assets and contract liabilities

A contract asset is recognised when the Group recognises revenue before being unconditionally entitled to the consideration under the payment terms set out in the contract. Contract assets are assessed for the ECL in accordance with the policy set out in Note 4.9 and are reclassified to receivables when the right to the consideration has become unconditional.

A contract liability is recognised when the customer pays consideration before the Group recognises the related revenue. A contract liability would also be recognised if the Group has an unconditional right to receive consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised.

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

4.13 Leases

<u>Definition of a lease and the Group as a lessee</u>

At inception of a contract, the Group considers whether a contract is, or contains a lease. A lease is defined as "a contract, or part of a contract, that conveys the right to use an identified asset (the underlying asset) for a period of time in exchange for consideration". To apply this definition, the Group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group;
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and
- the Group has the right to direct the use of the identified asset throughout the period of use. The Group assesses whether it has the right to direct "how and for what purpose" the asset is used throughout the period of use.

For contracts that contain a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices.

Measurement and recognition of leases as a lessee

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability on the consolidated statement of financial position. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the underlying asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any lease incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term unless the Group is reasonably certain to obtain ownership at the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicator exists.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable payments based on an index or rate, and amounts expected to be payable under a residual value guarantee. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payment of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate.

Subsequent to initial measurement, the liability will be reduced for lease payments made and increased for interest cost on the lease liability. It is remeasured to reflect any reassessment or lease modification, or if there are changes in in-substance fixed payments.

When the lease is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Group has elected to account for short-term leases using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these leases are recognised as an expense in consolidated statement of profit or loss and other comprehensive income on a straight-line basis over the lease term. Short-term leases are leases with a lease term of 12 month or less.

On the consolidated statement of financial position, right-of-use assets have been included in "property, plant and equipment", the same line as it presents the underlying assets of the same nature that it owns.

Refundable rental deposits paid are accounted for under IFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and

- the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

4.14 Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

All provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the Group, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

4.15 Share capital

Ordinary shares are classified as equity. Share capital is determined using the nominal value of shares that have been issued.

Any transaction costs associated with the issuing of shares are deducted from share premium (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction.

4.16 Revenue recognition

The Group's revenue includes, separately or in combination, the sale of application solution services with equipment, the provision of consultancy services, professional services, maintenance services, customer support services, extended warranty and other services.

To determine whether to recognise revenue, the Group follows a 5-step process:

1. Identifying the contract with a customer

2. Identifying the performance obligations

3. Determining the transaction price

4. Allocating the transaction price to the performance obligations

5. Recognising revenue when/as performance obligation(s) are satisfied

In all cases, the total transaction price for a contract is allocated amongst the various performance obligations based on their relative stand-alone selling prices. The transaction price for a contract excludes any amounts collected on behalf of third parties.

Revenue is recognised either at a point in time or over time, when (or as) the Group satisfies performance obligations by transferring the promised goods or services to its customers.

Further details of the Group's revenue and other income recognition policies are as follows:

(a) Solutions sales

Revenue from solution sales contracts are recognised at a point in time when the control of the goods is transferred to the customers and the relevant installation and integration services are fully performed.

The Group generally provides for warranties for repairs to any defects and does not provide extended warranties in its solution contract with customers. As such, some existing warranties in a solution contract are considered as assurance-type warranties under IFRS 15, which are accounted for under IAS 37. Retention receivables, prior to expiration of retention period, are classified as contract assets. The relevant amount of contract asset is reclassified to trade receivables when the retention period expires.

(b) Services

Services, being service-type warranties under IFRS 15, maintenance and other professional services, are provided in the form of fixed-price contracts. Sales are recognised over time by straight-line basis in the period the services are provided.

(c) Sales of products

Sale of products, including software and hardware equipment, are recognised when or as the Group transfers control of the assets to the customer and there is no unfulfilled obligation that could affect the customer's acceptance of products.

(d) Dividend income

Dividend income is recognised when the right to receive payment is established.

(e) *Interest income*

Interest income is recognised on a time proportion basis using the effective interest method. For financial assets measured at amortised cost that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit-impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amount net of ECL allowance) of the asset.

4.17 Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in consolidated statement of profit or loss and other comprehensive income on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income/a deduction from the carrying amount of the relevant asset in the consolidated statement of financial position and transferred to “other income” in consolidated statement of profit or loss and other comprehensive income on a systematic and rational basis over the useful lives of the related assets.

Government grants related to income that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in “other income” in consolidated statement of profit or loss and other comprehensive income as “other income” in the period in which they become receivable.

4.18 Impairment of non-financial assets (other than contract assets)

(i) Goodwill arising on acquisition of a subsidiary; (ii) property, plant and equipment (including right-of-use asset); (iii) intangible assets; (iv) interests in joint ventures and associates; and (v) the Company's interests in subsidiaries are subject to impairment testing.

Goodwill and intangible assets not yet available for use are tested for impairment at least annually, irrespective of whether there is any indication that they are impaired. All other assets are tested for impairment whenever there are indications that the asset's carrying amount may not be recoverable.

An impairment loss is recognised as an expense immediately for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of fair value, reflecting market conditions less costs of disposal, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of time value of money and the risk specific to the asset.

For the purposes of assessing impairment, where an asset does not generate cash inflows largely independent from those from other assets, the recoverable amount is determined for the smallest group of assets that generate cash inflows independently (i.e. a cash-generating unit). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Corporate assets are allocated to individual cash generating units, when a reasonable and consistent basis of allocation can be identified, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified. Goodwill in particular is allocated to those cash-generating units that are expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which the goodwill is monitored for internal management purpose and is not larger than an operating segment.

Impairment losses recognised for cash-generating units, to which goodwill has been allocated, are credited initially to the carrying amount of goodwill. Any remaining impairment loss is charged pro rata to the other assets in the cash generating unit, except that the carrying value of an asset will not be reduced below its individual fair value less cost of disposal, or value in use, if determinable.

An impairment loss on goodwill is not reversed in subsequent periods. In respect of other assets, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the asset's recoverable amount and only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Impairment losses recognised in an interim period in respect of goodwill are not reversed in a subsequent period. This is the case even if no loss, or a smaller loss, would have been recognised had the impairment been assessed only at the end of the financial year to which the interim period relates.

4.19 Employee benefits

(a) Retirement benefit

Retirement benefits to employees are provided through defined contribution plans.

The group entities established in the PRC make monthly contributions to a state-sponsored defined contribution scheme for the local staff. The contributions are made at a specific percentage on the standard salary pursuant to laws of the PRC and relevant regulation issued by local social security authorities.

Contributions are recognised as an expense in consolidated statement of profit or loss and other comprehensive income as employees rendered services during the year. The Group's obligations under these plans are limited to the fixed percentage contributions payable.

(b) Short-term employee benefits

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

Non-accumulating compensated absences such as sick leave and maternity leave are not recognised until the time of leave.

(c) Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when it recognises costs for any related restructuring.

(d) Bonus entitlements

The expected cost of bonus payments is recognised as a liability when the Group has a present contractual or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made. Liabilities for bonus are expected to be settled within twelve months and are measured at the amounts expected to be paid when they are settled.

(e) Equity-settled share-based compensation transactions

The Group operates a number of equity-settled, share-based compensation plans (including share option schemes and share award scheme), under which the entity receives services from employees as consideration for equity instruments (including share options and awarded shares) of the Group. The fair value of the services received in exchange for the grant of the equity instruments is recognised as expense.

In terms of share options and awarded shares, the total amount to be expensed is determined by reference to the fair value of the equity instruments granted including any market performance conditions; excluding the impact of any service and non-market performance vesting conditions; and including the impact of any non-vesting conditions.

Non-market performance and service conditions are included in assumptions about the number of share options and awarded shares that are expected to vest. The total expense is recognised over the vesting period over which all of the specified vesting conditions are to be satisfied.

At the end of each reporting period, the Group revises its estimates of the number of options and shares that are expected to vest based on the non-marketing performance and service conditions. The Group recognises the impact of the revision to original estimates, if any, in the consolidated statement of profit or loss and other comprehensive income, with a corresponding adjustment to equity.

When the share options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium. After the vesting date, when the vested share options are later forfeited or are still not exercised at the expiry date, the amount previously recognised in "share option reserve" will be transferred to "accumulated losses".

(f) Share-based payment transactions among group entities

The grant by the Company of share options and awarded shares over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity in the separate financial statements of the Company.

4.20 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All borrowing costs are recognised in consolidated statement of profit or loss and other comprehensive income in the year in which they are incurred.

4.21 Taxation

Income tax comprises current tax and deferred tax.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting period, that are unpaid at the end of the reporting period. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognised as a component of tax expense in consolidated statement of profit or loss and other comprehensive income.

Deferred tax is calculated using the liability method on temporary differences at the end of the reporting period between the carrying amounts of assets and liabilities in the financial statements and their respective tax bases. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, tax losses available to be carried forward as well as other unused tax credits, to the extent that it is probable that taxable profit, including existing taxable temporary differences, will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither taxable nor accounting consolidated statement of profit or loss and other comprehensive income. Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax is calculated, without discounting, at tax rates that are expected to apply in the period the liability is settled or the asset realised, provided they are enacted or substantively enacted at the end of the reporting period. Changes in deferred tax assets or liabilities are recognised in consolidated statement of profit or loss and other comprehensive income, or in other comprehensive income or directly in equity if they relate to items that are charged or credited to other comprehensive income or directly in equity.

Current tax assets and current tax liabilities are presented in net if, and only if,

(a) the Group has the legally enforceable right to set off the recognised amounts; and

(b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The Group presents deferred tax assets and deferred tax liabilities in net if, and only if,

(a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

(b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:

   (i) the same taxable entity; or

   (ii) different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

4.22 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders or board of directors, where appropriate.

4.23 Related parties

For the purpose of these consolidated financial statements, a party is considered to be related to the Group if:

(a) the party is a person or a close member of that person's family and if that person:

   (i) has control or joint control over the Group;

   (ii) has significant influence over the Group; or

   (iii) is a member of the key management personnel of the Group or of a parent of the Group.

(b) the party is an entity and if any of the following conditions applies:

(i) the entity and the Group are members of the same group.

(ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) the entity and the Group are joint ventures of the same third party.

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.

(vi) the entity is controlled or jointly controlled by a person identified in (a)

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

5.1 Estimation uncertainties

The Group makes accounting estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom be equal to the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) ECL allowance on trade and other receivables and contract assets

The Group makes ECL allowances on trade and other receivables and contract assets based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the ECL calculation, based on the Group's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period as set out in Note 4.9. As at 31 March 2025, the carrying amounts of trade receivables, other receivables and contract assets were RMB78,606,000 (2024: RMB99,346,000) (net of ECL allowance of RMB23,311,000 (2024: RMB36,665,000)), RMB111,513,000 (2024: RMB190,221,000 (net of ECL allowance of RMB50,492,000 (2024: RMB51,994,000)) and RMB7,962,000 (2024: RMB11,799,000 (net of ECL allowance of RMB25,715,000 (2024: RMB27,715,000)), respectively. Net reversal of impairment loss on trade and other receivables and contract assets of RMB4,178,000 (2024: net impairment loss of RMB35,378,000) has been recognised during the year ended 31 March 2025.

When the actual future cash flows are different from expected, such difference will impact the carrying amount of trade and other receivables and contract assets and ECL allowance in the periods in which such estimate has been changed.

(b) Allowance for inventories

The management of the Group reviews the condition of inventories at the end of each reporting period, and makes allowance for inventories that are identified as obsolete, slow-moving or no longer recoverable or suitable for use for production or maintenance. The Group carries out the inventory review on a product-by-product basis and makes allowances by reference to the latest market prices and current market conditions. If the market condition was to deteriorate, resulting in a lower net realisable value for such inventories, additional allowances may be required. As at 31 March 2025, the carrying amount of inventories was RMB38,097,000 (2024: RMB33,825,000) (net of allowance for inventories of RMB22,034,000 (2024: RMB22,286,000)). During the year ended 31 March 2025, reversal of allowance for inventories of RMB252,000 (2024: RMB2,608,000) has been recognized and included in cost of sales.

(c) Capitalisation of development costs

Development costs are capitalised in accordance with the accounting policy for research and development costs in Note 4.7(b). Determining the amounts to be capitalised requires management of the Group to make assumptions regarding the expected future cash generation of the assets, discount rates to be applied and the expected period of benefits. As at 31 March 2025, the carrying amount of capitalised development cost included in intangible assets was Nil (2024: Nil).

(d) Depreciation, amortisation and impairment assessment of property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets with finite useful lives are depreciated or amortised on a straight-line basis over the estimated useful lives of the assets, after taking into account the estimated residual value, if any. The Group reviews the estimated useful lives and residual value of the assets regularly in order to determine the amount of depreciation and amortisation expense to be recorded during each reporting period. The useful lives are based on the Group's historical experience with similar assets and taking into account anticipated technological changes. The depreciation and amortisation expense for future periods may be adjusted if there are significant changes from previous estimates.

Property, plant and equipment and intangible assets with finite useful lives are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, while intangible assets not yet available for use are reviewed for impairment at least annually, irrespective of whether there is any indication that they are impaired. When such a decline occurs, the carrying amount will be reduced to recoverable amounts. The recoverable amounts of the assets have been determined based on the higher of fair value less cost of disposal and value in use calculations. These calculations require the use of judgement and estimates. As at 31 March 2025, the carrying amounts of property, plant and equipment and intangible assets were RMB188,000 (2024: Nil) and RMB2,785,000 (2024: RMB9,290,000), respectively. During the year ended 31 March 2025, impairment loss on property, plant and equipment of Nil (2024: RMB781,000) and intangible assets of RMB3,855,000 (2024: RMB29,536,000) have been recognised respectively.

(e) Impairment assessment of interests in associates

The management of the Group determined whether interests in associates are impaired by reference to an estimation on (i) identification of indication of possible impairment; and (ii) if there is indication of impairment, the recoverable amount. Impairment loss would be identified if the recoverable amount is less than its carrying amount. The determination of the recoverable amount of the Group's interests in associates requires the Group to estimate the future cash flows expected to arise from the associates. Where the actual future cash flows are less than expected, a material impairment loss many arise. As at 31 March 2025, the carrying amount of interests in associates was RMB22,428,000 (2024: RMB13,416,000). During the year ended 31 March 2025, impairment loss of RMB17,450,000 has been recognised for the interests in associates (2024: RMB12,481,000).

(f) Fair value determination of financial assets at FVTPL

For the determination of the fair value of financial assets at FVTPL as at 31 March 2025, the management of the Group use their judgements and estimates in the underlying assumptions and data for the fair value determination of financial assets at FVTPL. The management of the Group and the independent valuer exercise judgements and estimates in selecting suitable valuation technique and unobservable input used with reference to the available market sources. Where the actual inputs are varied, a material variance on the fair value of financial assets at FVTPL may arise. As at 31 March 2025, the fair value of financial assets at FVTPL was RMB8,753,000 (2024: RMB11,888,000).

(g) Current and deferred income taxes

As detailed in Note 9, the Group is subject to income taxes in several jurisdictions. There are many transactions and events for which the ultimate tax determination is uncertain during the ordinary course of business. Significant judgement is required from the Group in determining the provision for income taxes in each of these jurisdictions. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. As at 31 March 2025, the Group had income tax liabilities of Nil (2024: Nil). The details of the deferred taxation are set out in Note 27.

5.2 Critical judgements in applying the entity's accounting policies

(a) Going concern and liquidity

As explained in Note 2 to the consolidated financial statements, the financial position of the Group indicates the existence of a material uncertainty which may cast significant doubt on the Group's ability to contain as a going concern basis. The assessment of the going concern assumptions includes making judgements by the management, at a particular point at time, about the future outcome of events or conditions which are inherently uncertain. The management considers that the Group has ability to contain as a going concern and the major conditions that may cast significant doubt about the going concern assumptions are set out in Note 2 to the consolidated financial statements.

(b) Classification of an unlisted equity investment

As detailed in Note 20, the Group held 27.27% (2024: 27.27%) equity interest in a private equity fund as at 31 March 2025. The Group classified such equity interest as financial assets at FVTPL, because the Directors considered that the Group has no contractual right to appoint representative in the investment committee and concluded that the Group is not in a position to control or exercise any significant influence over the financial and operating policies of the private equity fund or to participate in their operations.

(c) Classification of Beijing Jingqi Chuangzhi Technology Co., Ltd (北京精奇創智科技有限公司) ("Beijing Jingqi")

As detailed in Note 18, the Group held 38.25% (2024: 38.25%) equity interest in Beijing Jingqi as at 31 March 2025 and classified Beijing Jingqi as the joint venture of the Group because the appointment of the sole director of Beijing Jingqi require unanimous consent from the Group and the second largest investor of Beijing Jingqi who sharing the control.

6. REVENUE AND SEGMENT INFORMATION

The Group's operating activities are attributable to a single operating and reporting segment focusing primarily on the research, development and sales of video-related and broadcasting equipment and software and provision of related technical services in the PRC. This operating segment has been identified on the basis of internal management reports reviewed by the CODM, being the executive directors of the Company. The CODM mainly reviews revenue derived from sales of products, solutions and services, which are measured in accordance with the Group's accounting policies. However, other than revenue information, no operating results and other discrete financial information is available for the assessment of performance of the respective type of revenue. In addition, the CODM reviews the overall results of the Group as a whole to make decisions about resources allocation. Accordingly, no segment information is presented.

An analysis of the Group's revenue is as follows:

	2025	2024
	RMB'000	RMB'000
Solutions	**51,443**	44,478
Services	**40,130**	74,809
Products	**43,003**	26,661
	134,576	145,948

An analysis of the Group's timing of revenue recognition for the year is as follows:

	2025	2024
	RMB'000	RMB'000
At a point in time	**94,446**	71,139
Over time	**40,130**	74,809
	134,576	145,948

Geographical information

The Group primarily operates in the PRC. As at 31 March 2025 and 2024, substantially all of the non-current assets (other than financial instruments) of the Group were located in the PRC.

Information about major customers

During the year ended 31 March 2025, RMB17,735,000 (2024: RMB24,658,000) or 13% (2024: 17%) of the Group's revenue are generated from a single customer.

7. OTHER INCOME

	2025	2024
	RMB'000	RMB'000
Other revenue		
Interest income	**16**	3,959
Value-added tax ("**VAT**") refunds (Note (a))	**1,285**	3,345
	1,301	7,304
Other net income/(loss)		
Fair value loss on financial assets at FVTPL	**(3,135)**	(1,433)
Government grants (Note (b))	**1,921**	2,421
Loss on lease modification	**—**	(971)
Gain on early termination of lease (Note 28)	**2,271**	—
Written off on development costs	**—**	(5,958)
Gain on written off of other payable	**2,625**	—
Others	**481**	268
	4,163	(5,673)
	5,464	1,631

Notes:

(a) Companies which develop their own software products and have the software products registered with the relevant authorities in the PRC are entitled to a refund of VAT equivalent to the excess over 3% of the sales invoice amount paid in the month when output VAT exceeds input VAT during the year ended 31 March 2025 and 2024.

(b) Government grants in respect of operating and developing activities were received from several local government authorities. Among the government grants recognised during the year ended 31 March 2025, the entitlement of an aggregate amount of RMB1,565,000 (2024: RMB2,421,000) was unconditional and at the discretion of the relevant authorities, while the remaining amount of RMB356,000 (2024: Nil) were credited to consolidated statement of profit or loss and other comprehensive income from deferred income in accordance with the fulfilment of the respective conditions attaching to the government grant.

8. FINANCE COSTS

	2025	2024
	RMB'000	RMB'000
Interest expenses on:		
– Interest-bearing borrowings	**9,101**	8,181
– Lease liability	**76**	252
	9,177	8,433

9. INCOME TAX CREDIT

	2025	2024
	RMB'000	RMB'000
Current tax - PRC Enterprise Income Tax ("**EIT**")		
– current year	**—**	—
– over-provision in priors years	**—**	(8,580)
	—	(8,580)

Notes:

(a) Hong Kong Profits Tax

Hong Kong Profits Tax rate is calculated at 16.5% (2024: 16.5%) of the estimated assessable profit for the year 31 March 2025. During the year ended 31 March 2025 and 2024, No provision for Hong Kong Profits Tax has been made since no assessable profits has been generated by the Group.

(b) 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% from 1 January 2008 onwards, except for certain subsidiaries which obtained the "High and New Technology Enterprise" qualification with preferential tax rate of 15% (2024: 15%).

(c) PRC withholding tax

According to the relevant laws and regulations in the PRC, the Group is also liable to a 10% withholding tax on dividends to be distributed from the Group's foreign-owned enterprises in the PRC in respect of its profits generated from 1 January 2008.

Under the Arrangement between the Mainland China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income and its relevant regulations, dividends paid by a PRC resident enterprise to its direct holding company in Hong Kong will be subject to withholding tax at a reduced rate of 5% (if the Hong Kong investor is the "beneficial owner" and owns directly at least 25% of the equity interest of the PRC resident enterprise for the past twelve months before the dividends distribution).

The Group is not subject to tax under other jurisdictions during the years ended 31 March 2025 and 2024.

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

	2025	2024
	RMB'000	RMB'000
Loss before income tax	**(30,546)**	(159,256)
Tax on loss before income tax, calculated at the rates applicable to profits in the tax jurisdictions concerned	**(8,559)**	(37,106)
Tax effect on non-taxable income	**(4,862)**	(5,047)
Tax effect on non-deductible expenses	**4,604**	16,090
Tax effect on preferential tax rates applicable to certain subsidiaries	**2,743**	13,088
Tax effect on tax loss and deductible temporary differences not recognised	**8,464**	15,123
Tax effect on the Super Deduction (as defined below) in research and development activities	**(2,390)**	(2,148)
Over provision in prior years	**—**	(8,580)
	—	(8,580)

According to relevant laws and regulations in the PRC, enterprises engaging in research and development activities are entitled to claim 200% (2024: 200%) of the research and development expenses so incurred as tax deductible expenses when determining their assessable profits for that year (the "**Super Deduction**"). The Group has made its best estimate for the Super Deduction to be claimed in ascertaining their assessable profits for the year ended 31 March 2025 and 2024.

10. LOSS FOR YEAR

	2025	2024
	RMB'000	RMB'000
Employee benefit expenses		
(including directors' emoluments disclosed in Note 13)		
Salaries, bonus and allowances	**39,838**	47,072
Retirement benefit scheme contributions (Note)	**10,130**	14,891
Severance payments	**389**	2,953
	50,357	64,916
Other items		
Auditor's remuneration	**980**	980
Depreciation of property, plant and equipment	**35**	996
Amortisation of intangible assets	**2,650**	16,292
Cost of inventories recognised an expense	**100,278**	113,650
Reversal of allowance for inventories	**(252)**	(2,608)
Lease charges for short-term leases	**1,167**	696

Note: As at 31 March 2025, the Group had no forfeited contributions available to reduce its contributions to the pension schemes in future years (2024: Nil).

11. LOSS PER SHARE

(a) Basic loss per share

Basic loss per share is calculated based on the loss attributable to owners of the Company of RMB28,001,000 (2024: RMB147,396,000) and the weighted average number of shares of 618,332,000 shares (2024: 618,332,000 shares) of the Company outstanding during the year ended 31 March 2025, excluding the treasury shares held by the Company.

(b) Diluted loss per share

For the year ended 31 March 2025 and 2024, the Company has one category of potential dilutive ordinary shares, which is the 2017 Share Option Scheme (as defined in Note 31). The diluted loss per share for the year ended 31 March 2025 and 2024 is the same as the basic loss per share as all the potential ordinary shares are anti-dilutive.

12. DIVIDENDS

No dividend was paid or proposed during the year ended 31 March 2025 (2024: Nil), No dividend been proposed since the end of the reporting period (2024: Nil).

13. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

(a) Directors' emoluments

Directors' and chief executive's emoluments, disclosed pursuant to the GEM Listing Rules, section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulations, are as below:

Name of director	Fees	Salaries, allowances and benefits in kind	Retirement benefit scheme contributions	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Year ended 31 March 2025				
Executive directors:				
Mr. Zheng (Note (i))	**638**	**73**	**38**	**749**
Mr. Guo Langhua ("**Mr. Guo**") (Note (ii))	**100**	**—**	**—**	**100**
Mr. Liu Baodong	**110**	**—**	**—**	**110**
Mr. Pang Gang ("**Mr. Pang**")	**600**	**120**	**53**	**773**
Ms. Cao Lingyi (Note (iii))	**135**	**—**	**—**	**135**
Independent non-executive directors:				
Dr. Li Wanshou	**110**	**—**	**—**	**110**
Mr. Li Youliang	**110**	**—**	**—**	**110**
Mr. JIAN Nianqiang (Note (vi))	**82**	**—**	**—**	**82**
	1,885	**193**	**91**	**2,169**

Name of director	Fees	Salaries, allowances and benefits in kind	Retirement benefit scheme contributions	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Year ended 31 March 2024				
Executive directors:				
Mr. Zheng (Note (i))	621	78	38	737
Mr. Liu Baodong	619	88	28	735
Mr. Pang	600	120	127	847
Independent non-executive directors:				
Mr. Frank Christiaens (Note (v))	157	—	—	157
Mr. Li Youliang	107	—	—	107
Dr. Li Wanshou	210	—	—	210
	2,314	286	193	2,793

Notes:

(i) Mr. Zheng is also the chief executive of the Company and his emoluments disclosed above include those for services rendered by him as the chief executive. Mr. Zheng resigned as an executive director and chief executive of the Company on 3 February 2025.

(ii) Mr. Guo was appointed as an executive director and the chief executive of the Company on 3 February 2024. His emoluments disclosed above include those for services rendered by him as the chief executive.

(iii) Ms. Cao Lingyi was appointed as an executive director of the Company on 1 June 2024.

(iv) Mr. JIAN Nianqiang was appointed as an independent non-executive director of the Company on 1 June 2024.

(v) Mr. Frank Christiaens resigned as an independent non-executive director of the Company on 3 January 2024.

No emoluments were paid by the Group to any Directors as an inducement to join or upon joining the Group or as compensation for loss of office during the year ended 31 March 2025 (2024: Nil).

There were no arrangements under which a director of the Company waived or agreed to waive any emoluments during the year ended 31 March 2025 and 2024.

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year ended 31 March 2025 included two (2024: three) directors whose emoluments are reflected in the analysis presented above. The emoluments payable/paid to the remaining three (2024: two) individuals during the year ended 31 March 2025 are as follows:

	2025	2024
	RMB'000	RMB'000
Salaries, bonus and allowances	**1,812**	1,421
Retirement benefit scheme contributions	**428**	253
	2,240	1,674

The emoluments fell within the following bands:

	2025	2024
	Number of Individuals	
Emolument bands:		
Less than HK$1,000,000, equivalent to RMB916,000 (2024: RMB908,000)	**2**	1
HK$1,000,001, equivalent to RMB916,000 (2024: RMB908,000) to HK$2,000,000, equivalent to RMB1,832,000 (2024: RMB1,817,000)	**1**	1

No emoluments were paid by the Group to any of the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office during the year ended 31 March 2025 and 2024.

14. PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvement RMB'000	Computer equipment RMB'000	Furniture and office equipment RMB'000	Motor vehicles RMB'000	Office premise RMB'000	Total RMB'000
As at 31 March 2023 and 1 April 2023						
Cost	6,246	24,590	1,700	2,864	27,397	62,797
Accumulated depreciation	(3,473)	(23,565)	(1,671)	(2,374)	(18,046)	(49,129)
Accumulated impairment	(2,773)	—	—	—	(9,351)	(12,124)
Closing net book amount	—	1,025	29	490	—	1,544
Year ended 31 March 2024						
Opening net book amount	—	1,025	29	490	—	1,544
Additions	—	329	—	165	—	494
Lease modification	—	—	—	—	(3,805)	(3,805)
Transfer	—	(261)	—	—	—	(261)
Depreciation	—	(586)	(8)	(402)	—	(996)
(Impairment loss)/reversal of impairment loss	—	(507)	(21)	(253)	3,805	3,024
Closing net book amount	—	—	—	—	—	—

	Leasehold improvement RMB'000	Computer equipment RMB'000	Furniture and office equipment RMB'000	Motor vehicles RMB'000	Office premise RMB'000	Total RMB'000
As at 31 March 2024 and 1 April 2024						
Cost	6,246	23,169	1,700	3,029	23,592	57,736
Accumulated depreciation	(3,473)	(22,662)	(1,679)	(2,776)	(18,046)	(48,636)
Accumulated impairment	(2,773)	(507)	(21)	(253)	(5,546)	(9,100)
Closing net book amount	—	—	—	—	—	—
Year ended 31 March 2025						
Opening net book amount	**—**	**—**	**—**	**—**	**—**	**—**
Additions	**—**	**223**	**—**	**—**	**—**	**223**
Depreciation	**—**	**(35)**	**—**	**—**	**—**	**(35)**
Closing net book amount	**—**	**188**	**—**	**—**	**—**	**188**
As at 31 March 2025						
Cost	**6,246**	**22,549**	**1,700**	**3,029**	**23,592**	**57,116**
Accumulated depreciation	**(3,473)**	**(21,904)**	**(1,679)**	**(2,776)**	**(18,046)**	**(47,878)**
Accumulated impairment	**(2,773)**	**(457)**	**(21)**	**(253)**	**(5,546)**	**(9,050)**
Closing net book amount	**—**	**188**	**—**	**—**	**—**	**188**

Depreciation charges recognised is analysed as follows:

	2025	2024
	RMB'000	RMB'000
Selling and marketing expenses	**15**	396
Administrative expenses	**5**	172
Research and development expenses	**15**	428
	35	996

As at 31 March 2025 and 2024, included in the net book amount of property, plant and equipment is right-of-use asset as follows:

	2025	2024
	RMB'000	RMB'000
Office premise	**—**	—

No addition to right-of-use asset included in property, plant and equipment during the year ended 31 March 2025 and 2024. The details in relation to this lease are set out in Note 28.

Due to the lease modification, the management conducted an review on the lease agreements, and recognised an reversal of impairment loss of Nil (2024: RMB3,805,000) and lease modification of Nil (2024: RMB3,805,000).

The management conducted an impairment review, and determined that an impairment loss of Nil for the year ended 31 March 2025 (2024: RMB781,000).

During the year ended 31 March 2025, computer equipment of Nil (2024: RMB261,000) was transferred to inventories.

15. INTANGIBLE ASSET

	Video-related and broadcasting intellectual properties, patents, trademarks and licenses RMB'000	Development costs RMB'000	Total RMB'000
As at 1 April 2023			
Cost	316,227	46,305	362,532
Accumulated amortisation	(228,219)	—	(228,219)
Accumulated impairment	(75,523)	—	(75,523)
Net book amount	12,485	46,305	58,790
Year ended 31 March 2024			
Opening net book amount	12,485	46,305	58,790
Additions	—	2,286	2,286
Transfers	42,633	(42,633)	—
Amortisation	(16,292)	—	(16,292)
Written off	—	(5,958)	(5,958)
Impairment loss	(29,536)	—	(29,536)
Closing net book amount	9,290	—	9,290

	Video-related and broadcasting intellectual properties, patents, trademarks and licenses RMB'000	Development costs RMB'000	Total RMB'000
As at 31 March 2024 and 1 April 2024			
Cost	358,860	—	358,860
Accumulated amortisation	(244,511)	—	(244,511)
Accumulated impairment	(105,059)	—	(105,059)
Net book amount	9,290	—	9,290
Year ended 31 March 2025			
Opening net book amount	**9,290**	**—**	**9,290**
Amortisation	**(2,650)**	**—**	**(2,650)**
Impairment loss	**(3,855)**	**—**	**(3,855)**
Closing net book amount	**2,785**	**—**	**2,785**
As at 31 March 2025			
Cost	**358,860**	**—**	**358,860**
Accumulated amortisation	**(247,161)**	**—**	**(247,161)**
Accumulated impairment	**(108,914)**	**—**	**(108,914)**
Net book amount	**2,785**	**—**	**2,785**

The development costs represented all direct costs incurred in the development of software products. Amortisation charges recognised are analysed as follows:

	2025	2024
	RMB'000	RMB'000
Cost of sales	**2,650**	16,292
Selling and marketing expenses	**—**	—
Administrative expenses	**—**	—
Research and development expenses	**—**	—
	2,650	16,292

During the year 31 March 2025, due to the increased market competition resulting in the decrease in revenue of the Group, the Directors conducted an impairment review on the video-related and broadcasting intellectual properties, patents, trademarks and licenses and other corporate assets. The recoverable amount of these intangible assets and the cash generating unit containing these intangible assets and other corporate assets, determined based on the value in use calculations, were RMB48,312,000 (2024: RMB54,820,000). The value in use calculations of the cash generating unit containing these intangible assets and other corporate assets was based on the cash flows projections covering five years with estimated growth rate of 3.0% (2024: 3.0%) and pre-tax discount rate of 30.3% (2024: 34.4%). The Directors are not currently aware of any other probable changes that would necessitate changes in its key estimates.

Based on the above-mentioned recoverable amounts, impairment loss of RMB3,855,000 (2024: RMB29,536,000) on intangible assets were recognised during the year ended 31 March 2025.

16. GOODWILL

The net carrying amount of goodwill can be analysed as follows:

	2025	2024
	RMB'000	RMB'000
At the beginning and end of the year		
Gross book amount	**74,220**	74,220
Accumulated impairment	**(74,220)**	(74,220)
Net book amount	**—**	—

The gross carrying amount of the goodwill, together with the acquired intangible assets, resulted from the acquisition of ZhengQi (Beijing) Video Technology Co., Ltd. (北京正奇聯訊科技有限公司) ("**Beijing Zhengqi**") by the Group during the year ended 31 December 2013. Such goodwill, together with the acquired intangible assets, has been fully impaired as at 31 March 2025 and 2024.

17. SUBSIDIARIES

Particulars of the Company's principal subsidiaries, each of which is a limited liability company, as at 31 March 2025 and 2024, were as follows:

Name of company	Country/Place of establishment	Issued and paid-up capital	Equity interest held	Principal activities and place of operation
Directly held by the Company				
China Digital Video (Beijing) Limited[1] (新奥特 (北京) 視頻技術有限公司) ("**CDV WFOE**")	The PRC	United States dollars ("**US$**") 50,000,000 (2024: US$50,000,000)	100% (2024: 100%)	Research, development and sales of video-related and broadcasting equipment and software and provision of related technical service, in the PRC
Indirectly held by the Company				
Beijing Zhengqi[2]	The PRC	RMB20,000,000 (2024: RMB20,000,000)	100% (2024: 100%)	Research, development and sales of video-related and broadcasting equipment and software and provision of related technical service, in the PRC
Beijing ZhengQi Network Technology Co., Ltd.[2] (北京正奇網訊科技有限公司)	The PRC	RMB8,000,000 (2024: RMB8,000,000)	100% (2024: 100%)	Research, development and sales of video-related and broadcasting equipment and software and provision of related technical service, in the PRC
Beijing Xin'aote Totem Technology Co., Ltd.[2] (北京新奧特圖騰科技有限公司) ("**Totem Technology**")	The PRC	RMB2,300,000 (2024: RMB450,000)	65%* (2024: 60%*)	Research, development and sales of video-related and broadcasting equipment and software and provision of related technical service, in the PRC

Name of company	Country/Place of establishment	Issued and paid-up capital	Equity interest held	Principal activities and place of operation
Beijing Tianmei Global Technology Company Limited[2] (北京天美環球科技有限公司) ("**Tianmei Technology**")	The PRC	RMB1,000,000 (2024: RMB1,000,000)	100%[#] (2024: 100%[#])	Investment holding
Beijing Xinaote Digital Video Technology Center Co., Ltd (北京新奧特數字視頻技術中心有限公司)	The PRC	RMB500,000 (2024: Nil)	100% (2024: Nil)	Research, development and sales of video-related and broadcasting equipment and software and provision of related technical service, in the PRC
Beijing Xinaote Information Technology Co., Ltd (北京新奧特信息技術有限公司)	The PRC	RMB10,000,000 (2024: Nil)	100% (2024: Nil)	Research, development and sales of video-related and broadcasting equipment and software and provision of related technical service, in the PRC

1 Registered as a wholly foreign-owned enterprise under the PRC law

2 Registered as a limited liability company under the PRC law

* The Directors considered that the non-controlling interests in Totem Technology during the year ended 31 March 2025 and 2024 were not material to the Group and thus no separate financial information of these non-wholly owned subsidiaries are presented.

Obtained control through contractual arrangements (Note).

The English name of certain subsidiaries represented management's best effort at translating the Chinese name of these companies as no English name has been registered.

Note: Pursuant to the applicable PRC laws and regulations, foreign investors are prohibited from holding equity interest in an entity conducting radio and television program production business. In order to enable investments to be made into the restricted businesses, CDV WFOE entered into a series of contractual arrangements (the "**Contractual Arrangements**") with Tianmei Technology and its owner, which enable CDV WFOE and the Group to:

- exercise effective financial and operational control over Tianmei Technology;
- exercise equity holder's voting right of Tianmei Technology;
- receive substantially all of the economic interest returns generated by Tianmei Technology in consideration for the business support, technical and consulting services provided by CDV WFOE, at CDV WFOE's discretion;
- obtain an irrevocable and exclusive right to purchase all or part of equity interest in and/or assets of Tianmei Technology from its owner at a minimum purchase price permitted under the PRC laws and regulations; and
- obtain a pledge over the entire equity interest of Tianmei Technology from its owner as collateral security for all of Tianmei Technology's payments due to CDV WFOE and to secure performance of Tianmei Technology's obligations under the Contractual Arrangements.

The details of the Contractual Arrangements are set out in the announcement issued by the Company dated 13 June 2018.

The Group does not have any equity interest in Tianmei Technology. However, as a result of the Contractual Arrangements, the Group has rights to variable returns from its involvement with Tianmei Technology and has the ability to affect those returns through its power over Tianmei Technology and is considered to have control Tianmei Technology. Consequently, the Directors consider Tianmei Technology as consolidated structured entity under IFRSs. The Group has consolidated the financial position and results of Tianmei Technology in the Group's consolidated financial statements.

Nevertheless, the Contractual Arrangements may not be as effective as direct legal ownership in providing the Group with direct control over Tianmei Technology and uncertainties presented by the PRC legal system could impede the Group's beneficiary rights of the results, assets and liabilities of Tianmei Technology. The Directors, based on the advice of its legal counsel, consider that the Contractual Arrangements are in compliance with relevant PRC laws and regulations and are legally enforceable.

18. INTEREST IN A JOINT VENTURE

	2025	2024
	RMB'000	RMB'000
Carrying amount of the Group's interest in a joint venture	**—**	—

At the end of the reporting period, the Group had interest in the following joint venture, which is unlisted corporate entity whose quoted market price is not available and considered not material to the Group:

Name of company	**Country/ Place of establishment**	**Registered/ Paid in capital**	**Equity interest held by the Group**		**Principal activities and place of operation**
			2025	2024	
Beijing Jingqi (Note)	The PRC	RMB4,000,000 (2024: RMB4,000,000)	**38.25%**	38.25%	Research, development and sales of video-related and broadcasting equipment and software and provision of related technical service in the PRC

Note:

In 2018, the Group has established Beijing Jingqi with other investors and obtained 38.25% equity interest in Beijing Jingqi. The Group has classified Beijing Jingqi as a joint venture of the Group because the appointment of the sole director of Beijing Jingqi requires unanimous consent from the Group and the second largest investor of Beijing Jingqi who sharing the control.

The share of loss of Beijing Jingqi for the year ended 31 March 2025 was amounted to Nil (2024: Nil), while the remaining share of losses have been discontinued to be recognised. The amounts of unrecognised share of loss of Beijing Jingqi, extracted from the management accounts of Beijing Jingqi, both for the periods and cumulatively, are as follows:

	2025	2024
	RMB'000	RMB'000
Unrecognised share of loss of Beijing Jingqi for the year	**359**	104
Accumulated unrecognised share of loss of Beijing Jingqi	**2,719**	2,360

19. INTERESTS IN ASSOCIATES

	2025	2024
	RMB'000	RMB'000
At 1 April	**13,416**	29,183
Share of results of associates	**26,462**	(3,286)
Impairment of interest in an associate (Note (g))	**(17,450)**	(12,481)
At 31 March	**22,428**	13,416
Share of net assets	**22,428**	13,416
Goodwill	**—**	—
	22,428	13,416

Name of company	Country/ Place of establishment	Registered/ Paid in capital	Equity interest held by the Group		Principal activities and place of operation
			2025	**2024**	
Beijing Yue Ying Technology Co., Ltd (北京悅影科技有限公司) ("**Beijing Yueying**") (Note (a))	The PRC	RMB 11,363,636 (2024: RMB11,363,636)	**29.92%**	29.92%	Development and provision of video related application in the PRC
Tuteng Shijie (Guangzhou) Digital Technology Limited Company (圖騰視界(廣州)數字科技有限公司) ("**Tuteng Shijie**") (Notes (b) and (c))	The PRC	RMB30,600,000 (2024: RMB 30,600,000)	**29.41%**	29.41%	Information systems integration service, digital cultural creative content application service, digital content production service and transmission of audio-visual programs through information networks in the PRC
Xin'aote (Fujian) Culture Technology Co., Ltd (新奧特(福建)文化科技有限公司) ("**Xin'aote Fujian Culture**") (Note (d))	The PRC	RMB10,000,000 (2024: RMB 10,000,000)	**25.88%**	25.88%	Development of software and provision of information system integration service in the PRC
Beijing Xin'aote Smart Sport Innovation Development Co., Ltd. (北京新奧特智慧體育創新發展有限公司) ("**Smart Sport**") (Note (f))	The PRC	N/A (2024: RMB 10,000,000)	**N/A**	33.33%	Research, development and sales of video-related and broadcasting equipment and software and provision of related technical service in the PRC
Beijing Meicam Network Technology Co., Ltd (北京美攝網絡科技有限公司) ("**Beijing Meicam**") (Note (g))	The PRC	RMB33,561,000 (2024: RMB33,561,000)	**29.80%**	29.80%	Mobile application development and operation in the PRC

Name of company	Country/ Place of establishment	Registered/ Paid in capital	Equity interest held by the Group 2025	2024	Principal activities and place of operation
Beijing Jinsong Chuangyi Technology Co., Ltd. (北京錦頌創逸技術科技有限公司) ("**Beijing Jinsong**") (Note (b))	The PRC	RMB9,000,000 (2024: RMB9,000,000)	**29.41%**	29.41%	Information systems integration service, digital cultural creative content application service, digital content production service and transmission of audio-visual programs through information networks in the PRC
Beijing Xin'aote Sports Media Co., Ltd. (北京新奧特體育傳媒有限公司) ("**Beijing Xin'aote Sports**") (Note (e))	The PRC	RMB10,000,000 (2024: RMB10,000,000)	**29.41%**	29.41%	Development of software and provision of information system integration service in the PRC

Notes:

(a) The Group has discontinued recognising its share of loss of Beijing Yueying as the Group has no legal or constructive obligations on behalf of Beijing Yueying. The unrecognised share of loss for the year ended 31 March 2025 and the accumulated unrecognised share of loss of Beijing Yueying as at 31 March 2025 were amounted to RMB189,000 (2024: RMB239,000) and RMB4,991,000 (2024: RMB4,802,000), respectively.

(b) On 15 March 2022, the Group and other independent third party established Tuteng Shijie and obtained 30% equity interest in Tuteng Shijie therein. The Group has classified Tuteng Shijie as an associate of the Group because the Group can exercise significance influence over Tuteng Shijie. Details are set out in the Company's announcement dated 15 March 2022.

On 22 May 2022, the Group and Tuteng Shijie entered into share transfer agreement which the Group paid up the registered capital of RMB9,000,000 in Tuteng Shijie by contributing its entire 100% equity interest in a subsidiary, Beijing Jinsong, which possessed intangible assets. On 30 May 2022, the date of the completion of the transfer of entire equity interest in Beijing Jinsong, the carrying amount of intangible assets was Nil. Such contribution of the entire equity interest in Beijing Jinsong resulted in an gain on transfer of intangible assets of RMB6,300,000 recognised in profit or loss, after eliminating the unrealised profit to the extent of the Group's interest in the associate at the date of transfer, being 30%.

(c) On 28 June 2022, the Group and another investor entered into an investment agreement in which the investor subscribed additional registered capital of RMB600,000, representing 1.96% equity interest in Tuteng Shijie, at a cash consideration of RMB10,000,000. Such subscription has been completed on 14 September 2022, resulting in a gain on deemed disposal of partial interest in an associate of RMB2,782,000 recognised in profit or loss during the fifteen months ended 31 March 2023.

(d) On 30 May 2022, the Group and Tuteng Shijie entered into a share transfer agreement in which the Group disposed of 49% equity interest in Xin'aote Fujian Culture held by the Group to Tuteng Shijie at a cash consideration of RMB1. Such disposal has been completed on the same date of the share transfer agreement. Prior to the disposal, Xin'aote Fujian was an associate of the Group accounted for equity method with Nil carrying amount at the date of the completion of the disposal. Such disposal did not constitute a change in classification of Xin'aote Fujian. For the year ended 31 December 2021, the unrecognised share of loss of Xin'aote Fujian Culture was immaterial, while the accumulated unrecognised share of loss of Xin'aote Fujian Culture was RMB1,230,000 as at 31 December 2021.

(e) On 22 May 2022, Smart Sport and Tuteng Shijie entered into a share transfer agreement in which Smart Sport disposed of its 100% equity interest in Beijing Xin'aote Sports (a subsidiary of Smart Sport) to Tuteng Shijie at a cash consideration of RMB1,000. Such disposal has been completed on the same date of the share transfer agreement. Prior to the disposal, Beijing Xin'aote Sports was an associate of the Group accounted for equity method with Nil carrying amount at the date of the completion of the disposal. Such disposal did not constitute a change in classification of Beijing Xin'aote Sports.

(f) The share of loss of Smart Sport and unrecognised share of loss of Smart Sport for the year ended 31 March 2025 were amounted RMB234,000 (2024: RMB134,000) and RMB402,000 (2024: Nil) respectively.

On 21 October 2024, Smart Sport deregistered with Nil carrying amount. No other gain or loss recognised as at 31 March 2025.

(g) The share of profit of Beijing Meicam amounted to RMB17,450,000 (2024: loss of RMB3,413,000) for the year ended 31 March 2025.

During the year ended 31 March 2024, the financial performance of Beijing Meicam were adversely affected by the COVID-19 pandemic. The management of the Group performed an impairment assessment on Group's investment in Beijing Meicam and an impairment loss of RMB12,481,000 were made accordingly.

During the year ended 31 March 2025, Beijing Meicam recorded profit for the year. After excluding non-recurring gains and losses, the underlying performance of Beijing Meicam resulted in a loss for the year. The management of the Group performed an impairment assessment on Group's investment in Beijing Meicam and an impairment loss of RMB17,450,000 were made accordingly.

Aggregate financial information of associates that are not individually material:

	2025	2024
	RMB'000	RMB'000
Aggregate amount of the Group's share of loss for the year	**(234)**	(134)
Aggregate carrying amount of the Group's interests in immaterial associates	**—**	234

Set out below are the summarised financial information of material associates (Tuteng Shijie Group and Beijing Meicam) which are accounted for using the equity method:

Tuteng Shijie Group

	2025	2024
	RMB'000	RMB'000
Current assets	**144,103**	108,756
Non-current assets	**16,556**	24,278
Current liabilities	**(56,058)**	(66,027)
Non-current liabilities	**(19,500)**	(14,233)
Net assets of the Tuteng Shijie Group	**85,101**	52,774
Attributable to:		
– owners of Tuteng Shijie Group	**85,258**	53,819
– non-controlling interests of Tuteng Shijie Group	**(157)**	(1,045)
	85,101	52,774

	2025	2024
	RMB'000	RMB'000
Revenue	**139,651**	25,724
Total expenses	**(105,118)**	(24,641)
Profit before income tax	**34,533**	1,083
Income tax expense	**(2,206)**	(42)
Profit and total comprehensive income for the year	**32,327**	1,041
Attributable to:		
– owners of Tuteng Shijie Group	**31,439**	885
– non-controlling interests of Tuteng Shijie Group	**888**	156
	32,327	1,041

	2025	2024
	RMB'000	RMB'000
Total net assets of the Tuteng Shijie Group attributable to owners of Tuteng Shijie Group	**85,258**	53,819
Less: intangible assets contributed by the Group	**(9,000)**	(9,000)
	76,258	44,819
Proportion of ownership interests held by the Group	**29.41%**	29.41%
Carrying amount of the interest in the Tuteng Shijie Group in the consolidated financial statements	**22,428**	13,182

Beijing Meicam

	2025	2024
	RMB'000	RMB'000
Current assets	**103,652**	44,730
Non-current assets	**929**	1,919
Current liabilities	**(4,140)**	(4,766)
Net assets	**100,441**	41,883
Revenue	**35,254**	36,001
Profit/(loss) and other comprehensive income/(loss) for the year	**58,558**	(11,451)
Net assets	**100,441**	41,883
The Group's effective interest held	**29.80%**	29.80%
The Group's effective interest in Beijing Meicam	**29,931**	12,481
Goodwill	**—**	—
Accumulated impairment	**(29,931)**	(12,481)
Carrying amount of interest in Beijing Meicam	**—**	—

20. FINANCIAL ASSETS AT FVTPL

	2025	2024
	RMB'000	RMB'000
Unlisted equity investment, at fair value	**8,753**	11,888

The Group held 27.27% (2024: 27.27%) equity interest in the private equity fund as at 31 March 2025. The fair value of the Group's investment in unlisted equity investment has been measured as described in Note 36(f).

21. INVENTORIES

	2025	2024
	RMB'000	RMB'000
Equipment and parts	**30,051**	19,948
Work-in-progress	**8,046**	13,877
	38,097	33,825

As at 31 March 2025, the carrying amount of the Group's inventories were net of allowance for inventories of RMB22,034,000 (2024: RMB22,286,000).

During the year ended 31 March 2025, reversal of allowance for inventories of RMB252,000 (2024: RMB2,608,000) has been recognised and included in cost of sales.

22. TRADE AND OTHER RECEIVABLES

	Notes	**2025**	2024
		RMB'000	RMB'000
Trade receivables	(a)		
– third parties		**69,841**	114,585
– related parties	35(d)	**32,076**	21,426
		101,917	136,011
Less: ECL allowance	36(d)	**(23,311)**	(36,665)
		78,606	99,346
Other receivables	(b)		
Deposits, prepayments and other receivables		**29,641**	28,532
Deposits for guarantee certificate over tendering and performance		**12,239**	14,899
Loan and interest receivables		**24,536**	24,251
Advances to suppliers		**63,293**	128,776
Amounts due from related parties	35(d)	**14,306**	27,505
Amount due from a joint venture	35(d)	**5,755**	7,019
Amounts due from associates	35(d)	**6,502**	6,996
Advances to employees		**5,533**	4,236
Amount due from a director	35(d)	**200**	—
		162,005	242,214
Less: ECL allowance	36(d)	**(50,492)**	(51,994)
		111,513	190,220
		190,119	289,566

The Directors of the Company considered that the fair values of trade and other receivables which are expected to be recovered within one year are not materially different from their carrying amounts because these amounts have short maturity periods on their inception.

Included in other receivables are the following amounts that are expected to be recovered within one year:

	2025	2024
	RMB'000	RMB'000
Deposits for guarantee certificate over tendering and performance	**6,271**	8,736

The fair values of above-mentioned other receivables which are expected to be recovered after more than one year are not materially different from their carrying amounts.

(a) Trade receivables

Invoices issued to customers are in accordance with the payment terms stipulated in the contracts and payable on issuance. Deposits are normally required upon signing of the contract. For customers with good credit history and selected large television stations in the PRC with sound financial standing, its settlement may be longer than 180 days (2024: 180 days) after issuance of invoices. Ageing analysis, based on invoice dates of the trade receivables and net of the ECL allowance the end of the reporting period, is as follows:

	2025	2024
	RMB'000	RMB'000
0 to 90 days	**34,434**	43,169
91 to 180 days	**10,941**	19,490
181 to 365 days	**4,590**	16,155
1 to 2 years	**22,773**	12,657
Over 2 years	**5,868**	7,875
	78,606	99,346

The Group applies simplified approach for the ECL allowance prescribed by IFRS 9, which permits the use of the life-time ECL for all trade receivables. To measure the ECL allowance, trade receivables without significant outstanding balances have been grouped based on shared credit risk characteristics and the ageing.

The Group did not hold any collateral as security or other credit enhancements over the impaired trade receivables, whether determined on an individual or collective basis.

As at 31 March 2025, 12% and 40% (31 March 2024: 5% and 16%) of trade receivables are due from the largest and top 5 customers respectively.

(b) Other receivables

Deposits for guarantee certificate over tendering and performance

Deposits for guarantee certificate over tendering and performance are placed with third parties for performing the contracts and the deposits are interest-free and will be returned when the contracts are completed.

Loan and interest receivable

As at 31 March 2025, the Group has gross amounts of loan receivables and interest receivables of RMB24,536,000 (2024: RMB24,251,000) from independent third parties.

As at 31 March 2025, a credit-impaired loan receivable of RMB24,536,000 (2024: RMB24,251,000) is secured by a property, carrying fixed interest rate of 6% (2024: 6%) per annum and should be wholly repayable on 30 May 2020. The Group has taken legal action against the debtor to recover such loan receivable.

Amounts due from related parties, a joint venture and associates

The amounts due are unsecured, interest-free and repayable on demand.

As at 31 March 2025, among amount due from a joint venture of RMB5,755,000 (2024: RMB7,019,000), balance of Nil (2024: Nil) is trading in nature.

As at 31 March 2025, among amounts due from associates of RMB6,502,000 (2024: RMB6,996,000), balance of RMB3,105,000 (2024: RMB3,419,000) is trading in nature.

Advances to employees

Advances to employees mainly represent advances for various expenses and deposits to be incurred in the ordinary course of business.

Details of the credit risk and impairment assessment of trade and other receivables are set out in Note 36(d).

23. CONTRACT ASSETS AND CONTRACT LIABILITIES

23.1 Contract assets

	2025	2024
	RMB'000	RMB'000
Contract assets	**33,677**	39,514
Less: ECL allowance	**(25,715)**	(27,715)
	7,962	11,799

The Group's contract assets mainly include retention receivables of solution sales contracts. Typical payment terms which impact on the amount of contract assets recognised are as follows:

The Group's solution sales contracts include payment schedules which generally require contract instalment over the contract period once certain specified milestones are reached. The Group also agrees to one to two years (2024: one to two years) retention period for 5% to 10% (2024: 5% to 10%) of the solution sales contract value. This amount is included in contract assets until the end of retention period as the Group's entitlement to this final payment is conditional on the Group's satisfactory work.

The Group applies the simplified approach to provide for the ECL prescribed by IFRS 9, which permits the use of the lifetime ECL for all contract assets. To measure the ECL, contract assets have been grouped with trade receivables based on shared credit risk characteristics and the ageing. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the expected loss rates for the contract assets.

Except for the following amount of contract assets that are expected to be recovered after more than one year, all other contract assets will be recognised as trade receivables within one year:

	2025	2024
	RMB'000	RMB'000
Contract assets	**5,148**	6,474
Less: ECL allowance	**(3,954)**	(320)
	1,194	6,154

23.2 Contract liabilities

Contract liabilities of the Group mainly arise from the advance payments made by customers while the underlying products or services are yet to be provided.

Contract liabilities outstanding at the beginning of the year amount to RMB8,214,000 (2024: RMB5,578,000) have been recognised as revenue during the period.

Unsatisfied performance obligations

The Group has elected the practical expedient for not to disclose the remaining performance obligation because the unsatisfied performance obligations as part of the contracts has original expected duration of one year or less.

24. RESTRICTED BANK DEPOSITS AND CASH AND CASH EQUIVALENTS

	2025	2024
	RMB'000	RMB'000
Cash at bank and on hand	**143,397**	152,714
Restricted bank deposits	**(2,376)**	(1,644)
Cash and cash equivalents	**141,021**	151,070

Cash at banks carried interest at floating rates based on daily bank deposit rates. Short-term time deposits were made for varying periods of between 3 months to 12 months depending on the immediate cash requirements of the Group, and earn interest at the respective short-term time deposit rates.

As at 31 March 2025, included in bank balances and cash of RMB2,376,000 (2024: RMB1,644,000) are restricted bank deposits for the purpose of contract related deposits or payments and guarantees issued for trade finance facilities.

The Group's major subsidiaries are based in the PRC and majority of their transactions are denominated in RMB. As at 31 March 2025, included in cash at banks and on hand of the Group is RMB143,304,000 (2024: RMB152,499,000) of bank balances denominated in RMB. The conversion of RMB into foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the PRC government. As at 31 March 2025 and 31 March 2024, other than the restriction from exchange control regulations, there is no significant restriction on the Group.

The carrying amount of the bank balances and cash and short-term time deposits are denominated in the following currencies:

	2025	2024
	RMB'000	RMB'000
RMB	**143,304**	152,499
USD	**91**	213
HKD	**2**	2
	143,397	152,714

25. TRADE AND OTHER PAYABLES

	Notes	**2025**	2024
		RMB'000	RMB'000
Trade payables	(a)		
– third parties		**84,059**	100,005
– related parties	35(e)	**15,331**	7,663
		99,390	107,668
Other payables	(b)		
Other payables and accrued charges		**35,825**	31,588
Other tax payables		**26,021**	27,510
Staff costs and welfare accruals		**48,573**	57,265
Amounts due to related parties	35(e)	**2,473**	14,031
Amounts due to associates	35(e)	**4,911**	35,671
Amount due to a joint venture	35(e)	**—**	18
Amount due to a director	35(e)	**—**	39,998
Amount due to a shareholder	35(e)	**20,059**	—
Deferred government grant		**2,494**	—
		140,356	206,081
		239,746	313,749

All balances are short-term in nature and hence the carrying values of the Group's trade and other payables as at 31 March 2025 and 2024 were considered to be a reasonable approximation of its fair value.

(a) Trade payables

The Group was granted by its suppliers credit periods ranging from 30 – 180 days (2024: 30 - 180 days). Based on the invoice dates, the ageing analysis of trade payables is as follows:

	2025	2024
	RMB'000	RMB'000
0 to 90 days	**42,233**	22,584
91 to 180 days	**6,067**	38,432
181 to 365 days	**4,347**	6,065
1 to 2 years	**17,383**	3,610
2 to 3 years	**2,592**	9,641
Over 3 years	**26,768**	27,336
	99,390	107,668

(b) Other payables

Amounts due to related parties, associates, a joint venture and a director

The amounts due are unsecured, interest-free and repayable on demand.

26. INTEREST-BEARING BORROWINGS

	Notes	**2025**	2024
		RMB'000	RMB'000
Bank borrowings, unsecured	(a)	**178,381**	193,245

As at 31 March 2025 and 2024, the Group's bank borrowings were repayable as follows:

	2025	2024
	RMB'000	RMB'000
Carrying amount repayable, based on the scheduled repayment dates as set out in the loan agreements:		
– within one year	**178,381**	193,245

The carrying amounts of interest-bearing borrowings are considered to be a reasonable approximation of their fair values.

(a) Bank borrowings, unsecured

The Group's unsecured bank borrowings were guaranteed by the followings:

	2025	2024
	RMB'000	RMB'000
Cross-guarantee by Mr. Zheng and Beijing Newauto Group Co., Ltd (北京新奧特集團有限公司) ("**Beijing Newauto**")	**10,000**	—
Cross-guarantee by Mr. Zheng and CDV WFOE	**10,000**	8,000
Cross-guarantee by Mr. Zheng, Mr. Guo and CDV WFOE	**8,000**	—
Cross-guarantee by Mr. Zheng, CDV WFOE and third parties	**5,000**	18,000
Cross-guarantee by Mr. Zheng, China Digital Video Investment Group Co., Ltd (新奧特投資集團有限公司) ("**CDV Investment**") and third parties	**—**	500
Cross-guarantee by Mr. Zheng, CDV Investment, CDV WFOE and third parties	**—**	19,600
Cross-guarantee by Mr. Zheng and third parties	**63,000**	60,000
Guarantee by Mr. Zheng	**—**	4,000
Guarantee by third parties	**45,281**	43,145
	141,281	153,245

All of the Group's banking facilities are subject to the fulfilment of certain financial and non-financial covenants relating to certain of the Group's subsidiaries, as commonly found in lending arrangements with financial institutions. If the Group was to breach the covenants, the drawn down facilities would become repayable on demand.

The Group regularly monitors its compliance with these covenants to ensure it is up to date with the scheduled repayments of the loans and does not consider it probable that the banks will exercise its discretion to demand repayment for so long as the Group continues to meet these requirements. Further details of the Group's management of liquidity risk are set out in Note 36(e).

(b) Effective interest rates

	Original currency	**2025**	2024
Bank borrowings, unsecured	RMB	**1.70%-6.00%**	3.05% - 6.00%

27. DEFERRED TAXATION

As at 31 March 2025, the Group had deductible temporary difference primarily in respect of its provision for impairment of assets. No deferred income tax asset has been recognised in relation to such temporary difference as it is not probable that taxable profit will be available against which the temporary differences can be utilised. In addition, as at 31 March 2025, the Group had estimated un-used tax losses of RMB351,707,000 (2024: RMB296,462,000) to carry forward against future taxable income. Pursuant to the relevant laws and regulations in the PRC, the estimated un-used tax losses at the end of the reporting period will expire in the following years:

	2025	2024
	RMB'000	RMB'000
2025	**—**	1,185
2026	**2,367**	2,367
2027	**32,597**	32,597
2028	**41,993**	41,993
2029	**3,482**	3,482
2030	**21,418**	21,418
2031	**92,697**	92,697
2032	**28,998**	28,998
2033	**71,725**	71,725
2034	**56,430**	—
	351,707	296,462

As at 31 March 2025 and 2024, no deferred income tax liabilities has been recognised in respect of taxable temporary differences associated with undistributed earnings of subsidiaries established in the PRC because the Group is in a position to control the timing of the reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future.

28. LEASE LIABILITY

The following table shares the amount payable under the Group's lease liabilities:

	2025	2024
	RMB'000	RMB'000
Non-current	**—**	574
Current	**—**	3,354
	—	3,928
Amounts payable under lease liability:		
– Due within one year	**—**	3,354
– Due in the second to fifth years	**—**	574
		3,928
Less: portion due within one year included under current liabilities	**—**	(3,354)
Portion due after one year included under non-current liabilities	**—**	574

	2025	2024
	RMB'000	RMB'000
Amount recognised in consolidated statement of profit or loss and other comprehensive income:		
– Interest expenses on lease liability	**76**	252
– Expenses relating short term leases	**1,167**	696

During the year ended 31 March 2025, the total cash outflows for the leases (including short-term leases) are RMB2,900,000 (2024: RMB3,847,000).

As at 31 March 2024, the Group entered into a lease for its office premise. The lease has a remaining lease term of 1.15 years and is subject to fixed rental payment. Lease liabilities of RMB2,271,000 (2024: Nil) were derecognised due to early termination of lease during the year ended 31 March 2025.

29. SHARE CAPITAL

A summary of the Company's issued share capital and treasury shares is as follows:

	Number of shares	**Authorised share capital US$**
Authorised:		
Ordinary shares of the Company:		
As at 1 April 2023, 31 March 2024, 1 April 2024 and 31 March 2025, at US$0.00001 each	5,000,000,000	50,000

	Number of shares	**Share capital US $**	**Equivalent to RMB'000**
Issued and fully paid:			
Ordinary shares of the Company:			
As at 1 April 2023, 31 March 2024, 1 April 2024 and 31 March 2025, at US$0.00001 each	630,332,000	6,303	43

	Number of treasury shares	Treasury shares US $	Equivalent to RMB'000
Treasury shares of the Company:			
As at 1 April 2023, 31 March 2024, 1 April 2024 and 31 March 2025, at US$0.00001 each	12,000,000	120	1

30. RESERVES

Details of the movements in the reserves of the Group during the year ended 31 March 2025 are set out in the consolidated statement of changes in equity.

(a) Share premium

Share premium represents the excess of the net proceeds from issuance of the Company's shares over its par value and any premium paid for the repurchase of shares of the Company.

(b) Statutory reserve

In accordance with the relevant laws and regulations for the companies incorporated in the PRC now comprising the Group, it is required to appropriate 10% of its annual net profit determined in accordance with China Accounting Standards for Enterprises issued by the Ministry of Finance of PRC, after offsetting any prior years' losses, to the statutory reserve. When the balance of such a reserve reaches 50% of the registered capital of the respective company, any further appropriation is at the discretion of shareholders. The statutory reserve can be used to offset prior years' losses, if any, and may be converted into share capital by issuing new shares to shareholders in proportion to their existing shareholding or by increasing the par value of the shares currently held by them, provided that the remaining balance of the reserve after such an issue is not less than 25% of registered capital. The statutory reserve is non-distributable.

(c) Translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. The reserve is dealt with in accordance with the accounting policy set out in Note 4.4. The translation reserve is non-distributable.

(d) Share option reserve

Share option reserve represents the fair value of share options granted by the Company to employees recognised and is dealt with in accordance with the accounting policy set out in Note 4.19. The share option reserve is non-distributable.

(e) Other reserve

Other reserve represents (i) capital contribution from the Company's ultimate holding company by way of transferring shares to the Group's employees; and (ii) share based compensation arising from the share award scheme adopted by the Company. The other reserve is non-distributable.

31. SHARE-BASED COMPENSATION TRANSACTIONS

(a) The Share Option Scheme adopted by the Company in 2017

Pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 18 May 2017, the Company adopted a share option scheme to attract, retain and motivate employees, directors and other participants, and to provide a means of compensation through the grant of options for their contribution to the growth and profits of the Group, and to allow them to participate in the future growth and profitability of the Group (the "**2017 Share Option Scheme**"). The participants of the 2017 Share Option Scheme are any executive, non-executive or independent non-executive directors or any employees (whether full-time or part-time) of the Company, or any of its subsidiaries or associated companies or any other person whom the board considers, in its sole discretion, has contributed or will contribute to the Group. The 2017 Share Option Scheme will end on 17 May 2027.

The maximum number of shares which may be issued upon exercise of all options to be granted at any time under the 2017 Share Option Scheme and any other share option schemes of the Company (and to which the provisions of the GEM Listing Rules are applicable) shall not in aggregate exceed 10% of the shares of the Company in issue as at the date of adoption (the "**Mandate Limit of Option Scheme**"). Options lapsed in accordance with the terms of the 2017 Share Option Scheme will not be counted for the purpose of calculating the Mandate Limit of Option Scheme.

The Company may seek approval from its shareholders in general meeting for refreshing the Mandate Limit of Option Scheme under the 2017 Share Option Scheme. However, the total number of shares which may be issued upon exercise of all options to be granted under the 2017 Share Option Scheme and any other schemes of the Company under the limit as "refreshed" must not exceed 10% of the shares in issue as at the date of passing the relevant resolution to refresh such limit. Options previously granted under the 2017 Share Option Scheme and any other schemes (including those outstanding, cancelled, lapsed in accordance with the 2017 Share Option Scheme or any other schemes or exercised options) will not be counted for the purpose of calculating the Mandate Limit of Option Scheme as "refreshed". The Company may seek separate approval from its shareholders in general meeting for granting options beyond the Mandate Limit of Option Scheme provided the options in excess of the Mandate Limit of Option Scheme are granted only to eligible participants of the option scheme specifically identified by the Company before such approval is sought.

Unless approved by the shareholders, the total number of shares issued and to be issued upon exercise of the options granted to each eligible participant of the 2017 Share Option Scheme (including both exercised and outstanding options) in any 12-month period shall not exceed 1% of the shares in issue.

The amount of HK$1.00 is payable as consideration for each grant of options under the 2017 Share Option Scheme, upon acceptance of such grant. The subscription price in respect of shares upon exercise of options under the Share Option Scheme shall be such price as determined by the Board in its absolute discretion at the time of the grant of the relevant option (and shall be stated in the letter containing the offer of the grant of the option), but in any case the subscription price shall not be less than the higher of (a) closing price of the shares as stated in the daily quotation sheet of Stock Exchange on the date of grant, which must be a business day; (b) the average closing price of the shares as stated in the daily quotation sheets of the Stock Exchange for the five business days immediately preceding the date of grant; and (c) the nominal value of a share.

Unless otherwise specified by the Board, a grantee is not required to achieve any performance target or to hold an option for a minimum period from the date of grant before any option granted under the 2017 Share Option Scheme can be exercised.

An option granted under the Share Option Scheme may be exercised in accordance with the terms of the Share Option Scheme at any time during a period to be determined by our Board at its absolute discretion and notified by our Board to each grantee as being the period during which an option may be exercised and in any event, such period shall not be longer than 10 years from the date upon which any particular option is granted in accordance with the Share Option Scheme.

62,000,000 options were granted under the 2017 Share Option Scheme on 24 May 2017 with estimated total fair values of RMB29,510,000.

The exercise price of the share options granted is HK$1.33 per share. The share options are valid for a period of 10 years from 24 May 2017. Included in the 62,000,000 share options, 25,340,000 options, 18,330,000 options and 18,330,000 options will vest on the grant date, the first anniversary of the grant date and the second anniversary of the grant date respectively.

Movements in the number of the Company's share options under the 2017 Share Option Scheme during the year ended 31 March 2025 and 2024 are as follows:

	2025		2024	
	Average exercise price in HK$ per share option	**Number of share options**	Average exercise price in HK$ per share option	Number of share options
Directors				
At the beginning of the year	**1.33**	**3,793,000**	1.33	4,093,000
Re-designated from others	**1.33**	**3,635,000**	—	—
Re-designated to others	**—**	**—**	1.33	(300,000)
At the end of the year	**1.33**	**7,428,000**	1.33	3,793,000
Others				
At the beginning of the year	**1.33**	**57,689,700**	1.33	57,389,700
Re-designated to directors	**1.33**	**(3,635,000)**	—	—
Re-designated from directors	**—**	**—**	1.33	300,000
At the end of the year	**1.33**	**54,054,700**	1.33	57,689,700
Total				
At the beginning and at end of the year	**1.33**	**61,482,700**	1.33	61,482,700
Exercisable at the end of the year	**1.33**	**61,482,700**	1.33	61,482,700

As at 31 March 2025, the Group had 61,482,700 (2024: 61,482,700) share options outstanding under the 2017 Share Option Scheme, which represented 9.75% (2024: 9.75%) of the issued ordinary shares of the Company as at 31 March 2025.

None of the above share options were exercised during the year ended 31 March 2025 and 2024. The weighted average remaining contractual life of options outstanding as at 31 March 2025 was 2.15 years (2024: 3.15 years).

No expenses were recognised in relation to the 2017 Share Option Scheme for the year ended 31 March 2025 and 2024 as the share options had been fully vested.

(b) Share Award Scheme adopted by the Company in 2017

On 20 March 2017, the Company adopted the Share Award Scheme (the "**2017 Share Award Scheme**") to recognise and reward the contribution of certain selected participants to the growth and development of the Group. The Share Award Scheme does not constitute a share option scheme or an arrangement analogous to share option scheme for the purpose of Chapter 23 of the GEM Listing Rules. The shares under the Share Award Scheme will be acquired by a trustee by way of subscription of new shares (whether pursuant to general mandate or specific mandate granted by the shareholders or otherwise) and/or purchase of shares from the market out of cash contributed by the Group and be held on trust for the participants until such awarded shares are vested in the relevant selected participants in accordance with the provisions of the 2017 Share Award Scheme. The administrator of the Share Award Scheme, may from time to time, at its absolute discretion, select any participant for participation in the Share Award Scheme as a selected participant.

The Company has appointed The Core Trust Company Limited as the trustee (the "**Trustee**"). The Trustee is an independent third party of the Company and is acting for a wide scope of participants under the 2017 Share Award Scheme.

Unless early terminated by the Board, the 2017 Share Award Scheme shall be valid and effective for a term of 10 years commencing on the adoption date of the 2017 Share Award Scheme, provided that no contribution to the trust fund will be made by the Company on or after the 10th anniversary date of the adoption date of the 2017 Share Award Scheme.

The Board shall not make any further award of shares which will result in the number of shares awarded by the Board under the 2017 Share Award Scheme to be in excess of 8.5% of the issued share capital of the Company as at the adoption date of the 2017 Share Award Scheme unless otherwise determined by the resolution of the Board.

The maximum number of shares to be awarded under the 2017 Share Award Scheme in each financial year of the Company shall not exceed 3% of the issued share capital of the Company as at the adoption date of the 2017 Share Award Scheme.

The maximum number of shares which may be allocated and awarded to a selected participant under the 2017 Share Award Scheme in any 12-month period shall not exceed 1% of the issued share capital of the Company immediately preceding such allocation and award.

On each occasion when the Board instructs the Trustee to purchase shares from the market, it shall specify the maximum amount of funds to be used and the range of prices at which such shares are to be purchased. The Trustee may not incur more than the maximum amount of funds or purchase any shares at a price falling outside the range of prices so specified unless with the prior written consent of the Board.

Vesting of the shares will be conditional on the selected participant remaining a participant at all times after the relevant dates of the fulfilment of the performance targets (if any) specified by the Board and on the vesting date until and on each of the relevant vesting dates and his/her execution of the relevant documents to effect the transfer from the Trustee, unless otherwise determined by the Board.

The Trustee shall not exercise the voting rights in respect of any shares held under the trust (including but not limited to the awarded shares, the returned shares and further shares acquired out of the income derived therefrom).

Pursuant to the resolution passed at the annual general meeting of the Company held on 18 May 2017, 12,000,000 share awards were granted by the Company to the key employees of the Group under the 2017 Share Award Scheme with estimated fair value of RMB14,325,000. The fair value of the awarded shares was determined with reference to the market price of the Company's shares at the grant date. The 12,000,000 awarded shares are subject to a vesting scale in which 40%, 30% and 30% of the awarded shares shall vest on 18 May 2017, 20 March 2018 and 20 March 2019 respectively.

In 2017, the Company has issued 12,000,000 new shares to the Trustee for the 2017 Share Award Scheme and classified them as treasury shares of the Company. As at 31 March 2025 and 31 March 2024, the Group had 10,607,207 share awards vested under the 2017 Share Award Scheme, which represented 1.68% of the issued ordinary shares of the Company, while the remaining 1,392,793 shares awards related to the forfeited share awards before vested, and remained in the Trustee as at 31 March 2025 and 31 March 2024.

No shares were purchased or granted by the Company under the 2017 Share Award Scheme during the year ended 31 March 2025 and 2024.

The Group has not recognised any expense in relation to the 2017 Share Award Scheme during the year ended 31 March 2025 and 2024.

32. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	2025	2024
	RMB'000	RMB'000
Non-current asset		
Interest in a subsidiary	—	—
	—	—
Current assets		
Other receivables	**15,437**	247
Amount due from a subsidiary	**97,416**	136,160
Amount due from a related party	**589**	—
Amount due from an associate	**52**	—
Cash and cash equivalents	**81**	204
	113,575	136,611
Current liabilities		
Other payables	**18,003**	13,014
Amount due to a director	**11,009**	38,272
	29,012	51,286
Net current assets	**84,563**	85,325
Net assets	**84,563**	85,325
EQUITY		
Share capital	**43**	43
Reserves (Note)	**84,520**	85,282
Total equity	**84,563**	85,325

Guo Langhua
Director

Pang Gang
Director

Note: The movements of the Company's reserves are as follows:

	Treasury shares RMB'000	Share premium RMB'000	Translation reserve RMB'000	Share option reserve RMB'000	Other reserve RMB'000	Accumulated losses RMB'000	Total reserves RMB'000
As at 1 April 2023	(1)	600,213	14,514	25,365	31,278	(583,355)	88,014
Loss for the year	—	—	—	—	—	(5,506)	(5,506)
Currency translation differences	—	—	2,774	—	—	—	2,774
As at 31 March 2024 and 1 April 2024	(1)	600,213	17,288	25,365	31,278	(588,861)	85,282
Loss for the year	—	—	—	—	—	(3,689)	(3,689)
Currency translation differences	—	—	2,927	—	—	—	2,927
As at 31 March 2025	**(1)**	**600,213**	**20,215**	**25,365**	**31,278**	**(592,550)**	**84,520**

As at 31 March 2025, the aggregate amount of reserves available for distribution to owners of the Company was RMB7,663,000 (2024: RMB11,352,000).

33. COMMITMENTS

At the end of the reporting period, the lease commitments for short-term leases are as follows:

	2025 RMB'000	2024 RMB'000
Premises		
– Within one year	**1,993**	163

34. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

Reconciliation of liabilities arising from financing activities

The table below set out the reconciliation of liabilities arising from financing activities for the year:

	Bank borrowings RMB'000	Other borrowings RMB'000	Interest payable RMB'000	Amounts due to related parties RMB'000	Amount due to a joint venture RMB'000	Amounts due to associates RMB'000	Amount due to a director RMB'000	Lease liability RMB'000	Total RMB'000
As at 1 April 2023	119,600	6,459	453	14,371	18	6,514	12,965	9,661	170,041
Financing cash inflows	216,160	—	—	549	—	59,829	28,238	—	304,776
Financing cash outflows	(142,515)	(6,459)	—	(889)	—	(30,672)	—	—	(180,535)
Capital element of lease rental paid	—	—	—	—	—	—	—	(2,899)	(2,899)
Interest element of lease rental paid	—	—	—	—	—	—	—	(252)	(252)
Interest paid	—	—	(8,634)	—	—	—	—	—	(8,634)
Non-cash change:									
– Interest accrued	—	—	8,181	—	—	—	—	252	8,433
– Decrease from lease modification	—	—	—	—	—	—	—	(2,834)	(2,834)
– Foreign exchange movements	—	—	—	—	—	—	(1,205)	—	(1,205)
As at 31 March 2024	193,245	—	—	14,031	18	35,671	39,998	3,928	286,891

	Bank borrowings RMB'000	Interest payable RMB'000	Amounts due to related parties RMB'000	Amount due to a joint venture RMB'000	Amounts due to associates RMB'000	Amount due to a director RMB'000	Amount due to a shareholder RMB'000	Lease liability RMB'000	Total RMB'000
As at 1 April 2024	193,245	—	14,031	18	35,671	39,998	—	3,928	286,891
Financing cash inflows	212,000	—	—	—	—	—	—	—	212,000
Financing cash outflows	(226,864)	—	(11,558)	(18)	(30,760)	(20,855)	—	—	(290,055)
Capital element of lease rental paid	—	—	—	—	—	—	—	(1,657)	(1,657)
Interest element of lease rental paid	—	—	—	—	—	—	—	(76)	(76)
Interest paid	—	(9,101)	—	—	—	—	—	—	(9,101)
Non-cash change:									
– Interest accrued	—	9,101	—	—	—	—	—	76	9,177
– Decrease from early termination of lease	—	—	—	—	—	—	—	(2,271)	(2,271)
– Foreign exchange movements	—	—	—	—	—	916	—	—	916
– Transfer of amount due to a director to a shareholder due to the resignation of a director	—	—	—	—	—	(20,059)	20,059	—	—
As at 31 March 2025	**178,381**	**–**	**2,473**	**–**	**4,911**	**–**	**20,059**	**–**	**205,824**

35. RELATED PARTY TRANSACTIONS

The Group's accounting policies on related parties are disclosed in Note 4.23. In addition to the transactions/information disclosed elsewhere in these consolidated financial statements, during the year ended 31 March 2025 and 2024, the Group had the following material transactions and balances with related parties:

(a) During the year ended 31 March 2025, the related parties that had transactions with the Group were as follows:

Name of related parties	**Relationship with the Group**
Mr. Zheng	Ultimate beneficial owner of the Company
Mr. Guo	Director of the Company
Beijing Sunshine Cloud Technology Co., Ltd. (北京陽光雲視科技有限公司) ("**Beijing Cloud**")	Company in which Mr. Guo can exercise significant influence
Xinxin Holdings Limited (信心控股有限公司) ("**Xinxin Holdings**")	Company in which Mr. Guo can exercise significant influence
Beijing Newauto	Company in which Mr. Pang can exercise significant influence
CDV Investment	Controlled by Mr. Guo
Beijing Xin'aote Technology Group Co., Ltd. (北京新奧特科技集團有限公司) ("**Xin'aote Technology**")	Controlled by Mr. Zheng
Beijing Xin'aote Digital Media Technology Enterprise Incubator Co., Ltd. (北京新奧特數字傳媒科技企業孵化器有限公司) ("**Xin'aote Incubator**")	Controlled by Mr. Guo
Beijing Xiaoshuju Media Technology Co., Ltd. (北京曉數聚傳媒科技有限公司) ("**Xiaoshuju Media**")	Company in which Mr. Zheng can exercise significant influence
Beijing Rongshi Media Co., Ltd. (北京融視傳媒有限公司) ("**Rongshi Media**")	Company in which Mr. Guo can exercise significant influence

Name of related parties	Relationship with the Group
Beijing Xinxin Shengtong Technology Development Co., Ltd (北京信心晟通科技發展有限公司) ("**Xinxin Shengtong**")	Controlled by Mr. Guo
Beijing Haimi Culture Media Co., Ltd (北京海米文化傳媒有限公司) ("**Haimi Culture Media**")	Other related parties
Beijing Xin'aote Sports Technology Co., Ltd (北京新奧特體育科技有限公司) ("**Sports Technology**")	Other related parties
Beijing Meicam	Associate
Smart Sport	Associate
Beijing Yueying	Associate
Xin'aote Fujian Culture	Associate
Tuteng Shijie	Associate
Beijing Xin'aote Sports	Associate
Beijing Jinsong	Associate
Beijing Jingqi	Joint venture

Note:

Mr. Zheng disposed his interest in Frame Link Information Technology (Nanjing) Co., Ltd. (Formally known as Xin'aote (Nanjing) Video Technology Co., Ltd) (幀聯信科(南京)技術有限公司) (前稱: 新奧特(南京)視頻技術有限公司) ("**Frame Link**"). Thus Frame Link ceased to be a related party.

The Group indirectly held 51% of Beijing Xin'aote Yunchuang Technology Co., Ltd. (北京新奧特雲創科技有限公司) ("**Xin'aote Yunchuang**") until CDV Investment disposed its interest in Beijing Newauto. The Group currently indirectly hold 10% of Xin'aote Yunchuang, the management determined the Group could not exercise significant influence in this Company. Thus Xin'aote Yunchuang ceased to be a related party.

Totem Vision (Beijing) Digital Technology Co., Ltd (圖騰視界 (北京) 數字科技有限公司) ("**Tuteng Shijie (Beijing)**"), one of the subsidiaries of Tuteng Shijie, deregistered during the year ended 31 March 2025. Thus Tuteng Shijie (Beijing) ceased to be a related party.

Zehui (Beijing) Technology Co., Ltd. (擇慧(北京)科技有限公司) ("**Zehui**"), one of the related party of the Company, deregistered during the year ended 31 March 2025. Thus Zehui ceased to be a related party.

(b) During the year ended 31 March 2025 and 2024, the transactions with related parties of the Group, other than disclosed elsewhere in the consolidated financial statements, were as follows:

		2025	2024
		RMB'000	RMB'000
Beijing Newauto	Sales of goods and provision of services*	**728**	5,980
CDV Investment	Rental fee and property management fee paid*(Note)	**—**	1,793
Xinxin Shengtong	Rental fee and property management fee paid	**4,149**	2,789
Beijing Jingqi	Technical development fee	**3,889**	1,269
Tuteng Shijie	Purchase of goods and services	**23,484**	110,749
Tuteng Shijie	Sales of goods	**6,882**	2,772
Tuteng Shijie (Beijing)	Purchase of services	**—**	6,683
Tuteng Shijie (Beijing)	Sales of goods	**—**	4
Beijing Meicam	Purchase of goods	**150**	137
Xin'aote Fujian Culture	Purchase of goods	**2,750**	—
Sports Technology	Provision of services	**1,613**	—
Beijing Xin'aote Sports	Sales of goods and provision of services	**1,029**	708
Frame link	Purchase of services	**—**	605
Frame link	Sales of goods and provision of services	**—**	558

* These related party transactions constitute continuing connected transactions as defined in Chapter 20 of the GEM Listing Rules.

Note: The amount included the interest portion on the lease liability of Nil (2024: RMB252,000) paid to CDV Investment.

(c) Guarantee provided by related parties

As at 31 March 2025, Mr. Zheng and Beijing Newauto have provided cross-guarantee in respect of a bank borrowing of 10,000,000 (2024: Nil) granted to the Group.

As at 31 March 2025, Mr. Zheng and CDV WFOE have provided cross-guarantee in respect of a bank borrowing of RMB10,000,000 (2024: RMB8,000,000) granted to the Group.

As at 31 March 2025, Mr. Zheng, Mr. Guo and CDV WFOE have provided cross-guarantee in respect of a bank borrowing of RMB8,000,000 (2024: Nil) granted to the Group.

As at 31 March 2025, Mr. Zheng, CDV WFOE and third parties have provided cross-guarantee in respect of the bank borrowings of RMB5,000,000 (2024: RMB18,000,000) granted to the Group.

As at 31 March 2025, Mr. Zheng, CDV Investment and third parties have provided cross-guarantee in respect of a bank borrowing of Nil (2024: RMB500,000) granted to the Group.

As at 31 March 2025, Mr. Zheng, CDV Investment, CDV WFOE and third parties have provided cross-guarantee in respect of a bank borrowing of Nil (2024: RMB19,600,000) granted to the Group.

As at 31 March 2025, Mr. Zheng and third parties have provided cross-guarantee in respect of the bank borrowings of RMB63,000,000 (2024: RMB60,000,000) granted to the Group.

As at 31 March 2025, Mr. Zheng has provided personal guarantee in respect of a bank borrowings of Nil (2024: RMB4,000,000) granted to the Group.

As at 31 March 2025, third parties have provided guarantee in respect of the bank borrowings of RMB45,281,000 (2024: RMB43,145,000) granted to the Group.

(d) Trade and other receivables from related parties

	2025	2024
	RMB’000	RMB’000
Trade receivables		
Beijing Newauto	**26,081**	16,982
Beijing Cloud	**620**	597
Xiaoshuju Media	**1,290**	100
Beijing Jingqi	**23**	4
Tuteng Shijie	**3,112**	3,112
Beijing Yueying	**710**	—
Beijing Meicam	**240**	307
Sports Technology	**—**	200
Frame Link	**—**	124
	32,076	21,426

	2025	2024
	RMB'000	RMB'000
Other receivables (note)		
CDV Investment	**10,595**	9,553
Rongshi Media	**2,000**	2,000
Beijing Cloud	**—**	768
Xinxin Holdings	**824**	824
Xin'aote Technology	**20**	20
Beijing Newauto	**470**	9,127
Xiaoshuju media	**396**	—
Xinxin Shengtong	**1**	1,000
Beijing Jingqi	**5,755**	7,019
Beijing Yueying	**3,397**	3,756
Beijing Meicam	**1,351**	1,697
Smart Sport	**—**	406
Tuteng Shijie	**1,426**	279
Beijing Jinsong	**246**	246
Sports Technology	**82**	3,300
Haimi Culture Media	**—**	879
Beijing Xin'aote Sports	**—**	613
Xin'aote Yunchuang	**—**	33
Mr. Guo	**200**	—
	26,763	41,520
	58,839	62,946

(e) Trade and other payables to related parties

	2025	2024
	RMB'000	RMB'000
Trade payables		
Xiaoshuju Media	**423**	—
Beijing Newauto	**—**	2,190
Beijing Jingqi	**—**	170
Tuteng Shijie	**11,473**	4,093
Xin'aote Fujian Culture	**2,533**	—
Tuteng Shijie (Beijing)	**—**	308
Beijing Xin'aote Sports	**902**	902
	15,331	7,663
Other payables (note)		
CDV Investment	**879**	2,876
Beijing Newauto	**475**	2,074
Beijing Cloud	**688**	958
Xin'aote Incubator	**409**	694
Xinxin Shengtong	**22**	77
Beijing Jingqi	**—**	18
Xin'aote Fujian Culture	**—**	2,877
Beijing Meicam	**3,588**	1,537
Beijing Xin'aote Sports	**1,023**	1,865
Tuteng Shijie	**300**	29,390
Haimi Culture Media	**—**	340
Tuteng Shijie (Beijing)	**—**	2
Frame Link	**—**	12
Zehui	**—**	7,000
Mr. Zheng	**20,059**	39,998
	27,443	89,718
	42,774	97,381

Note: The amounts due are unsecured, interest-free and repayable on demand.

(f) Lease liability to a related party

As at 31 March 2025, the Group has lease liability of Nil (2024: RMB3,928,000) to CDV Investment.

(g) Key management personnel remuneration

Key management of the Group are members of the board of Directors and senior management of the Group. Key management personnel remuneration includes the following expenses:

	2025	2024
	RMB'000	RMB'000
Fees, salaries, allowances and benefits in kind	**2,995**	3,517
Retirement benefit scheme contributions	**224**	320
	3,219	3,837

36. FINANCIAL RISK MANAGEMENTS AND FAIR VALUE MEASUREMENTS

The Group is exposed to financial risks through its use of financial instruments in its ordinary course of operations and in its investment activities. The financial risks include market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management strategy seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by the senior management of the Group and approved by the Board.

(a) Categories of financial assets and liabilities

The carrying amounts presented in the consolidated statement of financial position relate to the following categories of financial assets and financial liabilities.

	2025	2024
	RMB'000	RMB'000
Financial assets		
Financial assets at amortised cost		
– Trade and other receivables	**121,293**	139,827
– Contract assets	**7,962**	11,799
– Restricted bank deposits	**2,376**	1,644
– Cash and cash equivalents	**141,021**	151,070
Financial assets at FVTPL	**8,753**	11,888
	281,405	316,228
Financial liabilities		
Financial liabilities at amortised cost		
– Trade and other payables	**162,658**	228,974
– Interest-bearing borrowings	**178,381**	193,245
– Lease liability	**—**	3,928
	341,039	426,147

(b) Foreign currency risk

The transactions of the Company are denominated and settled in its functional currency, USD. The majority of the assets and liabilities of the Company, were denominated in USD. The Group's subsidiaries mainly operate in the PRC and majority of the transactions are settled in RMB. Accordingly, the Group did not have significant foreign currency risk from its operations.

The Group does not hedge its foreign currency risk. However, management monitors the foreign currency exposure and will consider hedging significant foreign currency exposure should the need arise.

(c) Interest rate risk

Interest rate risk relates to the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate risk arises primarily from its fixed-rate loan receivables, bank deposits which carry interest at effective market interest rates and interest-bearing borrowings. Borrowings bearing variable interest rates expose the Group to cash flow interest rate risk. As at 31 March 2025, it is estimated that a general increase/decrease of 100 basis points in interest rates, with all other variables held constant, would have increased/decreased the Group's loss after income tax by RMB1,784,000 (2024: decreased/increased by RMB1,932,000).

(d) Credit risk

Credit risk refers to the risk that the counterparty to a financial instrument would fail to discharge its obligation under the terms of the financial instrument and cause a financial loss to the Group. The Group is exposed to credit risk in relation to its cash and bank deposits, trade and other receivables and contract assets.

Trade receivables and contract assets

The Group's policy is to deal only with credit worthy counterparties. Credit terms are granted to new customers after a credit worthiness assessment by the credit control team. When considered appropriate, customers may be requested to provide proof as to their financial position. Where available at reasonable cost, external credit ratings and/or reports on customers are obtained and used. Customers who are not considered creditworthy are required to pay in advance or on delivery of goods. Payment record of customers is closely monitored. It is not the Group's policy to request collateral from its customers.

As set out in Note 4.9, in calculating the ECL allowance on trade receivables and contract assets, the Group applies simplified approach for individual customers with significant outstanding balances (i.e. state-owned enterprises) and other customers under the provision matrix sharing on similar credit risk characteristics. In considering the ECL allowance under the provision matrix, the expected loss rates are based on the payment profile of the sales in the past 36 months as well as the corresponding historical credit losses. The historical rates are adjusted to reflect current and forward-looking macroeconomic factors (including the change in the economic environment arising from the COVID-19) affecting the customer's ability to settle the amount outstanding. At the end of each reporting period, the historical default rates are updated and changes in the forward-looking estimates are analysed.

Trade receivables and contract assets are written off (i.e. derecognised) when there is no reasonable expectation of recovery. Failure to make contractual payments greater than 3 years past due from the invoice date and failure to engage with the Group on alternative payment arrangement amongst other is considered indicators of no reasonable expectation of recovery.

The Group's revenue were mainly generated from state-owned TV broadcasters and other distributors in the PRC. As at 31 March 2025 and 31 March 2024, all of the Group's trade receivables and contract assets were from customers located in the PRC. The Group has closely monitored the market trend of TV broadcasting industry and the business performance of these customers to ensure timely collection of the receivables and will consider to diversify its customers base as appropriate.

On the above basis, the ECL allowance for trade receivables and contract assets as at 31 March 2025 and 2024 was determined as follows:

	ECL rate	Gross carrying amount		
		Contract assets RMB'000	Trade receivables RMB'000	Total ECL allowance RMB'000
As at 31 March 2025				
Current to 1 year past due	**7.3%-31.3%**	**7,453**	**56,132**	**8,157**
1 to 2 years past due	**14.8%-57.2%**	**1,621**	**28,862**	**6,955**
More than 2 years past due	**33.9%-66.3%**	**24,603**	**16,923**	**33,914**
		33,677	**101,917**	**49,026**
As at 31 March 2024				
Current to 1 year past due	3.9%-27.3%	10,598	87,797	9,454
1 to 2 years past due	8.9%-55.8%	1,420	21,148	8,948
More than 2 years past due	27.1%-90.5%	27,496	27,066	45,978
		39,514	136,011	64,380

The movement in the ECL allowance of trade receivables is as follows:

	2025	2024
	RMB'000	RMB'000
Balance at the beginning of the year	**36,665**	84,852
(Reversal of ECL allowance)/ECL allowance recognised	**(676)**	5,125
Written off as uncollectible	**(12,678)**	(53,312)
Balance at the end of the year	**23,311**	36,665

The movement in the ECL allowance of contract assets is as follows:

	2025	2024
	RMB'000	RMB'000
Balance at the beginning of the year	**27,715**	4,666
(Reversal of ECL allowance)/ECL allowance recognised	**(2,000)**	23,049
Balance at the end of the year	**25,715**	27,715

Other financial assets at amortised cost

Other financial assets at amortised cost include other receivables, restricted bank deposits and bank balances and cash. The management of the Group would make periodic collective and individual assessment on the recoverability of other receivables based on historical settlement records and past experience as well as current external information. Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts.

The Group's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognising ECL
Stage 1: Low risk	The counterparty has a low risk of default and does not have any past-due amounts	12-month ECL
Stage 2: Doubtful	There has been a significant increase in credit risk since initial recognition	Lifetime ECL – not credit-impaired
Stage 3: In default	There is evidence indicating the asset is credit-impaired	Lifetime ECL – credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off

ECL on other receivables (excluding prepayments and advances to suppliers and employees) are assessed individually and measured as either 12-month ECL or lifetime ECL, depending on whether there has been a significant increase in credit risk since initial recognition. The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout the reporting period.

The movements in the gross amount of other receivables are as follows:

	Stage 1 RMB'000	Stage 2 RMB'000	Stage 3 RMB'000	Total RMB'000
As at 1 April 2023	32,006	—	33,134	65,140
Net changes on the gross amount	16,974	5,907	4,454	27,335
As at 31 March 2024 and 1 April 2024	48,980	5,907	37,588	92,475
Net changes on the gross amount	(3,927)	(5,907)	10,538	704
As at 31 March 2025	**45,053**	**—**	**48,126**	**93,179**

During the year ended 31 March 2025, there were no transfers (2024: Nil) between stages in the ECL assessment.

The movements in the ECL allowance of other receivables are as follows:

	Stage 1 RMB'000	Stage 2 RMB'000	Stage 3 RMB'000	Total RMB'000
As at 1 April 2023	14,948	—	29,833	44,781
(Reversal of ECL allowance)/ ECL allowance recognised	(6,306)	5,764	7,755	7,213
As at 31 March 2024 and 1 April 2024	8,642	5,764	37,588	51,994
(Reversal of ECL allowance)/ ECL allowance recognised	(6,276)	(5,764)	10,538	(1,502)
As at 31 March 2025	**2,366**	**—**	**48,126**	**50,492**

To manage the credit risk arising from bank balances and cash, the Group only transacts with state-owned financial institutions and reputable commercial banks which are all high-credit-quality financial institutions. The Group does not expect that there will be any significant losses from non-performance by these counterparties.

(e) Liquidity risk

Liquidity risk relates to the risk that the Group will not be able to meet its obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Group is exposed to liquidity risk in respect of settlement of trade payables and its financing obligations, and also in respect of its cash flow management. The Group's policy is to regularly monitor current and expected liquidity requirements and its compliance with lending covenants and its relationship with its bankers and related parties to ensure that the Group maintain sufficient reserves of cash and cash equivalents and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

Analysed below is the Group's remaining contractual maturities for its non-derivative financial liabilities as at 31 March 2025 and 2024. When the creditor has a choice of when the liability is settled, the liability is included on the basis of the earliest date on when the Group can be required to pay. Where the settlement of the liability is in instalments, each instalment is allocated to the earliest period in which the Group is committed to pay.

The contractual maturity analysis below is based on the undiscounted cash flows of the financial liabilities.

	Within 1 year or on demand RMB'000	Between 1 and 5 years RMB'000	Total contractual undiscounted amount RMB'000	Carrying amount RMB'000
At 31 March 2025				
Trade and other payables	**162,658**	**—**	**162,658**	**162,658**
Interest-bearing borrowings	**181,008**	**—**	**181,008**	**178,381**
	343,666	**—**	**343,666**	**341,039**
At 31 March 2024				
Trade and other payables	228,974	—	228,974	228,974
Interest-bearing borrowings	196,249	—	196,249	193,245
Lease liability	3,466	578	4,044	3,928
	428,689	578	429,267	426,147

(f) **Fair value measurements recognised in the consolidated statement of financial position**

The following table presents financial assets measured at fair value in the consolidated statement of financial position in accordance with the fair value hierarchy. The hierarchy groups financial assets into three levels based on the relative reliability of significant inputs used in measuring the fair value of these financial assets. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices), and not using significant unobservable inputs.

Level 3: inputs for the asset or liability that are not based on observable market data (significant unobservable inputs).

The level in the fair value hierarchy within which the financial asset is categorised in its entirety is based on the lowest level of input that is significant to the fair value measurement.

The financial assets measured at fair value in the consolidated statement of financial position on a recurring basis are grouped into the fair value hierarchy as follows:

	Level 3	
	2025	2024
	RMB'000	RMB'000
Financial assets at FVTPL		
– Unlisted equity investment	**8,753**	11,888

During the year ended 31 March 2025 and 2024, there were no transfers amongst level 1, level 2 and level 3 in the fair value hierarchy.

The information about the fair value of unlisted equity investments categorised under Level 3 of the fair value hierarchy is described below:

	Valuation technique	**Unobservable input**	**Range (median)**	
			2025	2024
– Unlisted equity investment (Note)	Market approach and adjusted net assets approach	Discount of lack of marketability	**21.1%**	22.5%

Note:

With the assistance of independent professional valuer, the fair value of unlisted equity investment is determined using the market approach and net asset values adjusted for lack of marketability discount. An increase in the lack of marketability discount would decrease the fair value of the unlisted equity investments.

The reconciliation of the carrying amounts of the Group's financial assets at FVTPL classified within Level 3 of the fair value hierarchy is as follows:

	2025	2024
	RMB'000	RMB'000
Unlisted equity investment		
Fair value at the beginning of the year	**11,888**	13,321
Fair value loss recognised in consolidated statement of profit or loss and other comprehensive income	**(3,135)**	(1,433)
Fair value at the end of the year	**8,753**	11,888

Fair value change on unlisted equity investments is recognised in the consolidated statement of profit or loss and other comprehensive income and included under "other income" (Note 7). There have been no transfers into or out of Level 3 during the year ended 31 March 2025 (2024: Nil).

37. CAPITAL MANAGEMENT

The objectives of the Group when managing capital are to safeguard the ability of the Group in continuing as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to enhance shareholders' value in the long term.

The Group monitors capital by regularly reviewing the capital structure. As part of this review, the directors of the Company consider the cost of capital and the risks associated with the issued share capital. The Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debts. The Group's overall strategy remains unchanged from prior years.

EXTRACT OF THE INDEPENDENT AUDITORS' REPORT

The section below sets out an extract of the independent auditors' report (the "**Report**") regarding the consolidated financial statements of the Group for the year ended 31 March 2025. The Report includes particulars of the material uncertainty related to going concern without qualified opinion:

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board (the "**IASB**") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

MATERIAL UNCERTAINTY RELATED TO THE GOING CONCERN

We draw attention to Note 2 to the consolidated financial statements which states that the Group incurred a net loss of RMB30,546,000 for the year ended 31 March 2025 and as of that date, the Group's current liabilities exceeded its current assets by approximately RMB70,145,000 and the Group had net liabilities of approximately RMB35,991,000. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

MANAGEMENT DISCUSSIONS AND ANALYSIS

BUSINESS REVIEW

We are a leading digital video technology solution and service company in the TV broadcasting industry in China. We provide a full range of solutions, services and products to TV broadcasters and other digital video content providers to effectively assist and enhance digital video technology content in the upgrade and management works on the post-production segment which forms a critical part of the PRC TV broadcasting market. We have been at the forefront of digital video technology innovation in China. Our emphasis on developing a demand-driven and highly responsive research and development is particularly critical for us because of our focus on the solutions and services business, where the customers demand customized services. Our solutions, services and products businesses facilitate the processing, enhancement and management of digital video content at the post-production stage between the ingestion of raw content and the output of finished content. There is no significant development in the segment in which we operate.

We have established business relationships with most of the central- and provincial-level TV stations in China and with some of the provincial-level TV broadcasters in China for over 27 years. We have also served alternative broadcasting platforms, such as cable networks operators, Internet media content providers and IPTV operators. In view of the sustained losses of the Group, while we will continue with our existing principal business, we will conduct a review of our business activities for the purpose of formulating business plans and strategies for our future business development. We may explore other business opportunities and consider whether any asset disposal, asset acquisition, business rationalisation, business divestment, fund raising, restructuring of the existing business and/or business diversification will be appropriate in order to enhance our long-term growth potential.

Environmental policies and performance

The details of social responsibilities and environmental policies will be set out in the section headed “Environmental, Social and Governance Report” of the annual report.

Compliance with the relevant laws and regulations

As far as the Board and management are aware, the Group has complied in all material respects with the relevant laws and regulations that have a significant impact on the businesses and operations of the Group. During the year under review, there was no material breach of or non-compliance with the applicable laws and regulations by the Group.

Relationship with employees, customers and suppliers

The Group understands the importance of maintaining a good relationship with its employees, customers and suppliers to meet its immediate, medium and long term business goals. During the year under review, there was no significant dispute between the Group and its employees, customers and suppliers.

FINANCIAL REVIEW

We recorded a revenue of RMB134.6 million for the 2024 Annual Year, representing a decrease of 7.7% from RMB145.9 million for the 2023 Annual Year. We recorded a loss of RMB30.5 million in the 2024 Annual Year as compared to a loss of RMB150.7 million in the 2023 Annual Year.

Revenue

We derived revenue primarily from (i) sale of solutions; (ii) provision of services; and (iii) sale of products.

Our revenue decreased by 7.7% to RMB134.6 million for the 2024 Annual Year from RMB145.9 million for the 2023 Annual Year. The decrease was due to the negative impact from the rise of internet videos, which has subsequently led to our clients postponing its system upgrade schedule.

Cost of Sales

Our cost of sales decreased by 13.8% to RMB106.0 million for the 2024 Annual Year from RMB122.9 million for the 2023 Annual Year, as a result of the decrease in revenue.

Gross Profit and Gross Profit Margin

Our gross profit represents revenue less cost of sales. Our gross profit increased by 24.3% to RMB28.6 million for the 2024 Annual Year from RMB23.0 million for the 2023 Annual Year, primarily due to the increase in proportion of high gross profit items. Our gross profit margin increased to 21.2% for the 2024 Annual Year from 15.8% for the 2023 Annual Year.

Other Income

Our other income increased by 243.8% to RMB5.5 million for the 2024 Annual Year from RMB1.6 million for the 2023 Annual Year, primarily due to the revenue generated from early termination of lease liabilities, which was absent in the 2023 Annual Year.

Selling and Marketing Expenses

Our selling and marketing expenses decreased by 43.8% to RMB30.6 million for the 2024 Annual Year as compared to RMB54.4 million for 2023 Annual Year, primarily due to the decrease in compensations to the sales staff.

Administrative Expenses

Our administrative expenses decreased by 14.7% to RMB15.7 million for the 2024 Annual Year as compared to RMB18.4 million for the 2023 Annual Year, remaining relatively stable.

Research and Development Expenses

Our research and development expenses decreased by 26.4% to RMB18.4 million for the 2024 Annual Year as compared to RMB25.0 million for the 2023 Annual Year, primarily due to the decrease in staff costs caused by decrease of personnel.

Finance Costs

Our finance costs increased by 9.5% to RMB9.2 million for the 2024 Annual Year from RMB8.4 million for the 2023 Annual Year, primarily due to the increase in the effective interest rate of borrowings.

Net (Reversal of Impairment Loss)/Impairment Loss on Trade and Other Receivables and Contract Assets

Our net impairment loss on trade and other receivables and contract assets recorded to reversal impairment loss of RMB4.2 million for the 2024 Annual Year as compared to the impairment loss of RMB35.4 million for the 2023 Annual Year. The adjustment was primarily due to the increase in the expected credit loss on trade and other receivables.

Loss before Income Tax

As a result of the foregoing factors, we recorded a loss before income tax of RMB30.5 million and RMB159.3 million for the 2024 Annual Year and the 2023 Annual Year, respectively.

Income Tax Credit

We recorded income tax credit of RMB nil for the 2024 Annual Year (2023 Annual Year: income tax credit of RMB8.6 million).

Loss for the Period

As a result of the foregoing factors, we recorded a loss of RMB30.5 million for the 2024 Annual Year as compared to a loss of RMB150.1 million for the 2023 Annual Year.

Dividend

The Directors did not recommend the payment of a final dividend for the 2024 Annual Year (2023 Annual Year: Nil).

ANALYSIS ON AUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION ITEMS

Non-current Assets

As at 31 March 2025, our non-current assets amounted to RMB34.2 million (2024: RMB34.6 million), primarily consisting of intangible assets of RMB2.8 million (2024: RMB9.3 million), property, plant and equipment of RMB0.2 million (2024: Nil), financial assets at fair value through profit or loss of RMB8.8 million (2024: RMB11.9 million) and interests in associates of RMB 22.4 million (2024: RMB13.4 million). Our intangible assets mainly represent our intellectual properties, patents, trademarks and licenses related to our products and all direct costs incurred in the development of software products. Our interests in associates represent our interests in associates, namely, Beijing Yue Ying Technology Co., Ltd. (北京悦影科技有限公司), Beijing Meicam Network Technology Co, Ltd. (北京美攝網絡科技有限公司), Beijing Xin'aote Smart Sport Innovation Development Co., Ltd. (北京新奧特智慧體育創新發展有限公司), Tuteng Shijie (Guangzhou) Digital Technology Limited Company (圖騰視界(廣州)數字科技有限公司) ("**Tuteng Shijie**"), Xin'aote Fujian Culture Technology Co., Ltd (新奧特(福建)文化科技有限公司), Beijing Jinsong Chuangyi Technology Co., Ltd (北京錦頌創逸技術科技有限公司) ("**Beijing Jinsong**") and Beijing Xin'aote Sports Media Co., Ltd. (北京新奧特體育傳媒有限公司).

Current Assets

As at 31 March 2025, our current assets amounted to RMB379.6 million (2024: RMB487.9 million), primarily consisting of inventories of RMB38.1 million (2024: RMB33.8 million), trade and other receivables of RMB190.1 million (2024: RMB289.6 million), cash and cash equivalents of RMB141.0 million (2024: RMB151.1 million) and contract assets of RMB8.0 million (2024: RMB11.8 million).

Current Liabilities

As at 31 March 2025, our current liabilities amounted to RMB449.8 million (2024: RMB528.7 million), primarily consisting of trade and other payables of RMB239.8 million (2024: RMB313.7 million), interest-bearing bank borrowings of RMB178.4 million (2024: RMB193.2 million) and contract liabilities of RMB31.6 million (2024: RMB18.3 million). Contract liabilities of the Group mainly arose from the advance payments made by customers while the underlying products or services were yet to be provided.

Non-current Liabilities

As at 31 March 2025, our non-current liabilities, consisting of lease liability and non-current portion of the bank borrowing, amounted to Nil (31 March 2024: RMB0.6 million).

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 31 March 2025, the current assets of the Group amounted to RMB379.6 million, including RMB190.1 million in trade and other receivables and RMB141.0 million in cash and cash equivalents. Current liabilities of the Group amounted to RMB449.8 million, of which RMB239.8 million were trade and other payables and RMB178.4 million were interest-bearing bank borrowings. As at 31 March 2025, the interest-bearing bank and other borrowings were denominated in Renminbi bearing fixed and floating interest rates.

The gearing ratio of the Group (calculated as total bank and other borrowings divided by total equity) was not applicable as at 31 March 2025 (31 March 2024: not applicable).

During the 2024 Annual Year, we did not employ any financial instrument for hedging purposes.

COMMITMENTS

As at 31 March 2025, we had short-term lease commitments in respect of rented office and various residential properties of RMB2.0 million (2024: RMB0.2 million).

MATERIAL ACQUISITION AND DISPOSAL

We had no material acquisition and disposal of subsidiaries and affiliated companies during the 2024 Annual Year.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS AND EXPECTED SOURCE OF FUNDING

We do not have plans for material investments or acquisition of capital assets.

FOREIGN CURRENCY RISK

Our subsidiaries mainly operate in the PRC and the majority of our transactions are settled in Renminbi except for certain bank balances which are denominated in U.S. dollars. Foreign currency risk arises when commercial transactions and recognized assets and liabilities are denominated in a currency that is not either the Company's or our subsidiaries' functional currency. As at 31 March 2025, we did not have significant foreign currency risk from our operations. During the 2024 Annual Year, we did not enter into any arrangements to hedge against any fluctuation in foreign currency.

CHARGE ON ASSETS

As at 31 March 2025, we had restricted and pledged deposits of RMB2.4 million (2024: RMB1.6 million) held in banks for the purpose of contract related deposits or payments, guarantees issued for trade finance facilities and security of bank borrowings.

HUMAN RESOURCES

As at 31 March 2025, we had 205 full-time employees and 11 dispatched workers (31 March 2024: 264 full-time employees and 42 dispatched workers). The remuneration package of the employees includes salary, sales commission, bonus and other cash subsidies. For the 2024 Annual Year and the 2023 Annual Year, the remuneration expense, including both capitalized and expensed, was approximately RMB52.5 million and RMB67.7 million, respectively. In general, employees' salaries are determined based on individual performance, qualification, position and seniority. We place strong emphasis on recruiting skilled personnel. We typically recruit talents from universities and technical schools and conduct annual reviews to assess our employees' performance and determine their salary, bonus and promotion. We also place a strong emphasis on providing training to our employees in order to enhance their technical and product knowledge as well as comprehension of industry quality standards.

CONTINGENT LIABILITIES

As at 31 March 2025, we did not have any material contingent liabilities (31 March 2024: Nil). We are not currently involved in any material legal proceedings, nor are we aware of any proceedings or potential material legal proceedings.

OUTLOOK

Our long-term objective is to become a leading integrated digital video technology, service and media company in China. To achieve this goal, we will continue to (a) gain market share by offering solutions based on latest industry trends and expanding customer base; (b) create recurring and high margin revenue streams by further strengthening and developing our service business; (c) further develop and invest in innovative products and businesses; and (d) selectively pursue strategic investments and acquisitions.

CORPORATE GOVERNANCE PRACTICE

The Company has applied the principles and code provisions in the Corporate Governance Code (the "**Code**") as set out in Appendix C1 to the GEM Listing Rules and in force during the 2024 Annual Year as its corporate governance practices.

In the opinion of the Board, save as disclosed below, the Company has complied with the Code from 1 April 2024 and up to the date of this announcement.

Mr. GUO Langhua was appointed as an executive Director with effect from 3 February 2025 and is currently serving as both the Chairman and the chief executive officer of the Company (the "**Chief Executive Officer**"). Such practice deviates from code provision C.2.1 of the Corporate Governance Code. The Board believes that vesting the roles of both the Chairman and the Chief Executive Officer in the same person can facilitate the execution of the Group's business strategies and boost the effectiveness of its operation. The Board is comprised of four executive Directors and three independent non-executive Directors, which is appropriately structured to ensure that there is a balance of power to provide sufficient checks to protect the interests of the Company and its shareholders. Therefore, the Board considers that the deviation from code provision C.2.1 of the Corporate Governance Code is appropriate in such circumstance.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the required standard of dealings regarding Directors' securities transactions as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Among other things, the Company periodically issues notices to the Directors reminding them of the general prohibition on dealing in the Company's listed securities during the blackout periods before the publication of announcements of financial results of the Group.

Having made specific enquiry with all Directors, all Directors confirmed that they have complied with the required standards of dealings from 1 April 2024 and up to the date of this announcement.

PURCHASE, SALE OR REDEMPTION OF THE LISTING SECURITIES OF THE COMPANY OR ANY OF ITS SUBSIDIARIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury Shares, if any) during the 2024 Annual Year. As at 31 March 2025, the Company did not hold any treasury Shares.

AUDIT COMMITTEE

The Audit Committee was established on 23 May 2016. The chairman of the Audit Committee is Mr. LI Youliang, our independent non-executive Director, and other members include Dr. LI Wanshou and Mr. JIAN Nianqiang, our independent non-executive Directors. The written terms of reference of the Audit Committee are posted on the GEM website and on the Company's website.

The primary duties of the Audit Committee are mainly to monitor the integrity of the financial information, ensure compliance with accounting standards and play an active role in overseeing the reporting process, internal control procedures and risk management system, effectiveness of the internal audit function, audit plan and relationship with external auditor and arrangements to enable employees of the Company to raise, in confidence, concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

The Company has complied with Rule 5.28 of the GEM Listing Rules in that at least one of the members of the Audit Committee (which must comprise a minimum of three members and must be chaired by an independent non-executive Director) is an independent non-executive Director who possesses appropriate professional qualifications or accounting related financial management expertise.

The Group's consolidated financial statements for the 2024 Annual Year, the risk management and the internal control system and the effectiveness of the Company's internal audit function have been reviewed by the Audit Committee, and the Audit Committee is of the opinion that such results complied with the applicable standards, the GEM Listing Rules and other applicable legal requirements and that adequate disclosures had been made.

SCOPE OF WORK OF PRISM

The financial information in respect of the Group consolidated statement of financial position, consolidated statement of profit or loss and comprehensive income and the related notes thereto for the year ended 31 March 2025 as set out in this announcement have been agreed by the Group's auditors, Prism Hong Kong Limited (formerly known as Prism Hong Kong and Shanghai Limited ("**Prism**"), to the amounts set out in the Group's draft consolidated financial statements for the period. The work performed by Prism in this respect did not constitute an assurance engagement and consequently no assurance has been expressed by Prism on this announcement.

ANNUAL GENERAL MEETING

The 2025 annual general meeting will be held on or before 30 September 2025. A notice convening the 2025 annual general meeting will be published on the website of the Stock Exchange and the Company and dispatched to the Shareholders in due course.

EVENT AFTER THE REPORTING PERIOD

There was no event after the reporting period and up to the date of this announcement which would have a material impact on the Company's financial position.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement is published on the website of the Stock Exchange at www.hkexnews.hk and on the website of the Company at www.cdv.com. The annual report of the Company for the 2024 Annual Year containing all the information required by the GEM Listing Rules will be dispatched to Shareholders and published on the above websites in due course.

By Order of the Board
China Digital Video Holdings Limited
GUO Langhua
Chairman

Hong Kong, 30 June 2025

As at the date of this announcement, the executive Directors are Mr. GUO Langhua, Mr. PANG Gang, Mr. LIU Baodong and Ms. CAO Lingyi, and the independent non-executive Directors are Dr. LI Wanshou, Mr. LI Youliang and Mr. JIAN Nianqiang.

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

This announcement will remain on the "Latest Company Announcements" page of the GEM website at www.hkgem.com for at least 7 days from the date of its posting and be posted on the website of the Company at www.cdv.com.