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Echo International Holdings Group Limited

毅高（國際）控股集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8218)

**ANNOUNCEMENT OF ANNUAL RESULTS
FOR THE YEAR ENDED 31 MARCH 2025
AND
RESUMPTION OF TRADING**

CHARACTERISTICS OF GEM OF 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.

FINANCIAL HIGHLIGHTS

For the year ended 31 March 2025, operating results of the Group were as follows:

- Revenue was approximately HK\$61.97 million, representing a decrease of approximately 5.36% from HK\$65.48 million last year. The decrease in the Group's revenue was mainly attributable to the decrease in revenue generated from restaurant operation by 46.95% when compared with last year.
- The Group's gross profit margin slightly increased from approximately 23.35% for the year ended 31 March 2024 to approximately 24.72% for the year ended 31 March 2025 primarily due to the increase of sales of the higher margin products of the Group's electronic business, namely fishing indicator.
- Loss attributable to the owners of the Company was approximately HK\$4.29 million, whilst the loss attributable to the owners of the Company last year was approximately HK\$9.44 million.
- Basic and diluted loss per share for the year based on weighted average number of ordinary shares were approximately HK0.64 cents (2024: basic and diluted loss per share approximately HK1.46 cents).
- The Board does not recommend the payment of final dividend for the year ended 31 March 2025 (2024: Nil).

RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of Echo International Holdings Group Limited (the “**Company**”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 March 2025 and the comparative audited figures for the preceding financial year, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2025

	Notes	2025 HK\$'000	2024 HK\$'000
Revenue	4	61,969	65,478
Cost of sales		<u>(46,648)</u>	<u>(50,192)</u>
Gross profit		15,321	15,286
Other income and other gains or loss, net	6	3,349	(2,459)
Selling and distribution expenses		(1,312)	(1,428)
Administrative expenses		(19,173)	(21,996)
Impairment loss on property, plant and equipment		(155)	–
Impairment loss on right-of-use assets		(592)	(1,180)
(Impairment loss) reversal of impairment loss under expected credit loss model, net		(198)	20
Finance costs	7	(780)	(576)
Share of result of an associate		<u>(735)</u>	<u>2,975</u>
Loss before taxation	8	(4,275)	(9,358)
Taxation	9	<u>(13)</u>	<u>(85)</u>
Loss for the year		<u>(4,288)</u>	<u>(9,443)</u>
Other comprehensive income for the year:			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translating of foreign operations		<u>845</u>	<u>2,326</u>
Total comprehensive expense for the year		<u>(3,443)</u>	<u>(7,117)</u>
Loss per share			
— Basic and diluted (in HK cents)	11	<u>(0.64)</u>	<u>(1.46)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

	<i>Notes</i>	2025 HK\$'000	2024 <i>HK\$'000</i>
Non-current assets			
Property, plant and equipment		298	253
Right-of-use assets		–	3,510
Intangible assets		425	601
Interest in an associate		28,979	29,714
Deferred tax assets		17	10
		29,719	34,088
Current assets			
Inventories		15,076	17,657
Trade receivables	12	5,911	4,546
Deposits, prepayments and other receivables		12,497	13,757
Cash and cash equivalents		5,852	3,863
		39,336	39,823
Current liabilities			
Trade payables	13	2,733	5,052
Accruals and other payables		5,572	4,346
Amount due to a related company		–	248
Amount due to a director		31	58
Contract liabilities		311	146
Other borrowings		7,637	2,186
Lease liabilities		2,821	5,483
Tax payables		168	107
		19,273	17,626
Net current assets		20,063	22,197
Total assets less current liabilities		49,782	56,285
Non-current liabilities			
Lease liabilities		–	2,910
Provision for reinstatement costs		250	400
		250	3,310
Net assets		49,532	52,975
Capital and reserves			
Share capital	14	33,321	33,321
Reserves		16,211	19,654
Total equity		49,532	52,975

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2025

	Share capital <i>HK\$'000</i>	Share premium <i>HK\$'000</i>	Contribution reserve <i>HK\$'000</i>	Capital reserve <i>HK\$'000</i>	Share option reserve <i>HK\$'000</i>	Exchange reserve <i>HK\$'000</i>	Accumulated losses <i>HK\$'000</i>	Total <i>HK\$'000</i>
As at 1 April 2023	29,743	135,590	4,836	(89)	5,794	952	(124,545)	52,281
Total comprehensive income/(expense) for the year	–	–	–	–	–	2,326	(9,443)	(7,117)
Share placing	3,578	4,293	–	–	–	–	–	7,871
Issuance cost of share placing	–	(60)	–	–	–	–	–	(60)
Lapse of share options	–	–	–	–	(5,794)	–	5,794	–
As at 31 March 2024 and 1 April 2024	33,321	139,823	4,836	(89)	–	3,278	(128,194)	52,975
Total comprehensive income/(expense) for the year	–	–	–	–	–	845	(4,288)	(3,443)
As at 31 March 2025	<u>33,321</u>	<u>139,823</u>	<u>4,836</u>	<u>(89)</u>	<u>–</u>	<u>4,123</u>	<u>(132,482)</u>	<u>49,532</u>

NOTES

1. CORPORATE INFORMATION

The Company is incorporated in the Cayman Islands as an exempted company with limited liability. The Company's shares have been listed on the GEM of the Stock Exchange since 11 October 2013.

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are engaged in the manufacturing and trading of electronic products and accessories, provision of food catering services and trading of timepieces. The consolidated financial statements are presents in Hong Kong dollars (“**HK\$**”), which is the same as the functional currency of the Company. All values are rounded to nearest thousands (“**HK\$’000**”) unless otherwise stated.

2. STATEMENT OF COMPLIANCE

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accounts (“**HKICPA**”), accounting principles generally accepted in Hong Kong, the disclosure requirement of the Hong Kong Companies Ordinance (“**CO**”) and the applicable disclosure provisions of The Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”).

The preparation of consolidated financial statements in conformity with HKFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3. ADOPTION OF NEW HKFRSs

Amendments to HKFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA for the first time, which are mandatorily effective for the annual period beginning on or after 1 April 2024 for the preparation of the consolidated financial statements:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The application of the amendments to HKFRS Accounting Standards in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

New and amendments to HKFRS Accounting Standards in issue but not yet effective

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

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ³
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature — Dependent Electricity ³
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards — Volume 11 ³
Amendments to HKAS 21	Lack of Exchangeability ²
HKFRS 18	Presentation and Disclosure in Financial Statements ⁴

¹ Effective for annual periods beginning on or after a date to be determined.

² Effective for annual periods beginning on or after 1 January 2025.

³ Effective for annual periods beginning on or after 1 January 2026.

⁴ Effective for annual periods beginning on or after 1 January 2027.

Except for the new and amendments to HKFRS Accounting Standards mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 18 *Presentation and Disclosure in Financial Statements*

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

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

4. REVENUE

The principal activities of the Group are manufacturing and trading of electronic products and accessories, provision of food catering services and trading of timepieces. The amount of each significant category of revenue recognised during the year is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Recognition at a point in time:		
— Sale of electronic products and accessories	45,377	35,203
— Revenue from restaurant operations	16,062	30,275
— Trading of timepieces	530	—
	<u>61,969</u>	<u>65,478</u>
Revenue from contracts with customers	<u>61,969</u>	<u>65,478</u>

5. SEGMENT INFORMATION

Information reported internally to the directors of the Group (chief operating decision maker) for the purpose of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided.

Specifically, the Group's reportable and operating segments under HKFRS 8 *Operating Segments* are as follows:

- trading of electronic products;
- manufacturing and trading of electronic products and accessories;
- provision of food catering services; and
- trading of timepieces

The Group reportable segments are strategic business units that operate different activities. They are managed separately because each business has different market and requires different marketing strategies.

Segment revenues reported below represents revenue generated from external customers. There were no intersegment sales during both years.

Segment result represents the profit (loss) generated by each segment without allocation of corporate income and central administration costs including directors' emoluments, unallocated (impairment loss) reversal of impairment loss under ECL model recognised in respect of financial assets at amortised cost, share of result of an associate and unallocated finance costs. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

Segment revenues and results

The following is an analysis of the Group's revenue and results from continuing separations by reportable and operating segments:

For the year ended 31 March 2025

	Trading of electronic products <i>HK\$'000</i>	Manufacturing and trading of electronic products and accessories <i>HK\$'000</i>	Provision of food catering services <i>HK\$'000</i>	Trading of timepieces <i>HK\$'000</i>	Total <i>HK\$'000</i>
Revenue	<u>3,712</u>	<u>41,665</u>	<u>16,062</u>	<u>530</u>	<u>61,969</u>
Segment results	<u>1,365</u>	<u>3,738</u>	<u>(7,147)</u>	<u>10</u>	(2,034)
Unallocated other income and other gains or loss, net					359
Unallocated administrative expenses					(1,736)
Unallocated finance costs					(10)
Unallocated impairment loss under ECL model, net					(119)
Share of result of an associate					<u>(735)</u>
Loss before taxation					<u>(4,275)</u>

For the year ended 31 March 2024

	Trading of electronic products <i>HK\$'000</i>	Manufacturing and trading of electronic products and accessories <i>HK\$'000</i>	Provision of food catering services <i>HK\$'000</i>	Total <i>HK\$'000</i>
Revenue	<u>4,159</u>	<u>31,044</u>	<u>30,275</u>	<u>65,478</u>
Segment results	<u>1,311</u>	<u>(4,484)</u>	<u>(5,110)</u>	(8,283)
Unallocated other income and other gains or loss, net				(1,930)
Unallocated administrative expenses				(2,134)
Unallocated finance costs				(27)
Unallocated reversal of impairment loss under ECL model, net				41
Share of result of an associate				<u>2,975</u>
Loss before taxation				<u>(9,358)</u>

Segment assets and liabilities

As at 31 March 2025

	Trading of electronic products <i>HK\$'000</i>	Manufacturing and trading of electronic products and accessories <i>HK\$'000</i>	Provision of food catering services <i>HK\$'000</i>	Trading of timepieces <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segment assets	303	11,632	2,341	13,004	27,280
Unallocated corporate assets					<u>41,775</u>
Consolidated assets					<u>69,055</u>
Segment liabilities	8	5,919	4,347	–	10,274
Unallocated corporate liabilities					<u>9,249</u>
Consolidated liabilities					<u>19,523</u>

As at 31 March 2024

	Trading of electronic products <i>HK\$'000</i>	Manufacturing and trading of electronic products and accessories <i>HK\$'000</i>	Provision of food catering services <i>HK\$'000</i>	Trading of timepieces <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segment assets	231	12,485	9,457	12,480	34,653
Unallocated corporate assets					<u>39,258</u>
Consolidated assets					<u><u>73,911</u></u>
Segment liabilities	141	10,157	7,333	–	17,631
Unallocated corporate liabilities					<u>3,305</u>
Consolidated liabilities					<u><u>20,936</u></u>

For the purpose of monitoring segment performances and allocating resources between segments:

- all assets are allocated to operating segments other than unallocated corporate assets (mainly comprising certain of property, plant and equipment and right-of-use assets, interest in an associate, certain deposits, prepayments and other receivables and certain cash and cash equivalents); and
- all liabilities are allocated to operating segments other than unallocated corporate liabilities (mainly comprising amount due to a related company, amount due to a director, tax payables, certain other borrowings, certain lease liabilities and certain accruals and other payables).

Other segment information

For the year ended 31 March 2025

	Trading of electronic products <i>HK\$'000</i>	Manufacturing and trading of electronic products and accessories <i>HK\$'000</i>	Provision of food catering services <i>HK\$'000</i>	Trading of timepieces <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Total <i>HK\$'000</i>
Amount included in the measure of segment results						
Capital expenditure	25	162	161	–	–	348
Depreciation of property, plant and equipment	11	47	48	–	–	106
Depreciation of right-for-use assets	–	–	1,791	–	–	1,791
Impairment of right-of-use assets	–	–	592	–	–	592
Impairment of property, plant and equipment	–	–	155	–	–	155
Amortisation of intangible assets	–	–	88	88	–	176
Impairment loss under ECL model, net	–	41	38	–	119	198
Provision for obsolete and slow- moving of inventories	–	30	–	–	–	30
Gain on reversal of provision for reinstatement cost	–	–	(150)	–	–	(150)
Gain on modification of lease	–	(121)	–	–	–	(121)
Gain on early lease of termination	–	–	(483)	–	–	(483)
Written of property, plant and equipment	–	–	37	–	–	37
Written off of inventories	–	–	495	–	–	495

For the year ended 31 March 2024

	Trading of electronic products <i>HK\$'000</i>	Manufacturing and trading of electronic products and accessories <i>HK\$'000</i>	Provision of food catering services <i>HK\$'000</i>	Trading of timepieces <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Total <i>HK\$'000</i>
Amount included in the measure of segment results						
Capital expenditure	–	8	7,044	–	12	7,064
Depreciation of property, plant and equipment	12	42	154	–	–	208
Depreciation of right-for-use assets	–	–	2,374	–	–	2,374
Impairment of right-of-use assets	–	–	1,180	–	–	1,180
Amortisation of intangible assets	–	–	88	88	–	176
(Reversal of) impairment loss under ECL model, net	–	46	(25)	–	(41)	(20)
Provision for obsolete and slow-moving inventories	–	66	–	–	–	66
	<u>–</u>	<u>66</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>66</u>

Amounts regularly provided to the chief operating decision maker but not included in the measure of segment results or segments assets:

For the year ended 31 March 2025

	Trading of electronic products <i>HK\$'000</i>	Manufacturing and trading of electronic products and accessories <i>HK\$'000</i>	Provision of food catering services <i>HK\$'000</i>	Trading of timepieces <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Total <i>HK\$'000</i>
Interest income	–	–	–	–	1	1
Finance costs	–	166	604	–	10	780
	<u>–</u>	<u>166</u>	<u>604</u>	<u>–</u>	<u>10</u>	<u>780</u>

For the year ended 31 March 2024

	Trading of electronic products <i>HK\$'000</i>	Manufacturing and trading of electronic products and accessories <i>HK\$'000</i>	Provision of food catering services <i>HK\$'000</i>	Trading of timepieces <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Total <i>HK\$'000</i>
Interest income	18	1	–	–	–	19
Finance costs	–	300	249	–	27	576
	<u>–</u>	<u>300</u>	<u>249</u>	<u>–</u>	<u>27</u>	<u>576</u>

Revenue from major products and services

The Group's revenue from its major products and services are as follows:

	2025 HK\$'000	2024 HK\$'000
Buzzer	2,512	4,000
Control board	6,101	5,465
Fire alarm	4,464	3,033
Fishing indicator	27,820	16,654
LED lamp assembly	701	1,182
Printed circuit board (PCB)	–	21
Printed circuit board assembly (PCBA)	12	90
Switch	19	19
Others	36	580
	<hr/>	<hr/>
Manufacturing and trading of electronic products and accessories	41,665	31,044
Trading of electronic products	3,712	4,159
Revenue from restaurant operation	16,062	30,275
Trading of timepieces	530	–
	<hr/>	<hr/>
	61,969	65,478
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Geographical information

The Group operates in two principal geographical areas — manufacturing in the PRC and trading business and provision of food catering services in Hong Kong.

The Group's geographical segments are classified according to the location of customers. There are five customer-based geographical segments. Segment revenue from external customers by the location of customer is as follows:

	Revenue from external customers	
	2025 HK\$'000	2024 HK\$'000
Hong Kong	19,760	33,897
Asian countries, other than Hong Kong (<i>Note a</i>)	41	119
European countries (<i>Note b</i>)	33,601	22,356
North and South American countries (<i>Note c</i>)	7,508	7,245
Australia	971	1,684
Others	88	177
	<hr/>	<hr/>
	61,969	65,478
	<hr/> <hr/>	<hr/> <hr/>

Notes:

- (a) Asian countries include the India, Korea, Malaysia, Singapore, Taiwan and Thailand.
- (b) European countries include Bulgaria, Denmark, Finland, Germany, Ireland, Italy, Poland, Portugal, Russia, Spain and United Kingdom.
- (c) North and South American countries include Argentina, Brasil, Canada and the United States.

The Group's geographical segments are also classified by the location of assets, information about its non- current assets by geographical location are set out below:

	Non-current assets	
	2025	2024
	HK\$'000	HK\$'000
Hong Kong	425	4,214
PRC	298	150
	723	4,364

Note: Non-current assets excluded interest in an associate and deferred tax assets.

Information about major customers

For the year ended 31 March 2025, the Group's customer base includes one customer relate to manufacturing and trading of electronic products and accessories operating segment (2024: one customer relate to manufacturing and trading of electronic products and accessories operating segment) with whom transactions have individually exceeded 10% of the Group's revenue. No other single customer contributed 10% or more to the Group's revenue for both years ended 31 March 2025 and 2024.

Revenue from major customers, amounted to 10% or more of the Group's revenue is set out below:

	Revenue from external customers	
	2025	2024
	HK\$'000	HK\$'000
Customer A ¹	27,891	16,654

¹ Revenue from electronic products

6. OTHER INCOME AND OTHER GAINS OR LOSS, NET

	2025 HK\$'000	2024 HK\$'000
Other income		
Bank interest income	1	19
Interest income on dividends receivable	348	348
Interest income on loans receivable	95	—
Services charges	77	184
Sundry income	279	189
	<u>800</u>	<u>740</u>
Other gains and losses		
Gain on modification of lease	121	—
Net foreign exchange gain (loss)	2,327	(3,199)
Gain on early termination of lease	483	—
Gain on reinstatement cost	150	—
Written-off of property, plant and equipment	(37)	—
Written-off of inventories	(495)	—
	<u>2,549</u>	<u>(3,199)</u>
	<u>3,349</u>	<u>(2,459)</u>

7. FINANCE COSTS

	2025 HK\$'000	2024 HK\$'000
Interest on:		
— Other borrowings	448	51
— Lease liabilities	332	525
	<u>780</u>	<u>576</u>

8. LOSS BEFORE TAXATION

	2025 HK\$'000	2024 HK\$'000
Loss before taxation is arrive after charging:		
Staff costs including directors' remuneration	20,065	23,738
Contribution to retirement schemes	1,415	1,308
	<u>21,480</u>	<u>25,046</u>
Total staff costs (<i>Note (a)</i>)	<u>21,480</u>	<u>25,046</u>
Depreciation of property, plant and equipment	106	208
Depreciation of right-of-use assets	1,791	2,374
Amortisation of intangible assets	176	176
Auditors' remuneration		
— Audit services	550	600
Cost of inventories sold	31,647	29,469
Provision for obsolete and slow-moving inventories (<i>Note (b)</i>)	30	66
Written off of property, plant and equipment	37	—
Written off of inventories	495	—
Expenses relating to short-term leases	478	501
	<u>478</u>	<u>501</u>

Notes:

(a) There are approximately HK\$10,624,000 (2024: HK\$14,626,000) related to cost of sales.

(b) The amount is included in cost of sales.

9. TAXATION

	2025 HK\$'000	2024 HK\$'000
Current tax		
— Hong Kong	20	14
Under provision in prior years	—	77
Deferred taxation	(7)	(6)
	<u>13</u>	<u>85</u>

The Company, which was incorporated in the Cayman Islands, together with those group entities incorporated in the BVI, have no assessable profits for both years.

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million.

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% (2024: 25%).

10. DIVIDENDS

The board of directors did not recommend the payment of any dividend for both years.

11. LOSS PER SHARE

	2025 HK\$'000	2024 HK\$'000
Basic loss per share		
Loss		
Loss attributable to owners of the Company for the purpose of calculating basic and diluted loss per share	<u>(4,288)</u>	<u>(9,443)</u>
	2025	2024
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic and diluted loss per share	<u>666,423,133</u>	<u>648,777,459</u>

For the year ended 31 March 2024, the weighted average number of ordinary shares for the purpose of calculating basic loss per share have been adjusted for the effect of share placing on 29 June 2023.

During the year ended 31 March 2024, the computation of diluted loss per share did not assume the exercise of the Company's share options, since the exercise price of those share options were higher than the average market price of the shares.

12. TRADE RECEIVABLES

	2025 HK\$'000	2024 HK\$'000
Trade receivables	6,015	4,593
Less: impairment allowance for ECL	<u>(104)</u>	<u>(47)</u>
	<u>5,911</u>	<u>4,546</u>

The following is an analysis of trade receivables by age, presented based on the invoice date. The analysis below is net of impairment allowance for ECL:

	2025 HK\$'000	2024 HK\$'000
0 to 30 days	5,711	4,546
31 to 60 days	<u>200</u>	<u>—</u>
	<u>5,911</u>	<u>4,546</u>

The average credit period on sales of goods ranges from 0 to 90 days.

13. TRADE PAYABLES

Details of the ageing analysis based on invoice date are as follows:

	2025 HK\$'000	2024 HK\$'000
Within 30 days	1,667	3,031
31 to 60 days	774	1,325
61 to 90 days	238	448
91 to 180 days	32	216
Over 180 days	22	32
	<u>2,733</u>	<u>5,052</u>

The average credit period on purchase of certain goods is generally within 30 days to 90 days.

14. SHARE CAPITAL

	Par value HK\$	Number of shares '000	Nominal value HK\$'000
Issued and fully paid:			
As at 1 April 2023	0.05	594,860	29,743
Issue of share capital under placing (<i>Note</i>)	0.05	<u>71,563</u>	<u>3,578</u>
As at 31 March 2024, 1 April 2024 and 31 March 2025	0.05	<u>666,423</u>	<u>33,321</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally regarding the Company's residual assets.

Note: On 29 June 2023, the Company placed 71,563,010 new shares at the placing price of HK\$0.11 per placing share to a subscriber. Immediately after the completion of share placing, the subscriber holds more than 10% shareholding of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Revenue for the year ended 31 March 2025 was approximately HK\$61.97 million, representing a decrease of approximately 5.36% when compared with last year. Loss attributable to owners of the Company for the year ended 31 March 2025, was approximately HK\$4.29 million whilst the loss attributable to owners of the Company last year was approximately HK\$9.44 million.

Notwithstanding the challenging market conditions encountered during the year, the Group continues to provide electronic products and subcontracting services on PCB assemblies and manufacturing of electronic products to customers in its principal markets, i.e. the U.S.A. and the European countries including Bulgaria, Denmark, Finland, Germany, Ireland, Italy, Poland, Portugal, Russia, Spain and United Kingdom. The Group also operates a catering business in Hong Kong.

In view of the challenging market conditions as mentioned above, while the Group will continue to focus on its core business of the sales of electronic products, it will explore new business opportunities to broaden its source of income and maximise profit and return for the Group and the Shareholders of the Company in the long run. The Group will also endeavour to increase its market share and attract new customers to enlarge its client base through conducting more promotional and marketing activities and designing and developing new electronic products.

Sales of Electronic Products and Accessories

Revenue from this segment during the year ended 31 March 2025 was approximately HK\$45.38 million, representing an increase of approximately 28.90% when compared with last year. The increase in sales of electronic products was mainly due to the increase in sales of the fishing indicator and control board.

Food Catering Services

During the year ended 31 March 2025, the Company has been developing and operating two e-commerce platforms, one (<https://echkmall.com/>) selling watches, jewelry, health care, skin care, food and beverage and another one (<https://www.yukcuisine.com/shop>) selling food and beverage, such as Chinese tea, fermented Bean Curd Biscuit, mooncakes and abalone dishes.

Revenue from this segment during the year ended 31 March 2025 was approximately HK\$16.06 million, representing a decrease of approximately 46.95% when compared with last year. Such decrease was mainly due to the general market condition of Hong Kong catering industry, which was impacted by the outbound tourism effect, as well as the closure of a restaurant previously owned by Yuk Cuisine Limited.

FINANCIAL REVIEW

The Group recorded a loss of approximately HK\$4.29 million for the financial year ended 31 March 2025 as compared with the loss of approximately HK\$9.44 million for the financial year ended 31 March 2024. The decrease in the loss is mainly due to increase in other income and other gains or loss, and decrease of the impairment on right-of-use assets.

The Group's revenue for the year ended 31 March 2025 was approximately HK\$61.97 million (approximately HK\$65.48 million for last year), representing a decrease of approximately 5.36% when compared with last year. Such decrease was mainly due to the decrease in the revenue from restaurant operation by 46.95% when compared with last year.

Moreover, the revenue attributable to the top five customers increased by approximately 41.48% from approximately HK\$29.41 million for the year ended 31 March 2024 to approximately HK\$41.61 million for the year ended 31 March 2025.

Throughout the year ended 31 March 2025, some factory direct costs, such as staff costs, have been reduced at the same time. Therefore, the production cost attributable to each product manufactured by the Group decreased.

The overall gross profit margin of the Group slightly increased from approximately 23.35% for the year ended 31 March 2024 to approximately 24.72% for the year ended 31 March 2025 primarily due to the increase in sales of the higher margin products of the Group's electronic business, namely fishing indicator.

Selling and distribution expenses for the year ended 31 March 2025 amounted to approximately HK\$1.31 million (approximately HK\$1.43 million for the year ended 31 March 2024), representing a decrease of approximately 8.12%. Such decrease was mainly due to the decrease in advertising and promotion expenses to approximately HK\$0.09 million for the year ended 31 March 2025 (approximately HK\$0.21 million for the year ended 31 March 2024).

Administrative and other expenses for the year ended 31 March 2025 amounted to approximately HK\$19.17 million (approximately HK\$22.00 million for the year ended 31 March 2024), representing a decrease of approximately 12.83%. Such decrease was mainly due to the decrease in written off of current account from fellow subsidiaries to approximately HK\$6.20 million (2024: Nil) for the year ended 31 March 2025.

Loss attributable to the owners of the Company amounted to approximately HK\$4.29 million for the year ended 31 March 2025 (approximately HK\$9.44 million for the year ended 31 March 2024). Basic and diluted loss per share attributable to owners of the Company was also approximately HK0.64 cents for the year ended 31 March 2025 (basic and diluted loss per share was approximately HK1.46 cents for the year ended 31 March 2024).

To turnaround the loss for the financial year ended 31 March 2025, the Board intends to develop on its recurring business in providing EMS to international customers while targeting further expansion in its established market, particularly to explore the EMS for consumer electronic products in the PRC market where the Directors consider to have a promising potential. However, the European countries and the United States will still be the principal markets of the Group in the near future.

The Group's strategies are to increase its market share and to enlarge its client base through increasing its marketing activities and introducing new products. The Group is going to launch an LED Illuminated Bobbin for nighttime beach fisherman, along with a new fish bite detector, a power management charger unit, and related products to the market in 2025 and the Group will attend and participate in more exhibitions and trade fairs in Hong Kong, the PRC and overseas to promote EMS and buzzer, to attract potential customers. Moreover, in relation to the Group's food catering business, the Group is going to develop more abundant and diversified products on the current e-commerce platform in 2025.

Material acquisitions and disposals of subsidiaries, associates and joint ventures

There were no material acquisitions and disposals of subsidiaries, associates and joint ventures during the financial year ended 31 March 2025.

Liquidity, Financial Resources and Capital Structure

The Group continues to adopt a prudent financial management, funding and treasury policy and has a healthy financial position.

As at 31 March 2025, the Group had net current assets of approximately HK\$20.06 million (2024: approximately HK\$22.20 million) including cash and cash equivalents of approximately HK\$5.85 million (2024: approximately HK\$3.86 million) and no pledged time deposits (2024: Nil).

The Group's equity capital and borrowings have been applied to fund its working capital and other operational needs. The Group's current ratio as at 31 March 2025 was 2.04 (2024: 2.26).

Save as disclosed below, there has been no material change in the capital structure of the Group during the year ended 31 March 2025. The capital of the Group mainly comprises ordinary shares and capital reserves.

Please refer to Note 14 to the consolidated financial statements for details of changes of capital structure of the Company during the year ended 31 March 2025 and up to the date of this announcement, respectively.

Significant Investment

The Group did not have any significant investment as at 31 March 2025 (2024: Nil).

Dividend

The Board does not recommend the payment of final dividend for the year ended 31 March 2025 (2024: Nil).

Contingent liabilities

The Group had no material contingent liabilities as at 31 March 2025 (2024: Nil).

Charges over assets

The Group had not pledged any time deposits as at 31 March 2025 (2024: Nil).

Event after the Reporting Period

The Group does not have any significant events after the reporting period.

Capital commitment

The Group did not have any significant capital commitments as at 31 March 2025 (2024: Nil).

Foreign Currency Exposure

As at 31 March 2025, the Directors considered the Group's foreign exchange risk to be insignificant. During the year ended 31 March 2025, the Group did not use any financial instruments for hedging purposes.

Employees and Emolument Policy

As at 31 March 2025, the Group employed a total of 116 employees (2024: 126 employees) based in Hong Kong and the PRC. Total staff costs, including Directors' emoluments, amounted to approximately HK\$21.48 million for the year ended 31 March 2025 (2024: HK\$25.05 million).

The Group reviews the emoluments of its directors and staff based on the qualification, experience, performance and the relevant market rates to maintain the remunerations of its directors and staff at a competitive level.

PURCHASE, SALES OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 31 March 2025.

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the standard set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the “**Model Code**”) as its own code governing securities transactions of the Directors. The Company has confirmed, having made specific enquiry of the Directors, all the Directors have complied with the standard set out in the Model Code throughout the Financial Year.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Board and the management of the Company are committed to establishing good corporate governance practices and procedures. The maintenance of high standard of business ethics and corporate governance practices has always been one of the Group's goals. The Company believes that good corporate governance provides a framework that is essential for effective management, successful business growth and a healthy corporate culture, thereby leading to the enhancement of shareholders' value.

The Board has adopted the Corporate Governance Code (the “**Code**”) as set out in Appendix C1 to the GEM Listing Rules. To us, maintaining high standards of corporate governance practices is not just complying with the provisions but also enhancing corporate performance and accountability.

The Company has complied with the code provisions of the Code throughout the year ended 31 March 2025.

AUDIT COMMITTEE

The Company established an audit committee (“**Audit Committee**”) with written terms of reference in compliance with Rule 5.28 of the GEM Listing Rules and relevant code provisions under the Code. The Audit Committee currently consists of three independent non-executive Directors namely Mr. Leung Yu Tung, Stanley, Mr. Lam Kwok Leung, Roy and Mr. Lam Wing Biu, Thomas. Mr. Leung Yu Tung, Stanley is the chairman of the Audit Committee. No member of the Audit Committee is a member of the former or existing auditor of the Company. The Audit Committee has reviewed the audited final results of the Company for the year ended 31 March 2024. The Audit Committee is of the opinion that the financial statements of the Company and the Group for the year ended 31 March 2024 comply with applicable accounting standards, GEM Listing Rules and that adequate disclosures have been made.

RESUMPTION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on Wednesday, 2 July 2025. Application has been made by the Company to the Stock Exchange for the resumption of trading in the shares of the Company on the Stock Exchange with effect from 9:00 a.m. on Monday, 25 August 2025.

By Order of the Board
Echo International Holdings Group Limited
Chan Wan Shan Sandra
Executive Director

Hong Kong, 22 August 2025

As at the date of this announcement, the executive Directors are Mr. Lo Yan Yee, Ms. Cheng Yeuk Hung, Mr. Tansri Saridju Benui and Ms. Chan Wan Shan Sandra, and the independent non-executive Directors are Mr. Leung Yu Tung, Stanley, Mr. Lam Kwok Leung Roy and Mr. Lam Wing Biu, Thomas.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, 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 be published on the Stock Exchange’s website at www.hkexnews.hk and the Company’s website at www.echogroup.com.hk.