

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



DAISHO MICROLINE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 0567)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2025

The board (the “Board”) of directors (the “Directors”) of Daisho Microline Holdings Limited (the “Company”, together with its subsidiaries the “Group”) announces the preliminary consolidated results of the Group for the year ended 31 March 2025 (the “Year”) together with the comparative figures of the previous corresponding year as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 March 2025

	<i>Notes</i>	2025 HK\$'000	2024 HK\$'000
Revenue	3	53,097	85,584
Cost of sales		<u>(42,873)</u>	<u>(67,863)</u>
Gross profit		10,224	17,721
Other income	5	3,540	3,483
Selling and distribution expenses		(3,999)	(4,014)
Administrative expenses		(24,517)	(27,525)
Other operating expenses		(2)	(21)
Reversal of (provision for) impairment losses on trade receivables, net		416	(234)
Reversal of impairment losses on other receivables		406	—
Impairment loss on loan to a joint venture	9	(34)	(1,093)
Fair value loss on investments at fair value through profit or loss		(35)	—
Impairment losses on property, plant and equipment		(3,965)	—
Share of results of a joint venture	9	(130)	(158)
Loss on disposal of subsidiaries		(3,106)	—
Finance costs	6	<u>(83)</u>	<u>(32)</u>

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Loss before taxation	6	(21,285)	(11,873)
Income tax credit	7	<u>159</u>	<u>—</u>
Loss for the year		<u>(21,126)</u>	<u>(11,873)</u>
Loss per share			
Basic (Hong Kong cents)	8	<u>(1.31)</u>	<u>(0.74)</u>
Diluted (Hong Kong cents)	8	<u>(1.31)</u>	<u>(0.74)</u>

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 March 2025

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Loss for the year	(21,126)	(11,873)
Other comprehensive expense:		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Exchange difference on translation of foreign operations	<u>(168)</u>	<u>(228)</u>
Total other comprehensive expense for the year	<u>(168)</u>	<u>(228)</u>
Total comprehensive expense for the year	<u><u>(21,294)</u></u>	<u><u>(12,101)</u></u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2025

		2025	2024
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Non-current assets			
Property, plant and equipment		22,041	27,565
Intangible assets		–	103
Interests in a joint venture	9	347	477
Loan to a joint venture	9	–	18,751
Deposits		26,021	–
Deposits paid for acquisition of property, plant and equipment		–	–
		48,409	46,896
Current assets			
Inventories		6,091	6,058
Trade and bills receivables	10	6,343	24,836
Other receivables, deposits and prepayments		4,358	9,428
Loan to a joint venture	9	18,717	–
Investments at fair value through profit or loss		1,049	–
Tax recoverable		–	286
Cash and cash equivalents		19,947	37,605
		56,505	78,213
Current liabilities			
Trade payables	11	7,385	16,342
Other payables and accruals		13,418	14,703
Lease liabilities		1,046	237
Amount due to a shareholder		7,693	–
Amount due to a joint venture		1,853	–
		31,395	31,282
Net current assets		25,110	46,931
Total assets less current liabilities		73,519	93,827
Non-current liabilities			
Lease liabilities		969	–
Deferred tax liabilities		31	14
		1,000	14
NET ASSETS		72,519	93,813
Capital and reserves			
Share capital	12	161,328	161,328
Reserves		(88,809)	(67,515)
TOTAL EQUITY		72,519	93,813

NOTES

1. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and by the Hong Kong Companies Ordinance.

All amounts have been rounded to the nearest thousand, unless otherwise indicated.

The measurement basis used in the preparation of the consolidated financial statements is historical cost except for certain financial instruments that are measured at fair values at the end of each reporting period.

The consolidated financial statements comprise the financial statements of the Company and all of its subsidiaries. The financial statements of the subsidiaries are prepared for the same reporting period as that of the Company using consistent accounting policies.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

Application of amendments to HKFRS Accounting Standards

In the current year, the Group has applied, for the first time, the following amendments to HKFRS Accounting Standards issued by the HKICPA which are effective for the Group’s financial year beginning on 1 April 2024:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current (the “2020 Amendments”)
Amendments to HKAS 1	Non-current Liabilities with Covenants (the “2022 Amendments”)
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 effect on the Group’s financial performance and positions for the current and prior periods.

3. REVENUE

	2025 HK\$’000	2024 HK\$’000
Revenue from contracts with customers within HKFRS 15		
Manufacturing and trading of printed circuit boards	19,308	26,548
Manufacturing and trading of printing and packaging products	33,789	59,036
	<u>53,097</u>	<u>85,584</u>

3. REVENUE (CONTINUED)

In addition to the information shown in segment disclosures, the revenue from contracts with customers within HKFRS 15 is disaggregated as follows:

Year ended 31 March 2025	Manufacturing and trading of printed circuit boards HK\$'000	Manufacturing and trading of printing and packaging products HK\$'000	Total HK\$'000
<i>Geographical region:</i>			
– Hong Kong	2,042	21,221	23,263
– Europe	8,750	5,160	13,910
– The People's Republic of China (the "PRC")	7,162	7,408	14,570
– South Korea	1,186	–	1,186
– Other countries	168	–	168
	19,308	33,789	53,097
<i>Timing of revenue recognition:</i>			
– at a point in time	19,308	33,789	53,097
<i>Type of transaction price:</i>			
– fixed price	19,308	33,789	53,097
Year ended 31 March 2024	Manufacturing and trading of printed circuit boards HK\$'000	Manufacturing and trading of printing and packaging products HK\$'000	Total HK\$'000
<i>Geographical region:</i>			
– Hong Kong	3,992	53,384	57,376
– Europe	14,895	4,689	19,584
– PRC	5,388	963	6,351
– South Korea	1,481	–	1,481
– North America	637	–	637
– Other countries	155	–	155
	26,548	59,036	85,584
<i>Timing of revenue recognition:</i>			
– at a point in time	26,548	59,036	85,584
<i>Type of transaction price:</i>			
– fixed price	26,548	59,036	85,584

4. SEGMENT INFORMATION

The Directors have been identified as the chief operating decision makers to evaluate the performance of operating segments and to allocate resources to those segments. Based on risks and returns and the Group's internal financial reporting, the Directors of the Company consider that the operating segments of the Group comprise:

- (i) Manufacturing and trading of printed circuit boards;
- (ii) Trading of petroleum and energy products and related business;
- (iii) Manufacturing and trading of printing and packaging products; and
- (iv) Investments in funds.

Segment results represent the results before taxation earned by each segment without allocation of certain other income generated, certain administrative expenses and other operating expenses incurred by the corporate office, fair value loss on investments at fair value through profit and loss, loss on disposal of subsidiaries and finance costs.

All assets are allocated to reportable segments other than unallocated assets which are mainly cash and cash equivalents and other corporate assets. All liabilities are allocated to reportable segments other than other corporate liabilities.

In determining the Group's geographical segments, revenue is attributed to the segments based on the location of customers; assets and capital expenditure are attributed to the segments based on the locations of the assets.

4. SEGMENT INFORMATION (CONTINUED)

(A) By Business Segments

Year ended 31 March 2025

	Manufacturing and trading of printed circuit boards <i>HK\$'000</i>	Trading of petroleum and energy products and related business <i>HK\$'000</i>	Manufacturing and trading of printing and packaging products <i>HK\$'000</i>	Investments in funds <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Segment revenue					
Major customer A	-	-	15,600	-	15,600
Major customer C	-	-	5,695	-	5,695
Major customer D	6,571	-	-	-	6,571
Other customers	12,737	-	12,494	-	25,231
	<u>19,308</u>	<u>-</u>	<u>33,789</u>	<u>-</u>	<u>53,097</u>
Segment results	<u>(1,215)</u>	<u>(1)</u>	<u>(10,997)</u>	<u>10</u>	<u>(12,203)</u>
Unallocated other income					374
Unallocated administrative expenses					(6,232)
Fair value loss on investments at fair value through profit or loss					(35)
Loss on disposal of subsidiaries					(3,106)
Finance costs					<u>(83)</u>
Loss before taxation					(21,285)
Income tax credit					<u>159</u>
Loss for the year					<u><u>(21,126)</u></u>

4. SEGMENT INFORMATION (CONTINUED)

(A) By Business Segments (Continued)

Year ended 31 March 2024

	Manufacturing and trading of printed circuit boards <i>HK\$'000</i>	Trading of petroleum and energy products and related business <i>HK\$'000</i>	Manufacturing and trading of printing and packaging products <i>HK\$'000</i>	Investments in funds <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Segment revenue					
Major customer A	–	–	35,229	–	35,229
Major customer B	15,532	–	–	–	15,532
Other customers	11,016	–	23,807	–	34,823
	<u>26,548</u>	<u>–</u>	<u>59,036</u>	<u>–</u>	<u>85,584</u>
Segment results	<u>(2,887)</u>	<u>–</u>	<u>2,142</u>	<u>(1,251)</u>	<u>(1,996)</u>
Unallocated other income					349
Unallocated administrative expenses					(10,194)
Finance costs					<u>(32)</u>
Loss before taxation					(11,873)
Income tax expense					<u>–</u>
Loss for the year					<u><u>(11,873)</u></u>

“Major customer” is defined as a customer (including a group of entities under common control) with whom revenue from transactions amounted to 10% or more of the Group’s revenue.

4. SEGMENT INFORMATION (CONTINUED)

(A) By Business Segments (Continued)

An analysis of the Group's assets and liabilities by operating segments is set out below:

At 31 March 2025

	Manufacturing and trading of printed circuit boards <i>HK\$'000</i>	Trading of petroleum and energy products and related business <i>HK\$'000</i>	Manufacturing and trading of printing and packaging products <i>HK\$'000</i>	Investments in funds <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Segment assets	37,429	-	46,326	19,397	1,762	104,914
Segment liabilities	(6,364)	-	(21,152)	-	(4,879)	(32,395)
Other segment information:						
Amortisation of intangible assets	-	-	(103)	-	-	(103)
Depreciation	(159)	-	(3,530)	-	(678)	(4,367)
Impairment loss on loan to a joint venture	-	-	-	(34)	-	(34)
Reversal of impairment losses on trade receivables, net	232	-	184	-	-	416
Reversal of impairment losses on other receivables	406	-	-	-	-	406
Impairment losses of property, plant and equipment	-	-	(3,965)	-	-	(3,965)
Loss on disposal of property, plant and equipment	-	-	(2)	-	-	(2)
Share of results of a joint venture	-	-	-	(130)	-	(130)
Loss on disposal of subsidiaries	-	-	-	-	(3,106)	(3,106)
Fair value loss on investments at fair value through profit or loss	-	-	-	-	(35)	(35)
Gain on disposal of investment at fair value through profit or loss	-	-	-	-	366	366
Additions to property, plant and equipment (including right-of-use assets)	1,059	-	505	-	1,338	2,902
Interest income	-	-	-	198	8	206

4. SEGMENT INFORMATION (CONTINUED)

(A) By Business Segments (Continued)

At 31 March 2024

	Manufacturing and trading of printed circuit boards <i>HK\$'000</i>	Trading of petroleum and energy products and related business <i>HK\$'000</i>	Manufacturing and trading of printing and packaging products <i>HK\$'000</i>	Investments in funds <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Segment assets	16,914	3,488	83,745	19,228	1,734	125,109
Segment liabilities	13,217	282	16,810	–	987	31,296
Other segment information:						
Amortisation of intangible assets	–	–	(308)	–	–	(308)
Depreciation	–	–	(3,605)	–	(683)	(4,288)
Impairment losses on loan to a joint venture	–	–	–	(1,093)	–	(1,093)
Impairment losses on trade receivables, net	(33)	–	(201)	–	–	(234)
Gain on disposal of property, plant and equipment, net	–	–	5	–	–	5
Write-off of property, plant and equipment	–	–	(21)	–	–	(21)
Share of results of a joint venture	–	–	–	(158)	–	(158)
Additions to property, plant and equipment (including right-of-use assets)	–	–	3,256	–	–	3,256
Interest income	–	–	–	198	52	250

4. SEGMENT INFORMATION (CONTINUED)

(B) Geographical Information

(i) Revenue from external customers

	2025 HK\$'000	2024 HK\$'000
Hong Kong	23,263	57,376
Europe	13,910	19,584
The PRC	14,570	6,351
South Korea	1,186	1,481
North America	–	637
Other countries	168	155
	<u>53,097</u>	<u>85,584</u>

The revenue information is based on the locations of the customers.

(ii) Non-current assets

	2025 HK\$'000	2024 HK\$'000
The PRC	20,600	26,749
Hong Kong	1,441	919
	<u>22,041</u>	<u>27,668</u>

The non-current assets information above is based on the locations of assets and excluded interests in a joint venture, loan to a joint venture and deposits.

5. OTHER INCOME

	2025 HK\$'000	2024 HK\$'000
Interest income	206	250
Exchange gain, net	513	564
Rental income	1,972	1,985
Government subsidies (<i>Note</i>)	246	220
Sales of scrap materials	219	393
Gain on disposal of property, plant and equipment, net	–	5
Gain on disposal of investment at fair value through profit or loss	366	–
Others	18	66
	<u>3,540</u>	<u>3,483</u>

Note: In the opinion of the Directors, there was no unfulfilled condition or contingency relating to the government subsidies.

6. LOSS BEFORE TAXATION

This is stated after charging:

	2025 HK\$'000	2024 HK\$'000
Finance costs		
Interest on lease liabilities	<u>83</u>	<u>32</u>
	2025 HK\$'000	2024 HK\$'000
Staff costs (excluding Directors' emoluments)		
Salaries, allowances and benefits-in-kind	21,495	24,585
Contribution to defined contribution plans (<i>Note (i)</i>)	<u>1,604</u>	<u>2,103</u>
	<u>23,099</u>	<u>26,688</u>
Other items		
Auditor's remuneration		
– Audit services	750	1,100
– Non-audit services	–	310
Amortisation of intangible assets (included in administrative expenses)	103	308
Cost of inventories (<i>Note (ii)</i>)	42,873	67,863
Depreciation	4,367	4,288
Loss on disposal of property, plant and equipment (including in other operating expenses)	2	–
Write-off of property, plant and equipment (including in other operating expenses)	–	21
Expenses related to short-term leases	<u>509</u>	<u>569</u>

Notes:

- (i) For the years ended 31 March 2025 and 2024, there were no forfeited contributions which were available to reduce the Group's existing level of contributions to the relevant defined contribution retirement scheme in Hong Kong and the PRC.
- (ii) Cost of inventories includes approximately HK\$15,113,000 (2024: HK\$17,386,000) relating to aggregate amount of certain staff costs, depreciation and other rental and related expenses, which are included in the respective total amounts disclosed separately above.

7. INCOME TAX

	2025 HK\$'000	2024 HK\$'000
Current tax		
Hong Kong Profits Tax		
Over-provision in prior years	(172)	(166)
	(172)	(166)
Singapore corporate income tax ("Singapore CIT")		
Current year	–	10
	(172)	(156)
Deferred tax	13	156
Total income tax credit	(159)	–

For the years ended 31 March 2025 and 2024, PRC Enterprise Income Tax ("PRC EIT") has not been provided as (i) certain Group's entities in the PRC incurred a loss for taxation purposes and (ii) the Group's estimated assessable profits for the years were wholly absorbed by unrelieved tax losses brought forward from previous years.

For the years ended 31 March 2025 and 2024, Hong Kong Profits Tax has not been provided as the Group's entities in Hong Kong incurred a loss for taxation purpose.

For the year ended 31 March 2025, Singapore CIT has not been provided as the Group's entities in Singapore had no assessable profits for the year. Singapore CIT is calculated at 17% of the estimated assessable profits with no Singapore CIT rebate for the year ended 31 March 2024. Singapore incorporated company can also enjoy 75% tax exemption on the first SG\$10,000 of normal chargeable income and a further 50% tax exemption on the next SG\$190,000 of normal chargeable income during the year ended 31 March 2024.

8. LOSS PER SHARE

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

	2025 HK\$'000	2024 HK\$'000
Loss:		
Loss attributable to the owners of the Company, used in basic loss per share calculation	<u>(21,126)</u>	<u>(11,873)</u>
Number of shares:	2025	2024
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	<u>1,613,287,570</u>	<u>1,613,287,570</u>

During the years ended 31 March 2025 and 2024, there were no potential dilutive ordinary shares in issue, and therefore, the diluted loss per share is the same as the basic loss per share for the years ended 31 March 2025 and 2024.

9. INTERESTS IN A JOINT VENTURE

	2025 HK\$'000	2024 HK\$'000
Unlisted shares, at cost	156	156
Share of results	191	321
	<u>347</u>	<u>477</u>
Loan to a joint venture (<i>Note</i>)		
– current	18,717	–
– non-current	–	18,751
	<u>18,717</u>	<u>18,751</u>

Note:

Loan to a joint venture with a principal amount of HK\$19,844,000 (2024: HK\$19,844,000) carries a fixed interest rate of 1% per annum and is unsecured and repayable on 28 July 2025. As at 31 March 2025, impairment loss of HK\$1,127,000 (2024: HK\$1,093,000) was made to the loan to a joint venture.

ECL assessment on loan to a joint venture

The movements on the loss allowance on loan to a joint venture during the year is summarised below.

	2025 HK\$'000	2024 HK\$'000
At the beginning of the reporting period	1,093	–
Increase in loss allowance	34	1,093
At the end of the reporting period	<u>1,127</u>	<u>1,093</u>

9. INTERESTS IN A JOINT VENTURE (CONTINUED)

Details of the joint venture are as follows:

Name of the joint venture	Place of in corporation/business	Particulars of registered and paid-up share capital	Proportion of value of registered and paid-up share capital indirectly held by the Company	Principal activities
Noricap Fund	The Cayman Islands/ Hong Kong	US\$50,000	40% (2024: 40%)	Investment holdings and subscription and management of special purpose fund ("SP Fund") which is yet to commence

The above joint venture is accounted for using the equity method in the Group's consolidated financial statements.

On 29 July 2024, the joint venture, "Noricap Fund" entered into a sales and purchase agreement with an independent third party (the "Vendor"), pursuant to which Noricap Fund conditionally agreed to acquire and the Vendor conditionally agreed to sell the entire interests of Full Smart Inc Limited (the "Target Company") at a consideration of approximately United States dollars ("USD") 3,700,000 (equivalent to approximately HK\$28,775,000) (the "Acquisition"). The Target Company indirectly holds approximately 1.72% equity interests of a company ("Investee") which is principally engaged in the provision of automated trading platform service for cryptocurrency in Hong Kong.

During the year ended 31 March 2025, a refundable deposit for the Acquisition of approximately HK\$18,060,000 was paid to the Vendor by Noricap Fund. Subsequent to the reporting period ended 31 March 2025, Noricap Fund indirectly acquired approximately 0.86% of the equity interests of the Investee.

The registered capital of the Target Company is not yet being fully paid up. There is commitment of HK\$10,800,000, net of deposits paid of HK\$18,060,000 in respect of the investment in the Target Company. There are not contingent liabilities in relation the joint venture itself.

Arrangements with joint venture partner

Pursuant to the JV Arrangement Agreement, each of Digital Mind and LBG is entitled to appoint 1 out of 2 board members of Noricap Fund and the key strategic financial and operating decisions in relation to Noricap Fund's operation require the unanimous consent of all board members. In the opinion of the directors of the Company, these key decisions related to the activities that significantly affect the returns of Noricap Fund. Accordingly, neither Digital Mind nor LBG has the ability to control Noricap Fund unilaterally and Noricap Fund is therefore considered as jointly controlled by Digital Mind and LBG. As the Group has rights to the net assets of the joint arrangement, Noricap Fund is accounted for as a joint venture of the Group.

Relationship with the joint venture

Noricap Fund is engaged in investment holdings and subscription and management of SP Fund which presents an investment opportunity to maximise return on the Group's funds by making investments in emerging sectors and diversify the income stream and business risks.

9. INTERESTS IN A JOINT VENTURE (CONTINUED)

Financial information of an individual material joint venture

Summarised financial information of the joint venture of the Group, which is considered to be material, is set out below, which represents amounts shown in the joint venture's financial statements prepared in accordance with HKFRS Accounting Standards and adjusted by the Group for equity accounting purposes including any differences in accounting policies and fair value adjustments.

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
At 31 March:		
<i>Summarised statement of financial position</i>		
Current assets	20,648	20,973
Current liabilities	(20,177)	(134)
Non-current liabilities	–	(19,844)
Net assets	471	995
Included in above:		
Cash and cash equivalents (<i>Remark</i>)	26	–
Current financial liabilities (excluding trade and other payable and provisions)	(19,844)	–
Non-current financial liabilities (excluding trade and other payables and provisions)	–	(19,844)
Reconciliation:		
Group's ownership interests	40%	40%
Group's voting rights	50%	50%
Group's share of net assets of the joint venture	189	398
Unrealised gains or losses for from intra-group transactions	158	79
Carrying amount of the Group's interests in the joint venture	347	477

9. INTERESTS IN A JOINT VENTURE (CONTINUED)

Financial information of an individual material joint venture (Continued)

	2025 HK\$'000	2024 HK\$'000
For the year ended 31 March:		
<i>Summarised statement of profit or loss and other comprehensive income</i>		
Revenue	–	–
Loss for the year	(524)	(593)
Total comprehensive expense	(524)	(593)
	<u> </u>	<u> </u>
Included in above:		
Interest expense	119	119
	<u> </u>	<u> </u>

10. TRADE AND BILLS RECEIVABLES

		2025 HK\$'000	2024 HK\$'000
	<i>Note</i>		
Trade receivables from third parties	10(a)	6,512	25,394
Less: Loss allowance		(169)	(588)
		<u> </u>	<u> </u>
	10(a)	6,343	24,806
Bills receivables	10(b)	–	30
		<u> </u>	<u> </u>
		<u>6,343</u>	<u>24,836</u>

10. TRADE AND BILLS RECEIVABLES (CONTINUED)

(a) Trade receivables

Included in the balances are the trade receivables (before loss allowance) from contracts with customers within HKFRS 15:

	2025 HK\$'000	2024 HK\$'000
At the beginning of the reporting period	<u>25,394</u>	<u>14,939</u>
At the end of the reporting period	<u>6,512</u>	<u>25,394</u>

The Group's business with its trade debtors is mainly on credit basis and the credit period is ranging from 30 to 120 days (2024: 30 to 120 days). At the end of the reporting period, the ageing analysis of trade receivables (before loss allowance) by delivery date is as follows:

	2025 HK\$'000	2024 HK\$'000
Less than 1 month	2,603	14,544
1 to 2 months	1,237	750
2 to 3 months	2,009	5,656
Over 3 months	<u>663</u>	<u>4,444</u>
	<u>6,512</u>	<u>25,394</u>

At the end of the reporting period, the ageing analysis of trade receivables (net of loss allowance) by due date is as follows:

	2025 HK\$'000	2024 HK\$'000
Not past due	5,271	20,398
Less than 1 month past due	615	3,044
1 to 2 months past due	140	1,214
2 to 3 months past due	190	—
Over 3 months past due	<u>127</u>	<u>150</u>
	<u>6,343</u>	<u>24,806</u>

(b) Bills receivables

At 31 March 2024, all bills receivables are interest-free and guaranteed by banks in the PRC and have maturities of less than six months.

11. TRADE PAYABLES

	2025 HK\$'000	2024 HK\$'000
Trade payables to third parties	7,385	16,342

The trade payables are non-interest bearing and the Group is normally granted with a credit term ranging from 30 to 90 days (2024: 30 to 90 days).

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

	2025 HK\$'000	2024 HK\$'000
Less than 1 month	2,817	3,948
1 to 2 months	1,609	3,566
2 to 3 months	150	5,589
Over 3 months	2,809	3,239
	7,385	16,342

12. SHARE CAPITAL

	2025		2024	
	No. of shares	HK\$'000	No. of shares	HK\$'000
Ordinary share of HK\$0.1 each				
Authorised:				
At the beginning of the reporting period	4,000,000,000	400,000	2,000,000,000	200,000
Increase (Note)	–	–	2,000,000,000	200,000
At the end of the reporting period	4,000,000,000	400,000	4,000,000,000	400,000
Issued and fully paid:				
At the beginning of the reporting period and at the end of the reporting period	1,613,287,570	161,328	1,613,287,570	161,328

Note:

Pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 22 September 2023, the authorised share capital of the Company was increased by HK\$200,000,000 by creating an additional 2,000,000,000 new ordinary shares of HK\$0.1 each.

13. LOSS ON DISPOSAL OF SUBSIDIARIES

During the year ended 31 March 2025, the Group disposed of, to an independent third party, the entire interest in Unique Technology (BVI) Limited, Daisho Microline Investment Limited, Pacific Dragon (HK) Energy Limited, Frequent Luck Limited, Newglory Ltd, Juko Electronics Company Limited, Tiny Electronics Limited, Daisho Microline Management Limited and Juko Electronics Industrial Company Limited (the “Disposed Subsidiaries”) for a cash consideration of HK\$100,000.

The net assets of the Disposed Subsidiaries at the date of disposal were as follows:

	<i>HK\$’000</i>
Net assets disposed of:	
Other receivables, deposits and prepayments	42
Security deposit paid in respect of an injunction order	3,446
Other payables and accruals	(282)
	<u>3,206</u>
Loss on disposal:	
Consideration receivable	100
Net assets disposed of	(3,206)
	<u>(3,106)</u>
Net cash inflow arising on disposal:	
Cash consideration received	—*

- * As at 31 March 2025, the consideration was not settled and included in “Other receivables, deposits and prepayments”.

14. SIGNIFICANT RELATED PARTY TRANSACTIONS

In addition to the transactions information disclosed elsewhere in this announcement, the Group had the following transactions with related parties:

(a) Key management personnel remuneration

Remuneration for key management personnel of the Group, representing amounts paid to the Company's directors and senior executives, is as follows:

	2025 HK\$'000	2024 HK\$'000
Salaries, allowances and benefits-in-kind	3,719	5,293
Contribution to defined contribution plans	79	130
	<u>3,798</u>	<u>5,423</u>

The remuneration was based on the terms mutually agreed between the Group and the related parties.

(b) Related party transactions

During the years ended 31 March 2025 and 2024, the Group had the following transactions with related parties. In the opinion of the management of the Group, they are under normal commercial terms that are fair and reasonable and in the best interests of the Group:

	2025 HK\$'000	2024 HK\$'000
Lease, interest payment and management fee paid to a company controlled by a shareholder (<i>note</i>)	923	929
Interest income from a joint venture	198	198

Note: During the year ended 31 March 2025, the Group entered into lease with 2 years lease terms in respect of a warehouse and office from Mr. Ng Man Chan, the substantial shareholder of the Company. During the year ended 31 March 2025, the amounts of rent payable by the Group under the lease is approximately HK\$74,000 per month (2024: HK\$74,000 per month). As at 31 March 2025, the total carry amounts of such right-of-use assets lease liability are approximately HK\$1,049,000 and HK\$1,110,000 (2024: HK\$254,000 and HK\$237,000) respectively.

In the opinion of the Directors, these related party transactions were conducted in the ordinary course of business of the Group.

15. LITIGATIONS

(a) Litigation with Societe Generale

On 17 September 2019, the Group received an amended writ of summons (the “Writ”) issued by Societe Generale, Singapore Branch (the “Plaintiff”) in which, among others, Pacific Dragon (Hong Kong) Energy Limited (“Pacific Dragon”) and DML, two then wholly-owned subsidiaries of the Company, have been joined as additional defendants to the proceedings of the High Court (case number: HCA 1617/2019) which were originally issued against, among others, (1) Ms. Cheung, an ex-director of the Company who resigned on 4 September 2019 and an ex-shareholder of the Company holding approximately 20.84% interest in the Company on trust for her family until she ceased to hold any of the interest on trust for her family on 14 August 2019, and (2) Inter-Pacific Petroleum Pte Ltd (“Inter-Pacific Petroleum”), a wholly owned subsidiary of Inter-Pacific Group. Pursuant to the Writ, the Plaintiff claims, among other things, against Inter-Pacific Petroleum for payment for breach of certain trade finance facilities granted to Inter-Pacific Petroleum in the outstanding sum at 28 August 2019 of approximately US\$89,849,000.

In connection with the Writ, the Plaintiff obtained an injunction order against, among others, Pacific Dragon and DML, pursuant to which (1) Pacific Dragon is restricted from disposing of or dealing with the sum of approximately US\$24,963,000 paid into its bank account during the period from 1 June 2019 to 31 August 2019 and any of its assets whether within or outside Hong Kong up to the same value; and (2) DML is restricted from disposing of or dealing with the sum of approximately US\$6,653,000 paid into its bank account during the period from 1 June 2019 to 31 August 2019 and any of its assets whether within or outside Hong Kong up to the same value. The injunction order was continued on the return hearing held on 20 September 2019. The hearing has been adjourned to be heard on 5 February 2020. The above details have been disclosed in the Company’s announcements dated 4 September 2019, 18 September 2019 and 29 October 2019 respectively.

On 22 June 2020, the hearing was held and the judgement handed down on 10 July 2020. According to the decision of the Court dated 10 July 2020, the aggregate amount injuncted against Pacific Dragon and DML should be reduced to approximately HK\$10,229,000 and the injunction is permitted to be discharged if the same amount injuncted is paid into the Court. Pacific Dragon and DML were also awarded costs to be paid by the Plaintiff.

DML and Pacific Dragon have paid the injuncted amounts of approximately HK\$6,783,000 and HK\$3,446,000 to the Court in November 2020 and in April 2023, respectively. Accordingly, the injunction order was discharged against DML and Pacific Dragon by order of the Court.

On 29 June 2022, DML ceased to be subsidiary of the Group under the Winding-up Order and the injuncted amount of approximately HK\$6,783,000 paid by DML was derecognised upon de-consolidation of DML.

During the year ended 31 March 2025, Pacific Dragon was disposed and ceased to be a subsidiary of the Group. The injuncted amount of approximately HK\$3,446,000 paid by Pacific Dragon was derecognised due to the disposal of subsidiary.

Save as disclosed above, there is no further update for the above litigation up to the date of this announcement.

15. LITIGATIONS (CONTINUED)

(a) Litigation with Societe Generale (continued)

With reference to the opinion of the Group's lawyer, the Directors are of view that the Group has a reasonable ground of defense.

(b) Litigation with Inter-Pacific Group

In November 2019, the Group instructed its lawyer to issue a legal letter to Inter-Pacific Group, demanding Inter-Pacific Group to return the deposit of HK\$14,574,000 to the Group which had paid to Inter-Pacific Group for the acquisition of the two of the four vessels, namely Pacific Energy 8 and Pacific Energy 168, pursuant to the sale and purchase agreement dated 29 September 2017 (the "SPA").

Pursuant to the SPA, the third consideration would be satisfied by the Group in the following manner: (i) on the date the SPA, a cash payment of HK\$14,574,000 (the "Third Deposit"); (ii) at third completion, a cash payment of HK\$10,151,000 and the balance of the remaining third consideration, equivalent to HK\$72,435,000, will be settled by the Group issuing to Inter-Pacific Group (or its designated nominee) the promissory note in the principal amount of HK\$72,435,000.

In the event that the conditions specified in the SPA are not fulfilled or waived on or before 30 September 2019, the Third Deposit shall be returned by Inter-Pacific Group to the Group (or such persons as it may direct), without interest, in immediately available funds within five business days from the 30 September 2019. As the conditions precedent of the SPA with respect to the acquisition of Pacific Energy 8 and Pacific Energy 168 have not been fulfilled, in particular, Mortgage 8 and Mortgage 168 (as defined in the Company's circular dated 27 December 2017) have not been discharged in full by 30 September 2019 and the SPA had been terminated accordingly. Inter-Pacific Group had to fulfill its obligation to return the Third Deposit to the Group by the prescribed deadline.

Therefore, the Group issued a legal letter to demand Inter-Pacific Group to make an immediate repayment of the Third Deposit in the sum of HK\$14,574,000 to the Group.

Inter-Pacific Group was placed under liquidation by the Singapore Court on 27 March 2020 pursuant to the Order of Court HC/ORC 2247/2020. In June 2020, the Company has filed the proof of debt to the liquidators.

Up to the date of this announcement, there is no further update for the above litigation.

In view of the fact that Inter-Pacific Group was known to have financial difficulties, an impairment loss on the refundable deposits of approximately HK\$14,574,000 was fully charged to profit or loss during the year ended 31 March 2020.

As at 31 March 2025, the carrying amount of deposits paid for acquisition of property, plant and equipment is nil (2024: nil), net of impairment loss of approximately HK\$14,574,000 (2024: HK\$14,574,000).

16. EVENTS AFTER THE REPORTING PERIOD

In addition to information disclosed elsewhere in this announcement, subsequent to 31 March 2025, the Group has the following subsequent event:

On 28 March 2025, the Group through its indirect wholly-owned subsidiary, Guangzhou Jiasheng Electronic Trading Company Limited* (廣州嘉升電子貿易有限公司) and certain shareholders (the “Shareholders”) of the Beijing Weihang Yining Health Management Group Company Limited (the “Target Company”) entered into a capital injection agreement, pursuant to which, the Shareholders conditionally agreed to allot and the Group conditionally agreed to subscribe for the registered capital in the Target Company at a consideration of RMB28,500,000 (equivalent to approximately HK\$30,495,000) (the “Subscription”). Upon completion of the Subscription, the Group shall hold approximately 15.12% of the enlarged registered capital of the Target Company. The transaction was completed in May 2025.

Further details of the Subscription are set out in the announcement dated 28 March 2025 and the supplemental announcement dated 30 May 2025 published by the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

Business and Financial Review

During the Year, the Group's total revenue was approximately HK\$53.1 million, representing a decrease of approximately 38.0% as compared with approximately HK\$85.6 million for the last year. The decrease in total revenue was mainly due to (i) the decrease in revenue by approximately HK\$25.2 million of the manufacturing and trading of printing and packaging products business (the "Printing Business") from approximately HK\$59.0 million for the last year to approximately HK\$33.8 million this year; and (ii) the decrease in revenue by approximately HK\$7.2 million of the manufacturing and trading of printed circuit boards (the "PCB") business from approximately HK\$26.5 million for the last year to approximately HK\$19.3 million this year.

The Group recorded a revenue of approximately HK\$33.8 million from the Printing Business during the Year, representing a decrease of 42.7% as compared with the revenue of approximately HK\$59.0 million in last year. The decrease in revenue was mainly due to the escalating trade tensions across the global in the year of 2025 which caused the customers to become precautionary. As a result, the Group's Printing Business recorded a segment loss of approximately HK\$11.0 million as compared with a segment gain of approximately of HK\$2.1 million in last year. The increase in segment loss was mainly due to (i) the decrease in gross profit for this business by approximately HK\$7.3 million, and (ii) the impairment loss on property, plant and equipment of approximately HK\$4.0 million with reference to the recoverable amount of the cash generating unit of the Printing Business.

The Group recorded a revenue of approximately HK\$19.3 million from the PCB business during the Year, representing a decrease of 27.2% as compared with the revenue of approximately HK\$26.5 million in last year. The decrease in revenue was mainly due to the decrease in customers' demand arisen from the pessimistic economic outlook and intensified trade tensions in the beginning of the year 2025. The Group's PCB business recorded a segment loss of approximately HK\$1.2 million as compared with the segment loss of approximately HK\$2.9 million for the last year. Such decrease in segment loss was mainly attributable to (i) the decrease in selling and distribution expenses for this business by approximately HK\$0.6 million as a result of the decrease in revenue as above mentioned, and (ii) reversal of impairment loss on trade receivables and other receivables by approximately HK\$0.2 million and HK\$0.4 million, respectively this year.

Due to the suspension of the Group's trading of petroleum and energy products and related business, there has been no revenue generated from this business segment since 2019. The business segment did not record any segment gain/loss this year.

During the Year, Noricap Fund G.P. Limited (“Noricap Fund”) has conditionally agreed to invest in a company which is principally engaged in the provision of automated trading platform service for cryptocurrency (“Investee”). Details are set out under the sub-headed section “Investments in Funds Business Segment” under “Outlook” below.

The Group’s gross profit margin was approximately 19.3%, representing a slight decrease as compared with approximately 20.7% in last year.

The Group recorded a total net loss of approximately HK\$21.1 million for the Year as compared to the total net loss of approximately HK\$11.9 million for the last year. The increase in the net loss for the Year was mainly due to the following factors: (1) the Group’s gross profit decreased to approximately HK\$10.2 million, representing a decrease of approximately HK\$7.5 million as compared with approximately HK\$17.7 million in last year; (2) there was an impairment loss on property, plant and equipment of approximately HK\$4.0 million this year, while no such loss was recorded for the last year; (3) there was a loss on disposal of subsidiaries of approximately HK\$3.1 million this year, while no such loss was recorded for the last year net off with (4) decrease in administrative expenses by approximately HK\$3.0 million as compared with the last year.

The Group’s equity attributable to the owners of the Company decreased from approximately HK\$93.8 million as at 31 March 2024 to approximately HK\$72.5 million as at 31 March 2025, which was mainly due to the reported loss for the Year.

The Group’s gearing ratio (defined as interest-bearing borrowings and lease liabilities, divided by total capital) as at 31 March 2025 was 2.8% (2024: 0.3%). The increase in the gearing ratio was mainly due to the increase in lease liabilities by approximately HK\$1.8 million. The Group’s current ratio (defined as total current assets divided by total current liabilities) as at 31 March 2025 and 2024 was 1.80 times and 2.50 times, respectively. The decrease in the current ratio was mainly due to the deposit made to the Target Company in the amount of RMB23,500,000 (equivalent to approximately HK\$25,474,000). Details are set out under the sub-headed section “Subscription” under “Significant Investment” below.

As at 31 March 2025, the Group’s total cash and bank balances were approximately HK\$19.9 million (2024: approximately HK\$37.6 million). The Group did not have any interest-bearing borrowings as at 31 March 2025 (2024: Nil).

Foreign Exchange Exposure

The Group’s transaction and monetary assets are principally denominated in RMB, HKD and USD. The Group did not experience any difficulties or effects on its operations or liquidity as a result of the fluctuations in currency exchange rates during the Year. The Group did not enter into any foreign exchange derivative contracts to manage the currency translation risk of RMB against USD, USD against HKD during the Year, but the Group reviews its foreign exchange exposure regularly and considers using financial instruments to hedge against foreign exchange exposure at appropriate time.

Litigations

Except for those disclosed litigations as set out in Note 15 to this announcement, the Group is not a party to any other significant legal proceedings.

Contingent Liabilities

As at 31 March 2025, the Group did not have any material contingent liabilities and outstanding banking facilities (2024: Nil).

Capital Commitments

As at 31 March 2025, the Group had no capital commitments (2024: Nil).

Pledge of Assets

There were no borrowings secured by assets of the Group as at 31 March 2025 (2024: Nil).

Employees and Remuneration Policy

As at 31 March 2025, the Group had 226 (2024: 263) employees, including the Directors, working mainly in Hong Kong and the PRC. For the Year, the Group's total staff costs including directors' emoluments were approximately HK\$24.5 million (2024: approximately HK\$29.2 million).

The Group actively recruits skilled and qualified personnel in local markets through various channels, such as internal referrals and advertisement on the internet. The Group believes that employees are important assets to the Group and the core of its competitive advantage. Therefore, we are dedicated to improving our employment system in order to attract, cultivate and retain talents and believe that this will contribute significantly to the Group's success. It provides competitive remuneration packages and fringe benefits, including basic salary, different types of leave (annual, sick, maternity, funeral, injury and breast-feeding), insurance, housing provident fund, allowance, subsidy and bonus to its employees.

The Company has also adopted a share option scheme as an incentive to, inter alia, the Directors and eligible employees, details of which are set out in the section headed "Share Option Scheme" below.

Under the applicable PRC laws and regulations, the Group is subject to social insurance contribution plans. The Group also participates in a pension scheme under the rules and regulations of the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) for all employees in Hong Kong.

The Group believes that development and training are crucial for employees to discharge their duties more effectively and efficiently. To nurture talents and support continuous development of employees, the Group has established the "Training Management Policy" in its "Employee Handbook" to regulate the processes of training planning, preparation, execution, evaluation and feedback.

Share Option Scheme

A share option scheme (the “Share Option Scheme”) was approved and adopted by the passing of an ordinary resolution at a special general meeting of the Company held on 22 November 2016 (the “Date of Adoption”) and further approved by the Listing Committee of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 23 June 2017, under which, options may be granted by the Company to any eligible participants (including executive, non-executive and independent non-executive Directors) to subscribe for shares of the Company, subject to the terms and conditions as stipulated in Share Option Scheme. The Share Option Scheme shall be valid and effective for a period of 10 years after the Date of Adoption. An option must be exercised within 10 years from the date on which it is granted or such shorter period as the Board may specify at the time of grant. An offer of grant of an option may be accepted by an eligible person within 28 days from the date of the offer of grant of the option.

The scheme mandate limit under the Share Option Scheme was refreshed by the passing of an ordinary resolution at the annual general meeting of the Company held on 23 September 2022 (the “2022 AGM”), following which the maximum number of shares that may be issued by the Company upon exercise of all the share options granted under the Share Option Scheme is 161,328,757 shares of the Company, representing 10% of the total number of issued shares of the Company as at the date of the 2022 AGM. The details of the refreshment of the scheme mandate limit under the Share Option Scheme are set out in the circular of the Company dated 27 July 2022.

During the Year and the year ended 31 March 2024, no share options were granted, exercised, cancelled or lapsed under the Share Option Scheme. As at 31 March 2025, there were no outstanding share options under the Share Option Scheme.

As at 31 March 2025 and up to the date of this announcement, the total number of share options available for grant by the Company under the Share Option Scheme was 161,328,757, representing 10% of the shares of the Company in issue.

Final Dividend

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

Significant Investment

Subscription

On 28 March 2025, the Group, through its indirect wholly-owned subsidiary, Guangzhou Jiasheng Electronic Trading Company Limited* (廣州嘉升電子貿易有限公司) (“Guangzhou Jiasheng”), entered into a capital injection agreement, and conditionally agreed to subscribe for approximately 15.12% of the enlarged registered capital of Beijing Weihang Yining Health Management Group Company Limited* (北京偉航奕寧健康管理集團有限公司) (the “Target Company”). The subscription total amount is RMB28,500,000 (equivalent to approximately HK\$30,495,000), of which RMB1,781,300 was injected as registered capital, and the remaining balance of RMB26,718,750 was injected to the Target Company’s capital reserves (“Capital Injection”). The principal activity of the Target Company is operation of artificial intelligence medical system with assisting high-end medical resource integrated health management platform. The Target Company shall be classified as an associated company of the Group and accounted for using equity method in the consolidated financial statements of the Group. The financial results of the Target Company will not be consolidated into the consolidated financial statements of the Group. Up to the date of this announcement, the completion of the Capital Injection has taken place.

Further details of the subscription are set out in the announcement dated 28 March 2025 and the supplemental announcement dated 30 May 2025 published by the Company.

Future Plan for Material Investments and Capital Assets

The Group does not have any concrete plans for material investments or capital assets acquisitions for the coming 12 months.

Outlook

PCB Business Segment

The PCB business segment is closely related to the macroeconomic environment as the PCB products are mainly applied in the consumer products such as automobiles and electronics devices. The trade tensions started in 2025 imposed downside risk to the global economy, and the customers became precautionary, which was reflected in the drop of the sales in the first quarter of 2025 when compared to the same period of the last year. However, with the sign of relief of the trade tension recently, we can see the sales amount start to rebound, and hopefully will continue to improve.

Printing Business Segment

The escalating trade tensions across the global caused the customers to become precautionary which reflected in the dropped sales amount in the first quarter of 2025. However, based on the incoming orders, we expect the sales will return to stable in the next half year. The unpredictability of the global economic environment intensified the downside risk; the management will closely monitor and act accordingly, and will continue to implement cost control measures and optimise the inventory management.

Trading of Petroleum and Energy Products and Related Business Segment

The legal proceedings against the two then subsidiaries of the Company (including Pacific Dragon and DML) initiated by Societe Generale, Singapore Bank in August 2019 had been vigorously defended by the Company. On 10 July 2020, the Hong Kong High Court handed down its decision that the injunction continued but only on a proprietary basis, and only in the sums totaling HK\$10.2 million and discharge of the injunction would be permitted if such amount was paid into the Court.

In November 2020, DML paid the injuncted amount of approximately HK\$6.8 million to the Court. The injunction order against DML was discharged by the order of the Court dated 14 December 2020 and therefore the bank balances held by DML were released from restriction of use. On 29 June 2022, DML ceased to be a subsidiary of the Company under the Winding-up Order and the injuncted amount paid by DML was derecognised upon de-consolidation.

As at 31 March 2021, Pacific Dragon had the bank balances of approximately HK\$2.7 million which were restricted from being used. In April 2021, Pacific Dragon paid the injuncted amount of approximately HK\$3.5 million into the Court. The injunction order against Pacific Dragon was discharged by the order of the Court dated 18 May 2021 and therefore the bank balances held by Pacific Dragon were released from restriction of use. During the year ended 31 March 2025, Pacific Dragon was disposed of and ceased to be a subsidiary of the Group as set out in Note 13 to this announcement. The injuncted amount of approximately HK\$3,446,000 paid by Pacific Dragon was derecognised.

With reference to the opinion of the Group's lawyer, the Group is of view that we have a reasonable ground of defense and will continue to defend the case.

Details of the legal proceedings are set out in Note 15 to this announcement.

The international crude oil price fluctuated widely at medium level and dropped further. It is foreseen that the global commodity demand will remain growth. The Group is actively seeking for trading opportunities and try to resume the trading business. On 22 May 2023, the Company entered into a non-binding memorandum of understanding with an independent third party (as defined in the Listing Rules), pursuant to which, among others, both parties proposed to set up a joint venture which is planned to be engaged in the trading of energy and resources related products and commodities so as for the Group to resume the trading business. The group is still negotiating with the potential trading partner regarding the operational decision and exploring the trading opportunity. Up to the date of this announcement, a mutual agreement has not been reached yet.

Investments in Funds Business Segment

The Group, through Digital Mind, entered into a joint venture agreement in July 2022, in relation to the subscription of the 40% of equity interests in Noricap Fund which is engaged in investment holdings and subscription and management of a special purpose fund ("SP Fund") or making other investments as agreed with the joint venture partners. Details of Noricap Fund are set out in Note 9 to this announcement.

Prior to the completion of set-up of SP Fund, Noricap Fund is actively looking for potential investment opportunities. The Group has provided a loan of approximately HK\$19.8 million with the terms stipulated in the joint venture agreement to Noricap Fund for making temporary investments with stable return, and LBG Equity Investments (HK) Co., Limited will provide its shareholder's loan following the approval from the relevant authorities in the PRC.

On 29 July 2024, Noricap Fund entered into a sale and purchase agreement with an independent third party, pursuant to which Noricap Fund has conditionally agreed to invest in a company which is principally engaged in the provision of automated trading platform service for cryptocurrency ("Investee"). The Investee has already obtained the licenses from the Securities and Future Commission ("SFC") and other requisite licenses necessary to conduct the key business. Up to the date of this announcement, the completion has taken place, and Noricap Fund paid out the amount of approximately HK\$18.1 million and indirectly acquired approximately 0.86% of the equity shares of the Investee.

The board is of the view that the provision of the shareholder loan for the purpose of making other investments as agreed by the joint venture partners will present an investment opportunity to maximise return of the Group's fund and allow the Group to diversify its business and sources of income.

Other Investment

As detailed in the sub-headed section "Subscription" under "Significant Investment" above, the Group, through Guangzhou Jiasheng, entered into the Capital Injection Agreement on 28 March 2025, and conditionally agreed to subscribe for the capital of the Target Company. The Board is of the view that the Capital Injection will enable the Group to diversify the scope of its operations. It is in line with the Group's strategy to strengthen its financial performance as the subscription will enable the Group to diversify its income stream.

CORPORATE GOVERNANCE

The Company has applied and complied with all applicable code provisions of the Corporate Governance Code (the "CG Code") as set out in Part 2 of Appendix C1 to the Listing Rules throughout the Year, except for the code provision C.2.1 of the CG Code as noted hereunder.

Chairman and Chief Executive Officer

Code provision C.2.1 of the CG Code provides that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. LEE Man Kwong is the chairman of the Board and the Company has not appointed a chief executive officer. The daily operations of the Group are delegated to the executive Directors and the senior management. The Board is of the view that the current management structure can effectively facilitate the Company's operations and business developments.

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

Neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Year (including sale of treasury shares). As of the end of the Year, no treasury shares were held by the Company.

EVENTS AFTER THE REPORTING YEAR

Save as disclosed elsewhere in this announcement, there were no significant events occurred after the Year and up to the date of this announcement.

REVIEW OF FINANCIAL STATEMENTS BY THE AUDIT COMMITTEE

The Audit Committee of the Company has reviewed the accounting principles and practices adopted by the Group, discussed internal controls and financial reporting matters including a review of the consolidated financial statements of the Group for the Year and agreed with all the accounting treatments which have been adopted therein.

SECURITIES TRANSACTIONS BY DIRECTORS AND RELEVANT EMPLOYEES

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules (the "Model Code") as its code of conduct regarding directors' securities transactions. The Company has made specific enquiries of all Directors and all Directors have confirmed that they have complied with the required standard set out in the Model Code during the Year.

SCOPE OF WORK PERFORMED BY PRISM HONG KONG LIMITED

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

PUBLICATION OF ANNUAL REPORT

The Company's annual report for the Year containing all the information required by the Listing Rules will be dispatched to the Company's shareholders and published on the website of the Stock Exchange at "www.hkexnews.hk" and the Company's website at "www.irasia.com/listco/hk/daisho" in due course.

By Order of the Board
Daisho Microline Holdings Limited
LEE Man Kwong
Chairman

Hong Kong, 24 June 2025

As at the date of this announcement, the Board consists of one executive Director, namely, LEE Man Kwong, two non-executive Directors, namely, YAU Pak Yue and WONG Siu Hung, Patrick and three independent non-executive Directors, namely, CHAN Yau Ching, Bob, LEUNG Hoi Ming and LIN Ying.

* *For identification purposes only*