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# king fook holdings limited

## 景福集團有限公司

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 280)**

### GROUP RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

The Board of Directors (the “Board”) of King Fook Holdings Limited (the “Company”) announces the audited consolidated financial statements of the Company and its subsidiaries (collectively referred to as the “Group”) for the financial year ended 31 March 2025 together with the audited comparative figures for the previous year as follows:

#### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

|                                                                              |       | Year ended 31 March   |                  |
|------------------------------------------------------------------------------|-------|-----------------------|------------------|
|                                                                              |       | 2025                  | 2024             |
|                                                                              | Notes | HK\$'000              | HK\$'000         |
| <b>Revenue</b>                                                               | 6     | <b>885,991</b>        | 775,573          |
| Cost of sales                                                                |       | <u>(611,349)</u>      | <u>(534,788)</u> |
| <b>Gross profit</b>                                                          |       | <b>274,642</b>        | 240,785          |
| Other gains and income                                                       | 7     | <b>20,291</b>         | 21,900           |
| Distribution and selling costs                                               |       | <b>(124,073)</b>      | (109,365)        |
| Administrative expenses                                                      |       | <b>(56,184)</b>       | (52,426)         |
| Fair value gain on realisation of bullion contract                           |       | -                     | 3,290            |
| Fair value loss on gold loan designated at fair value through profit or loss |       | <b>(22,213)</b>       | (8,158)          |
| Provision for impairment loss on property, plant and equipment               |       | <b>(3,689)</b>        | -                |
| Provision for impairment loss on right-of-use assets                         |       | <b>(7,575)</b>        | (8,831)          |
| Other operating expenses                                                     | 8     | <u><b>(540)</b></u>   | <u>(455)</u>     |
| <b>Operating profit</b>                                                      |       | <b>80,659</b>         | 86,740           |
| Finance costs                                                                |       | <u><b>(4,793)</b></u> | <u>(4,149)</u>   |
| <b>Profit before taxation</b>                                                | 9     | <b>75,866</b>         | 82,591           |
| Taxation                                                                     | 10    | <u><b>12,400</b></u>  | <u>2,600</u>     |
| <b>Profit for the year</b>                                                   |       | <u><b>88,266</b></u>  | <u>85,191</u>    |

# **CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Continued)**

|                                                                                           |              | <b>Year ended 31 March</b> |                 |
|-------------------------------------------------------------------------------------------|--------------|----------------------------|-----------------|
|                                                                                           |              | <b>2025</b>                | <b>2024</b>     |
|                                                                                           | <i>Notes</i> | <b>HK\$'000</b>            | <b>HK\$'000</b> |
| <b>Other comprehensive income</b>                                                         |              |                            |                 |
| <i>Items that may be reclassified subsequently to profit or loss:</i>                     |              |                            |                 |
| Change in fair value of debt instruments at fair value through other comprehensive income |              | <b>461</b>                 | -               |
| Exchange differences on translation of foreign operations                                 |              | <b>(132)</b>               | (348)           |
| Release of exchange reserve upon liquidation of a subsidiary                              |              | -                          | (2,319)         |
| <i>Item that will not be reclassified to profit or loss:</i>                              |              |                            |                 |
| Change in fair value of investments at fair value through other comprehensive income      |              | <b>1,674</b>               | 380             |
| <b>Other comprehensive income for the year</b>                                            |              | <b>2,003</b>               | (2,287)         |
| <b>Total comprehensive income for the year</b>                                            |              | <b>90,269</b>              | 82,904          |
| <b>Profit/(loss) for the year attributable to:</b>                                        |              |                            |                 |
| - Owners of the Company                                                                   |              | <b>88,288</b>              | 85,205          |
| - Non-controlling interests                                                               |              | <b>(22)</b>                | (14)            |
|                                                                                           |              | <b>88,266</b>              | 85,191          |
| <b>Total comprehensive income for the year attributable to:</b>                           |              |                            |                 |
| - Owners of the Company                                                                   |              | <b>90,291</b>              | 82,918          |
| - Non-controlling interests                                                               |              | <b>(22)</b>                | (14)            |
|                                                                                           |              | <b>90,269</b>              | 82,904          |
| <b>Earnings per share</b>                                                                 |              | <b>HK cents</b>            | <b>HK cents</b> |
| - Basic and diluted                                                                       | 12           | <b>9.71</b>                | 9.37            |

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

|                                                                   |       | As at 31 March   |                |
|-------------------------------------------------------------------|-------|------------------|----------------|
|                                                                   |       | 2025             | 2024           |
|                                                                   | Notes | HK\$'000         | HK\$'000       |
| <b>ASSETS AND LIABILITIES</b>                                     |       |                  |                |
| <b>Non-current assets</b>                                         |       |                  |                |
| Property, plant and equipment                                     |       | 6,390            | 10,222         |
| Right-of-use assets                                               | 13    | 43,963           | 31,575         |
| Investment properties                                             |       | 673              | 744            |
| Investments at fair value through other comprehensive income      |       | 2,380            | 706            |
| Debt instruments at fair value through other comprehensive income |       | 31,772           | -              |
| Other asset                                                       |       | 356              | 356            |
| Deposits                                                          | 14    | 6,401            | 7,148          |
| Deferred tax assets                                               |       | 15,000           | 2,600          |
|                                                                   |       | <u>106,935</u>   | <u>53,351</u>  |
| <b>Current assets</b>                                             |       |                  |                |
| Inventories                                                       |       | 420,218          | 414,979        |
| Debtors, deposits and prepayments                                 | 14    | 25,819           | 24,310         |
| Debt instrument at fair value through other comprehensive income  |       | 15,534           | -              |
| Investments at fair value through profit or loss                  |       | -                | 146            |
| Time deposits                                                     |       | 161,377          | 193,299        |
| Cash and cash equivalents                                         |       | 276,773          | 231,231        |
|                                                                   |       | <u>899,721</u>   | <u>863,965</u> |
| <b>Total assets</b>                                               |       | <u>1,006,656</u> | <u>917,316</u> |
| <b>Current liabilities</b>                                        |       |                  |                |
| Trade payables, deposits received and other payables              | 15    | 50,510           | 58,649         |
| Gold loan                                                         |       | 80,322           | 58,109         |
| Lease liabilities                                                 | 13    | 31,889           | 31,000         |
|                                                                   |       | <u>162,721</u>   | <u>147,758</u> |
| <b>Net current assets</b>                                         |       | <u>737,000</u>   | <u>716,207</u> |
| <b>Total assets less current liabilities</b>                      |       | <u>843,935</u>   | <u>769,558</u> |
| <b>Non-current liabilities</b>                                    |       |                  |                |
| Provision for long service payments                               |       | 2,042            | 2,000          |
| Lease liabilities                                                 | 13    | 23,619           | 12,274         |
|                                                                   |       | <u>25,661</u>    | <u>14,274</u>  |
| <b>Net assets</b>                                                 |       | <u>818,274</u>   | <u>755,284</u> |
| <b>CAPITAL AND RESERVES</b>                                       |       |                  |                |
| Share capital                                                     |       | 393,354          | 393,354        |
| Other reserves                                                    |       | 34,344           | 32,341         |
| Retained profits                                                  |       | 390,534          | 329,525        |
| <b>Equity attributable to owners of the Company</b>               |       | <u>818,232</u>   | <u>755,220</u> |
| <b>Non-controlling interests</b>                                  |       | <u>42</u>        | <u>64</u>      |
| <b>Total equity</b>                                               |       | <u>818,274</u>   | <u>755,284</u> |

Notes:

## 1. GENERAL INFORMATION AND BASIS OF PREPARATION

The Company is a limited liability company incorporated and domiciled in Hong Kong. Its registered office is located at 9th Floor, King Fook Building, 30-32 Des Voeux Road Central, Hong Kong and its principal place of business is in Hong Kong. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The directors of the Company (the "Directors") consider the ultimate holding company to be Yeung Chi Shing Estates Limited, a company incorporated in Hong Kong.

The principal activities of the Group are gold ornament, jewellery, watch and gift retailing, bullion trading and diamond wholesaling.

### **Change in presentation of items in consolidated statement of profit or loss and other comprehensive income**

In prior years, fair value gain on realisation of bullion contract, fair value loss on gold loan designated at fair value through profit or loss, provision for impairment loss on property, plant and equipment and provision for impairment loss on right-of-use assets were included in "other gains and income" or "other operating expenses". From current year onwards, the Group changed to present these gain or losses on the face of consolidated statement of profit or loss and other comprehensive income, as management believed such presentation provides users of the consolidated financial statements with a better understanding of the Group's business and performance and is consistent with how management reviews the operation of the Group. These changes have been made retrospectively to the consolidated financial statements.

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards, which is a collective term includes all applicable individual Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accounting Standards ("HKASs") and Interpretations as issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") and have been prepared in compliance with the Hong Kong Companies Ordinance.

## 2. ADOPTION OF REVISED HKFRSs

In the current year, the Group has applied for the first time the following revised HKFRS Accounting Standards as issued by the HKICPA, which are relevant to and effective for the Group's consolidated financial statements for the annual period beginning on 1 April 2024:

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

None of these amended HKFRS Accounting Standards has a material impact on the Group's results and financial position for the current or prior period and financial statements disclosures.

### 3. NEW OR REVISED HKFRS ACCOUNTING STANDARDS THAT HAVE BEEN ISSUED BUT ARE NOT YET EFFECTIVE

The Group has not early applied the following new or revised HKFRS Accounting Standards that have been issued but are not yet effective. The Group anticipates that all of the relevant pronouncements will be adopted in the Group's accounting policies for the first period beginning after the effective date of the pronouncement.

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

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2025

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2026

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2027

<sup>4</sup> Effective for annual periods beginning on or after a date to be determined

#### ***HKFRS 18: Presentation and Disclosure in Financial Statements***

HKFRS 18 sets out requirements on presentation and disclosures in financial statements and it will replace HKAS 1 Presentation of Financial Statements. The new HKFRS Accounting Standard 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. HKFRS 18 will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is not expected to have material impact on the financial performance and financial position of the Group but is expected to affect the disclosures and presentation in the future financial statements.

#### ***Amendments to HKFRS 9 and HKFRS 7: Amendments to the Classification and Measurement of Financial Instruments***

The amendments clarify that a financial liability is derecognised on the settlement date and introduce an accounting policy choice to derecognise financial liabilities settled using an electronic payment system before the settlement date. It also clarifies the classification of financial assets with Environmental, Social and Governance linked features via additional guidance on the assessment of contingent features. Clarifications have been made to non-recourse loans and contractually linked instruments. Additional disclosures are introduced for financial instruments with contingent features and equity instruments classified at fair value through other comprehensive income. The amendments are effective for annual periods beginning on or after 1 January 2026. Early adoption is permitted, with an option to early adopt the amendments for contingent features only. The Group is currently assessing the impact of these amendments.

Except as disclosed above, the Directors do not anticipate that the application of the amendments and revisions in the future will have an impact on the Group's financial performance and financial position.

The Directors anticipate that all of the relevant pronouncements will be adopted in the Group's accounting policies for the first period beginning after the effective date of the pronouncement.

### 4. USE OF JUDGEMENTS AND ESTIMATES

In preparing the consolidated financial statements, the significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the Group's annual consolidated financial statements for the year ended 31 March 2024.

## 5. SEGMENT INFORMATION

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the Group's top management including executive directors and chief executive for their decisions about resources allocation to the Group's business components and for their review of these components' performance. The business components in the internal financial information reported to the top management are determined according to the Group's major product and service lines.

Based on the above, the Group's top management determined that the Group has only one single reportable segment, which is retailing, bullion trading and diamond wholesaling. Accordingly, no separate segment of analysis is presented.

No geographical information was presented for the years ended 31 March 2024 and 2025 respectively as more than 90% of the Group's revenue was derived from activities in Hong Kong (place of domicile). Also, most of the Group's non-current assets are located in Hong Kong.

For the years ended 31 March 2024 and 2025 respectively, no revenue from a single customer accounted for 10% or more of the total revenue of the Group.

## 6. REVENUE

The Group is principally engaged in gold ornament, jewellery, watch and gift retailing, bullion trading and diamond wholesaling. Revenue of the Group recognised during the year comprised the following:

|                                                    | <b>Year ended 31 March</b> |                 |
|----------------------------------------------------|----------------------------|-----------------|
|                                                    | <b>2025</b>                | <b>2024</b>     |
|                                                    | <b>HK\$'000</b>            | <b>HK\$'000</b> |
| Revenue from contracts with customers:             |                            |                 |
| Gold ornament, jewellery, watch and gift retailing | <b>788,641</b>             | 733,364         |
| Bullion trading                                    | <b>97,114</b>              | 39,863          |
| Diamond wholesaling                                | <b>236</b>                 | 2,346           |
|                                                    | <hr/>                      | <hr/>           |
| Total revenue                                      | <b>885,991</b>             | 775,573         |
|                                                    | <hr/>                      | <hr/>           |
| Timing of revenue recognition:                     |                            |                 |
| At a point in time                                 | <b>885,991</b>             | 775,573         |
|                                                    | <hr/>                      | <hr/>           |

## 7. OTHER GAINS AND INCOME

|                                                                                        | <b>Year ended 31 March</b> |                 |
|----------------------------------------------------------------------------------------|----------------------------|-----------------|
|                                                                                        | <b>2025</b>                | <b>2024</b>     |
|                                                                                        | <b>HK\$'000</b>            | <b>HK\$'000</b> |
| Dividend income                                                                        | <b>41</b>                  | 35              |
| Fair value change of investments at fair value through profit or loss                  | <b>21</b>                  | -               |
| Gain on release of exchange reserve upon liquidation of a subsidiary                   | <b>-</b>                   | 2,319           |
| Interest income from debt instruments at fair value through other comprehensive income | <b>1,298</b>               | -               |
| Interest income from financial assets at amortised cost                                | <b>16,937</b>              | 17,031          |
| Interest income from rental deposits                                                   | <b>833</b>                 | 686             |
| Rental income on investment properties                                                 | <b>1,075</b>               | 1,220           |
| Others                                                                                 | <b>86</b>                  | 609             |
|                                                                                        | <hr/>                      | <hr/>           |
|                                                                                        | <b>20,291</b>              | 21,900          |
|                                                                                        | <hr/>                      | <hr/>           |

## 8. OTHER OPERATING EXPENSES

|                                                                       | Year ended 31 March |                  |
|-----------------------------------------------------------------------|---------------------|------------------|
|                                                                       | 2025<br>HK\$'000    | 2024<br>HK\$'000 |
| Fair value change of investments at fair value through profit or loss | -                   | 27               |
| Foreign exchange differences, net                                     | 495                 | 394              |
| Loss arising from termination of a lease                              | -                   | 17               |
| Loss on write off/disposal of property, plant and equipment           | 45                  | 17               |
|                                                                       | <u>540</u>          | <u>455</u>       |

## 9. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging and (crediting):

|                                                                          | Year ended 31 March |                  |
|--------------------------------------------------------------------------|---------------------|------------------|
|                                                                          | 2025<br>HK\$'000    | 2024<br>HK\$'000 |
| Auditors' remuneration                                                   | 850                 | 844              |
| Cost of inventories sold, including                                      | 610,030             | 533,645          |
| – provision for and write down of inventories to net realisable value    | 5,283               | 7,894            |
| Depreciation of investment properties                                    | 71                  | 72               |
| Depreciation of property, plant and equipment                            | 4,887               | 4,006            |
| Depreciation of right-of-use assets                                      | 34,561              | 30,763           |
| Outgoings in respect of investment properties                            | 233                 | 320              |
| Provision for long service payments                                      |                     |                  |
| – provision                                                              | 462                 | 2,044            |
| – reversal of provision                                                  | (397)               | (19)             |
| Rental expenses for variable lease payments                              | -                   | 17               |
| Rental expenses on short term lease in respect of car parking space      | 67                  | 19               |
| Rental expenses on short term lease in respect of furniture and fixtures | 1                   | 1                |

## 10. TAXATION

|                               | Year ended 31 March |                  |
|-------------------------------|---------------------|------------------|
|                               | 2025<br>HK\$'000    | 2024<br>HK\$'000 |
| Deferred tax – Hong Kong, net | <u>12,400</u>       | <u>2,600</u>     |
| Taxation credit               | <u>12,400</u>       | <u>2,600</u>     |

No Hong Kong profits tax has been provided for the years ended 31 March 2024 and 2025 respectively as the Group has sufficient tax loss brought forward to set off against the estimated assessable profit.

No overseas profits tax has been provided for the years ended 31 March 2024 and 2025 respectively as the Group has no estimated assessable profit.

## 11. DIVIDENDS

|                                                                                                     | Year ended 31 March |               |
|-----------------------------------------------------------------------------------------------------|---------------------|---------------|
|                                                                                                     | 2025                | 2024          |
|                                                                                                     | HK\$'000            | HK\$'000      |
| Dividends recognised as distribution during the year:                                               |                     |               |
| 2023/24 final dividend of HK2.6 cents<br>(2022/23 final dividend: HK2.0 cents) per ordinary share   | 23,642              | 18,186        |
| 2023/24 special dividend of Nil<br>(2022/23 special dividend: HK8.0 cents) per ordinary share       | -                   | 72,745        |
| 2024/25 interim dividend of HK0.4 cent<br>(2023/24 interim dividend: HK0.4 cent) per ordinary share | 3,637               | 3,637         |
|                                                                                                     | <u>27,279</u>       | <u>94,568</u> |

At a meeting held on 27 June 2025, the Board recommended a final dividend of HK2.6 cents (2024: HK2.6 cents) per ordinary share for the year ended 31 March 2025 which are subject to approval by the shareholders of the Company at the forthcoming annual general meeting. The proposed final dividend is not reflected as dividend payable as at 31 March 2025 in the consolidated financial statements.

## 12. EARNINGS PER SHARE

### (a) Basic earnings per share

The calculation of basic earnings per share is based on the consolidated profit for the year attributable to owners of the Company of HK\$88,288,000 (2024: HK\$85,205,000) and the weighted average number of 909,308,465 (2024: 909,326,908) ordinary shares in issue during the year, calculated as follows:

|                                                               | Year ended 31 March   |                    |
|---------------------------------------------------------------|-----------------------|--------------------|
|                                                               | 2025                  | 2024               |
|                                                               | HK\$'000              | HK\$'000           |
| <b>Profit attributable to owners of the Company</b>           | <u>88,288</u>         | <u>85,205</u>      |
|                                                               | <b>As at 31 March</b> |                    |
|                                                               | 2025                  | 2024               |
| <b>Weighted average number of ordinary shares</b>             |                       |                    |
| Issued ordinary shares at 1 April                             | 909,308,465           | 909,358,465        |
| Effect of ordinary shares repurchased and cancelled (note)    | <u>-</u>              | <u>(31,557)</u>    |
| <b>Weighted average number of ordinary shares at 31 March</b> | <u>909,308,465</u>    | <u>909,326,908</u> |

*Note:* No ordinary share was repurchased and cancelled during the year ended 31 March 2025. The weighted average number of ordinary shares outstanding during the year ended 31 March 2024 was adjusted for the effect of 50,000 ordinary shares repurchased and cancelled multiplied by a time-weighting factor.

### (b) Diluted earnings per share

Diluted earnings per share and basic earnings per share for the years ended 31 March 2024 and 2025 respectively are the same as there were no dilutive potential ordinary shares in issue during both years.



### 13. LEASES

#### Nature of leasing activities

The Group has obtained the right to use properties and furniture and equipment as its office premises and retail stores under non-cancellable operating lease agreements, which comprise of fixed payments and variable payments that are based on sales over the lease terms.

#### Right-of-use assets

The analysis of the net book value of the Group's right-of-use assets by class of underlying asset at the end of the reporting period is as follows:

|                         | As at 31 March   |                  |
|-------------------------|------------------|------------------|
|                         | 2025<br>HK\$'000 | 2024<br>HK\$'000 |
| Properties              | 43,281           | 30,691           |
| Furniture and equipment | 682              | 884              |
|                         | <u>43,963</u>    | <u>31,575</u>    |

During the year, additions of right-of-use assets of HK\$10,407,000 (2024: HK\$10,766,000) represented the capitalised lease payments payable under new lease agreements.

Movement of right-of-use assets during the year is as follows:

|                                          | Properties<br>HK\$'000 | Furniture<br>and<br>equipment<br>HK\$'000 | Total<br>HK\$'000 |
|------------------------------------------|------------------------|-------------------------------------------|-------------------|
| As at 1 April 2023                       | 22,298                 | 1,702                                     | 24,000            |
| Additions                                | 10,766                 | -                                         | 10,766            |
| Depreciation                             | (29,961)               | (802)                                     | (30,763)          |
| Impairment loss                          | (8,831)                | -                                         | (8,831)           |
| Lease modifications                      | 36,419                 | -                                         | 36,419            |
| Loss arising from termination of a lease | -                      | (16)                                      | (16)              |
|                                          | <u>30,691</u>          | <u>884</u>                                | <u>31,575</u>     |
| As at 31 March 2024 and 1 April 2024     | 30,691                 | 884                                       | 31,575            |
| Additions                                | 10,407                 | -                                         | 10,407            |
| Depreciation                             | (33,752)               | (809)                                     | (34,561)          |
| Impairment loss                          | (7,575)                | -                                         | (7,575)           |
| Lease modifications                      | 43,510                 | 607                                       | 44,117            |
|                                          | <u>43,510</u>          | <u>607</u>                                | <u>44,117</u>     |
| As at 31 March 2025                      | <u>43,281</u>          | <u>682</u>                                | <u>43,963</u>     |

### 13. LEASES (Continued)

#### Lease liabilities

The remaining contractual maturities of the Group's lease liabilities at the end of the reporting period are as follows:

|                                     | As at 31 March                                       |                                       |                                                      |                                       |
|-------------------------------------|------------------------------------------------------|---------------------------------------|------------------------------------------------------|---------------------------------------|
|                                     | 2025                                                 |                                       | 2024                                                 |                                       |
|                                     | Present value of the minimum lease payments HK\$'000 | Total minimum lease payments HK\$'000 | Present value of the minimum lease payments HK\$'000 | Total minimum lease payments HK\$'000 |
| Within 1 year                       | 33,695                                               | 34,979                                | 31,000                                               | 33,037                                |
| After 1 year but within 2 years     | 19,887                                               | 22,406                                | 9,711                                                | 10,190                                |
| After 2 years but within 5 years    | 1,926                                                | 2,284                                 | 2,563                                                | 2,630                                 |
|                                     | <u>55,508</u>                                        | <u>59,669</u>                         | <u>43,274</u>                                        | <u>45,857</u>                         |
| Less: Total future interest charges |                                                      | <u>(4,161)</u>                        |                                                      | <u>(2,583)</u>                        |
| Present value of lease liabilities  |                                                      | <u>55,508</u>                         |                                                      | <u>43,274</u>                         |

The present value of future lease payments is analysed as follows:

|                         | As at 31 March   |                  |
|-------------------------|------------------|------------------|
|                         | 2025<br>HK\$'000 | 2024<br>HK\$'000 |
| Current liabilities     | 31,889           | 31,000           |
| Non-current liabilities | <u>23,619</u>    | <u>12,274</u>    |
|                         | <u>55,508</u>    | <u>43,274</u>    |

### 14. DEBTORS, DEPOSITS AND PREPAYMENTS

|                    | As at 31 March   |                  |
|--------------------|------------------|------------------|
|                    | 2025<br>HK\$'000 | 2024<br>HK\$'000 |
| <b>Current</b>     |                  |                  |
| Trade debtors      | 13,887           | 8,047            |
| Other receivables  | 3,828            | 5,198            |
| Rental deposits    | 5,576            | 6,409            |
| Other deposits     | 1,024            | 1,503            |
| Prepayments        | <u>1,504</u>     | <u>3,153</u>     |
|                    | <u>25,819</u>    | <u>24,310</u>    |
| <b>Non-current</b> |                  |                  |
| Rental deposits    | <u>6,401</u>     | <u>7,148</u>     |
|                    | <u>32,220</u>    | <u>31,458</u>    |

#### 14. DEBTORS, DEPOSITS AND PREPAYMENTS (Continued)

The ageing analysis of trade debtors, based on invoice date, was as follows:

|                   | As at 31 March |              |
|-------------------|----------------|--------------|
|                   | 2025           | 2024         |
|                   | HK\$'000       | HK\$'000     |
| Within 30 days    | 13,037         | 7,742        |
| 31 – 90 days      | 161            | 272          |
| More than 90 days | 689            | 33           |
|                   | <u>13,887</u>  | <u>8,047</u> |

#### 15. TRADE PAYABLES, DEPOSITS RECEIVED AND OTHER PAYABLES

|                        | As at 31 March |               |
|------------------------|----------------|---------------|
|                        | 2025           | 2024          |
|                        | HK\$'000       | HK\$'000      |
| Trade payables         | 16,806         | 17,732        |
| Other payables         | 1,370          | 2,666         |
| Accruals and provision | 21,504         | 18,389        |
| Contract liabilities   | 4,133          | 3,720         |
| Deposits received      | 6,697          | 16,142        |
|                        | <u>50,510</u>  | <u>58,649</u> |

The ageing analysis of trade payables, based on invoice date, was as follows:

|                | As at 31 March |               |
|----------------|----------------|---------------|
|                | 2025           | 2024          |
|                | HK\$'000       | HK\$'000      |
| Within 30 days | 16,538         | 17,257        |
| 31 – 90 days   | 268            | 475           |
|                | <u>16,806</u>  | <u>17,732</u> |

#### 16. EVENT AFTER THE REPORTING PERIOD

Subsequent to the reporting period, the Group entered into a lease agreement for the existing retail store at Central Building for a term of 2 years at the total lease payment of HK\$9,888,000. Further details of this transaction is set out in the Company's announcement dated 16 May 2025.

#### DIVIDEND

The Board has resolved the payment of a final dividend of HK2.6 cents (2024: HK2.6 cents) per ordinary share for the year ended 31 March 2025 to shareholders whose names appear on the register of members of the Company on Wednesday, 10 September 2025 subject to the approval of shareholders at the forthcoming annual general meeting to be held on Thursday, 4 September 2025 (the "Meeting"). The dividend warrants for the proposed final dividend are expected to be despatched to shareholders on or about Friday, 3 October 2025.

## **CLOSURE OF REGISTER OF MEMBERS**

In order to determine entitlement to attend and vote at the Meeting, the register of members of the Company will be closed from Monday, 1 September 2025 to Thursday, 4 September 2025, both days inclusive, during which period no transfer of shares will be effected. All transfers, accompanied by the relevant share certificates, must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (the "Share Registrar"), not later than 4:30 p.m. on Friday, 29 August 2025.

In order to determine entitlement to the final dividend to be approved at the Meeting, the register of members of the Company will be closed on Wednesday, 10 September 2025, during which day no transfer of shares will be effected. All transfers, accompanied by the relevant share certificates, must be lodged with the Share Registrar not later than 4:30 p.m. on Tuesday, 9 September 2025.

## **REVIEW OF OPERATIONS**

During the year, the global luxury retail landscape continued to evolve amidst economic uncertainties and shifting consumer behaviors. Mainland China's customers redirected their focus from luxury shopping to shopping of more basic items and immersive nature travel experiences. On the other hand, the trend of northbound travel to the Mainland China and outbound travel to various international destinations among local residents persisted, adversely affecting Hong Kong's retail sector, particularly businesses predominantly reliant on local patronage, such as ours.

The sustained, record-breaking escalation in gold prices has compelled some customers to postpone purchases or opt for lighter-weight alternatives. To accommodate this shift in gold consumption behavior, we introduced an array of lighter-weight traditional wedding products and concentrated on fashionable, in-house designed daily wear gold ornaments that resonate with local tastes. Moreover, we launched a new line of diamond-inlaid gold products and fixed-price gold items, distinguished by exceptional craftsmanship.

Over the past two years, the softening prices of GIA-certified white diamonds have engendered subdued consumer interest in conventional diamond jewellery. In response, we expanded our offerings to include colored diamonds and gemstones, strategically positioning ourselves to capitalize on challenging jewellery market opportunities and mitigate the decline in white diamond revenue. Following the opening of our new watch store in Central Building in December 2023, we continued to collaborate with esteemed independent watchmaker brands, thereby enhancing our customers' access to a broader selection of high-quality timepieces.

In celebration of our 75th anniversary, we conducted a 75-taels gold lucky draw campaign for customers who made purchases exceeding a specified amount during the period from November 2024 to February 2025. We also launched advertisements across television, radio, and social media to augment our awareness among local customers. With the support of the gold lucky draw campaign and increased media exposure, we successfully expanded our customer base and result in satisfactory gold and jewellery sales.

Looking ahead, to navigate the challenging environment, we will continue our efforts to provide best customer experience, optimize our product offerings, and enhance operational excellence. We will revamp our frontline staff training program to enhance our customers' shopping experience, introduce exquisite new designs and masterful craftsmanship in gold and jewellery products, enrich our watch brand portfolio, and expand our offerings of exclusive European jewellery brands. Additionally, we will continue to monitor our inventory portfolio and exercise stringent expense control to enhance cost efficiency.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Group Results Overview

For the year ended 31 March 2025 (the “Year”), the Group recorded total revenue of HK\$886.0 million, representing an increase of HK\$110.4 million or 14.2% from HK\$775.6 million of last year. The Group achieved a consolidated profit attributable to owners of the Company for the Year of HK\$88.3 million, which represents an increase of 3.6% as compared to HK\$85.2 million last year. The increase in profit was primarily due to the increase in revenue and gross profit.

The Group’s distribution and selling costs for the Year increased by 13.4% to HK\$124.1 million as compared to HK\$109.4 million for the previous year. Among the costs, there were significant increase in staff cost, marketing cost and depreciation of right-of-use assets which was mainly due to the full year effect of new stores opening in December 2023. The Group’s administrative expenses for the Year increased by 7.2% to HK\$56.2 million as compared to HK\$52.4 million for the previous year mainly due to increase in salary and bonus payment.

### Business Review

Despite a year filled with challenges, including global geopolitical tensions, a persistently stagnant economy, high gold prices, and cautious consumer sentiment, the Group managed to achieve a 14.6% growth in the revenue of our retailing business. Retailing revenue rose to HK\$885.7 million, up from HK\$773.2 million the previous year. This increase was driven by steady growth in our gold, jewellery and watch businesses, with same-store sales growth reaching 16.9% for the full year.

During the year, we curated several high-jewellery appreciation sessions tailored to our VIP clientele and focused on introducing exclusive European jewellery brands known for their excellent craftsmanship and stylish designs. For our gold business, although record-high gold prices impacted our retail gold ornament sales, the demand for gold as an alternative investment boosted sales of gold bullion. Our 75-taels gold lucky draw campaign attracted new customers and contributed to increased sales in gold and jewellery, resulting in steady overall growth.

The watch industry continues to face challenging conditions, as brands reassess and streamline their distribution networks. In March 2024, we closed our watch store in Pacific Place. Despite this closure, we successfully redirected most customers to our watch stores in Central Building, achieving steady growth in our watch business for the Year.

The surge in gold prices resulted in a fair value loss of gold loan of HK\$22.2 million for the Year, compared to a loss result from gold loan of HK\$8.2 million last year. The purpose of gold loan is to counteract the effect of gold price in our gold inventory. This contributed to a decrease in operating profit before taxation, despite the increase in revenue and gross profit. However, we recognised a deferred tax asset of HK\$12.4 million of the unused tax losses, up from HK\$2.6 million last year, which partially offset the impact of the fair value loss of gold loan. Consequently, we achieved a 3.6% increase in profit attributable to owners.

### Future Outlook

We anticipate that the coming year will continue to present challenges. Geopolitical and economic uncertainty may persist, affecting consumer sentiment and shopping behavior. We will remain agile in response to changing market conditions and customer preferences. Our focus will be on exploring and introducing stylish designs and high-quality products to our customers, and provide the best customer experience.

Moving forward, we aim to maintain our competitiveness and profitability by nurturing and expanding our customer base, improving operational efficiencies in our watch business, enhancing the shopping experience for our customers, promoting our exclusive high-quality jewellery pieces, offering a selection of popular independent watchmaker brands, investing in our people, exercising expense control, and optimizing our inventory portfolio.

## **PURCHASE, SALE OR REDEMPTION OF SHARES**

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's shares during the year.

## **CORPORATE GOVERNANCE PRACTICES**

The Company had complied with all the code provisions set out in Part 2 of the Corporate Governance Code (the "Code") in Appendix C1 to the Listing Rules throughout the year ended 31 March 2025 except the deviations as explained below:

### ***Code provision C.3.3***

As far as code provision C.3.3 of the Code is concerned, the Company does not have formal letters of appointment for directors setting out the key terms and conditions of their appointment. The Board decides on the key terms and conditions of the appointment of the Directors from time to time which are recorded in the relevant Board minutes.

### ***Code provision F.1.1***

In respect of code provision F.1.1 of the Code, the Company does not have a dividend policy or any pre-determined dividend distribution ratio. The Board will decide on the declaration/recommendation of any future dividends after taking into consideration a number of factors, including the prevailing market conditions, the Company's operating results, business plans and prospects, financial position and working capital requirements, and other factors that the Board considers relevant.

## **REVIEW OF ANNUAL RESULTS**

The audit committee of the Company has reviewed with the management of the Group the accounting policies and practices adopted by the Group, its system of risk management and internal control and financial reporting matters including review of the results for the year ended 31 March 2025.

## **SCOPE OF WORK OF BDO LIMITED**

The figures in this preliminary announcement in respect of the Group's results for the year ended 31 March 2025 have been reviewed and agreed by the Group's auditor, BDO Limited ("BDO"), to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by BDO in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by BDO on this preliminary announcement.

## DISCLOSURE UNDER SECTION 436 OF THE HONG KONG COMPANIES ORDINANCE

The financial information of the Group relating to the two years ended 31 March 2024 and 2025 respectively included in this preliminary announcement of the annual results for the year ended 31 March 2025 does not constitute the Company's statutory annual consolidated financial statements for those years but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows:

The Company has delivered the financial statements for the year ended 31 March 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance and will deliver the financial statements for the year ended 31 March 2025 in due course.

The Company's auditor has reported on the financial statements of the Group for both years. The auditor's reports were unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under sections 406(2), 407(2) or 407(3) of the Hong Kong Companies Ordinance.

By order of the Board  
**Tang Yat Sun, Richard**  
Chairman

Hong Kong, 27 June 2025

As at the date of this announcement, the executive directors of the Company are Mr. Tang Yat Sun, Richard and Dr. Fung Yuk Bun, Patrick; the non-executive directors are Mr. Ho Hau Hay, Hamilton, Ms. Veronica Ho and Mr. Kung Lin Cheng Leo; and the independent non-executive directors are Mr. Cheng Kar Shing, Peter, Mr. Sin Nga Yan, Benedict, Mr. Cheng Kwok Shing, Anthony and Ms. Hou Tan Tan Danielle.