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## **Artini Holdings Limited**

**雅天妮集團有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 789)**

### **ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 MARCH 2025**

The board (the “**Board**”) of directors (the “**Directors**”) of Artini Holdings Limited (the “**Company**”) hereby announces the consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 March 2025 (the “**Year**”), together with comparative figures for the preceding financial year ended 31 March 2024.

#### **RESULTS HIGHLIGHTS**

For the year ended 31 March 2025, the Group’s total revenue was approximately HK\$150,700,000, representing an increase by approximately 111.7% as compared to total revenue of approximately HK\$71,181,000 for the year ended 31 March 2024.

For the year ended 31 March 2025, the Group’s gross profit was approximately HK\$34,229,000, representing an increase by approximately 115.8% as compared to gross profit of approximately HK\$15,860,000 for the year ended 31 March 2024. The overall gross profit margin increased from approximately 22.3% for the year ended 31 March 2024 to approximately 22.7% for the year ended 31 March 2025.

For the year ended 31 March 2025, the Group’s net profit was approximately HK\$7,609,000, representing an increase by approximately 11.5% as compared to the net profit of approximately HK\$6,825,000 for the year ended 31 March 2024.

For the year ended 31 March 2025, basic earnings per share attributable to the owners of the Company were approximately HK\$0.006 (2024: approximately HK\$0.006).

No final dividend for the year ended 31 March 2025 was recommended.

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2025

		2025	2024
	Notes	HK\$'000	HK\$'000
<b>Revenue</b>	4	<b>150,700</b>	71,180
Cost of sales		<u>(116,471)</u>	<u>(55,320)</u>
<b>Gross profit</b>		<b>34,229</b>	15,860
Other income	5	<b>683</b>	364
Other gains and losses, net	6	<b>10,144</b>	19,541
Selling and distribution expenses		<b>(17,978)</b>	(16,391)
Administrative expenses		<b>(18,126)</b>	(12,450)
Finance costs	7	<u><b>(360)</b></u>	<u>(129)</u>
<b>Profit before income tax</b>	8	<b>8,592</b>	6,795
Income tax (expense)/credit	10	<u><b>(983)</b></u>	<u>30</u>
<b>Profit for the year</b>		<u><b>7,609</b></u>	<u>6,825</u>
<b>Other comprehensive expense:</b>			
<i>Item that may be reclassified subsequently to profit and loss:</i>			
Exchange differences arising on translation of foreign operations		<b>(2,714)</b>	(5,225)
<i>Item that will not be reclassified to profit or loss:</i>			
Reclassification of cumulative translation reserve upon deregistration of a subsidiary with foreign operation		<u>—</u>	<u>(18,866)</u>
Other comprehensive expense for the year, net of income tax		<u><b>(2,714)</b></u>	<u>(24,091)</u>
<b>Total comprehensive income/(expense) for the year</b>		<u><b>4,895</b></u>	<u>(17,266)</u>
<b>Profit per share</b>			
– Basic and diluted (HK\$)	11	<u><b>0.006</b></u>	<u>0.006</u>

# **CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

*At 31 March 2025*

	<i>Notes</i>	<b>2025</b> <b>HK\$'000</b>	<b>2024</b> <b>HK\$'000</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		<b>2,102</b>	139
Goodwill		–	–
Right-of-use assets		<b>4,337</b>	8,404
Intangible assets		<b>29,515</b>	25,167
Deferred tax assets		<b>53</b>	464
		<b>36,007</b>	34,174
<b>CURRENT ASSETS</b>			
Inventories		<b>42,232</b>	23,552
Trade and other receivables	12	<b>65,854</b>	44,201
Cash and bank balances		<b>53,346</b>	48,282
		<b>161,432</b>	116,035
<b>CURRENT LIABILITIES</b>			
Trade and other payables	13	<b>2,456</b>	8,955
Contract liabilities		<b>7,125</b>	5,946
Lease liabilities		<b>2,727</b>	3,093
Amount due to a director		–	1,299
Amount due to immediate holding company		–	676
Income tax payable		<b>6,250</b>	10,782
		<b>18,558</b>	30,751
<b>NET CURRENT ASSETS</b>		<b>142,874</b>	85,284
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>178,881</b>	119,458
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities		<b>1,925</b>	5,894
Deferred tax liabilities		<b>31</b>	434
		<b>1,956</b>	6,328
<b>NET ASSETS</b>		<b>176,925</b>	113,130
<b>CAPITAL AND RESERVES</b>			
Share capital		<b>66,198</b>	55,198
Reserves		<b>110,727</b>	57,932
<b>TOTAL EQUITY</b>		<b>176,925</b>	113,130

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*For the year ended 31 March 2025*

## 1. GENERAL INFORMATION

Artini Holdings Limited (the “**Company**”) was incorporated in Bermuda on 30 May 2007 as an exempted company with limited liability under the Bermuda Companies Act 1981 and its shares are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The address of the registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The principal place of business is Unit No. 8502, Level 85, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong.

The Company acts as an investment holding company. The Company and its subsidiaries (collectively referred as the “**Group**”) are principally engaged in the sale of a wide selection of fashion accessories products mainly through the Group’s self-operated online platform and third-party sales online platforms (the “**Integrated Fashion Accessories Platform Business**”) and the sale of skincare and health products through self-operated online platform (the “**Skincare and Health Product Sales Platform Business**”).

In the opinion of the directors of the Company (the “**Directors**”), the Company’s immediate holding company is Rapid Development Limited, a company incorporated in British Virgin Islands with limited liability and its ultimate controlling shareholders are Mr. Chen Long (“**Mr. Chen**”) and Ms. Lin Chenjie (wife of Mr. Chen).

## 2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

### (a) Statement of compliance

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards, which includes all Hong Kong Financial Reporting Standards (“**HKFRS**”), Hong Kong Accounting Standards (“**HKAS**”) and HK (IFRIC) Interpretations, HK Interpretations and HK (SIC) Interpretations (collectively referred to as “**Interpretations**”), issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the disclosure requirements of the Hong Kong Companies Ordinance. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decision made by primary users.

#### *Going concern assessment*

The Directors have, at the time of approving the consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

### (b) Basis of measurement

The consolidated financial statements have been prepared under the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For financial instruments which are transacted at fair value and a valuation technique that unobservable inputs is to be used to measure fair value in subsequent periods, the valuation technique is calibrated so that at initial recognition the results of the valuation technique equals the transaction price.

**(c) Functional and presentation currency**

The consolidated financial statements have been presented in Hong Kong dollars ("HK\$"), which is the same as the functional currency of the Company, and all values are rounded to the nearest thousand except when otherwise indicated.

**3. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS**

**(a) Amendments to HKFRS Accounting Standards that are mandatorily effective for the current year**

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

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

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

**(b) New and amendments to HKFRS Accounting Standards in issue but not yet effective**

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

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments <sup>3</sup>
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity <sup>3</sup>
Amendments to HKFRS 10 and HKAS 28	Sale of Contribution of Assets between an Investor and its Associate or Joint Venture <sup>1</sup>
HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards – Volume 11 <sup>3</sup>
Amendments to HKAS 21	Lack of Exchangeability <sup>2</sup>
HKFRS 18	Presentation and Disclosure in Financial Statements <sup>4</sup>
HK Int 5	Amendments to Hong Kong Interpretation 5
	Presentation of Financial Statements – Classification by the Borrower of as Term Loan that Contains a Repayment on Demand Clause (amendments) <sup>4</sup>

- <sup>1</sup> Effective for annual periods beginning on or after a date to be determined.
- <sup>2</sup> Effective for annual periods beginning on or after 1 January 2025.
- <sup>3</sup> Effective for annual periods beginning on or after 1 January 2026.
- <sup>4</sup> Effective for annual periods beginning on or after 1 January 2027.

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

#### ***HKFRS 18 Presentation and Disclosure in Financial Statements (“HKFRS 18”)***

HKFRS 18 sets out requirements on presentation and disclosures in financial statements and will replace HKAS 1 Presentation of Financial Statements. HKFRS 18 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. Minor amendments to HKAS 7 Statement of Cash Flows and HKAS 33 Earnings per Share are also made.

HKFRS 18, and the consequential amendments to other HKFRSs, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the HKFRS 18 is not expected to have material impact on the financial position of the Group. The Directors are in the process of making an assessment of the impact of HKFRS 18, but is not yet in a position to state whether the adoption would have a material impact on the presentation and disclosures of consolidated financial statements of the Group.

## **4. REVENUE AND SEGMENT INFORMATION**

### **a. Revenue**

Revenue represents the net amounts received and receivables that are derived from sales of fashion accessories products and sales of skincare and health products during the years ended 31 March 2025 and 2024.

### **b. Segment information**

The Group’s operating segments, based on information reported to the board of Directors, being the chief operating decision-maker (the “**CODM**”), for the purposes of resource allocation and assessment of segment performance.

Specifically, the Group’s reportable and operating segments for the years ended 31 March 2025 and 2024 were as follows:

Integrated Fashion Accessories Platform Business	Wholesale, retail and distribution of fashion accessories mainly through self-operated online platform and third-party sales online platforms.
Skincare and Health Product Sales Platform Business	Wholesale, retail and distribution of skincare and health products mainly through self-operated online platform.

*i. Segment revenue and results, assets and liabilities and other information*

The following is an analysis of the Group's revenue and results, assets and liabilities and other information by reportable and operating segments:

**Year ended 31 March 2025**

	Integrated Fashion Accessories Platform Business HK\$'000	Skincare and Health Product Sales Platform Business HK\$'000	Unallocated HK\$'000	Consolidated HK\$'000
<b>Revenue (At point in time)</b>				
Segment revenue – external sales	86,775	63,925	–	150,700
<b>Results</b>				
Segment results	7,352	158	–	7,510
Unallocated other profits				10,075
Unallocated expenses				
– Auditor's remuneration				(800)
– Depreciation of right-of-use assets				(2,442)
– Salaries and retirement benefit scheme				(2,583)
– Other professional fee				(1,149)
– Unallocated expenses				(1,690)
– Finance costs				(329)
<b>Profit before income tax</b>				8,592
<b>Assets</b>				
Segment assets	138,353	50,305	–	188,658
Unallocated assets				
– Property, plant and equipment				1,727
– Right-of-use assets				4,211
– Deferred tax assets				53
– Other receivables, prepayment and deposit				1,152
– Cash and bank balances				1,638
<b>Total assets</b>				197,439
<b>Liabilities</b>				
Segment liabilities	(14,143)	(946)	–	(15,089)
Unallocated liabilities				
– Other payables and accruals				(875)
– Lease liabilities				(4,519)
– Deferred tax liabilities				(31)
<b>Total liabilities</b>				(20,514)

	Integrated Fashion Accessories Platform Business HK\$'000	Skincare and Health Product Sales Platform Business HK\$'000	Unallocated HK\$'000	Consolidated HK\$'000
<b>Other information</b>				
Depreciation of property, plant and equipment	(72)	(24)	(617)	(713)
Depreciation of right of use assets	(166)	(238)	(2,442)	(2,846)
Impairment loss reversed/(recognised) in respect of trade receivables and contract assets	1,039	(12)	1	1,028
Impairment loss recognised in respect of other receivables	(3)	–	–	(3)
Write-down of inventories	(15)	–	–	(15)
Amortisation of intangible assets	(17)	(390)	–	(407)
Interest income	93	145	435	673
Finance costs	(11)	(20)	(329)	(360)

Year ended 31 March 2024

	Integrated Fashion Accessories Platform Business HK\$'000	Skincare and Health Product Sales Platform Business HK\$'000	Unallocated HK\$'000	Consolidated HK\$'000
<b>Revenue (At point in time)</b>				
Segment revenue – external sales	67,769	3,411	–	71,180
<b>Results</b>				
Segment results	289	(59)	–	230
Unallocated other profits				15,983
Unallocated expenses				
– Auditor's remuneration				(800)
– Depreciation of right-of-use assets				(744)
– Salaries and retirement benefit scheme				(3,912)
– Other professional fee				(1,187)
– Unallocated expenses				(2,669)
– Finance costs				(106)
<b>Profit before income tax</b>				6,795



	Integrated Fashion Accessories Platform Business HK\$'000	Skincare and Health Product Sales Platform Business HK\$'000	Unallocated HK\$'000	Consolidated HK\$'000
<b>Assets</b>				
Segment assets	97,038	16,335	–	113,373
Unallocated assets				
– Property, plant and equipment				42
– Right-of-use assets				6,653
– Deferred tax assets				464
– Other receivables, prepayment and deposit				2,845
– Cash and bank balances				26,832
Total assets				150,209
<b>Liabilities</b>				
Segment liabilities	(12,163)	(6,651)	–	(18,814)
Unallocated liabilities				
– Other payables and accruals				(5,421)
– Lease liabilities				(7,115)
– Deferred tax liabilities				(434)
– Others				(5,295)
Total liabilities				(37,079)
<b>Other information</b>				
Depreciation of property, plant and equipment	(29)	–	(116)	(145)
Depreciation of right of use assets	(108)	(68)	(744)	(920)
Impairment loss reversed in respect of trade receivables and contract assets	1,132	–	–	1,132
Impairment loss reversed in respect of other receivables	158	–	–	158
Impairment losses on goodwill	(2,534)	–	–	(2,534)
Write-down of inventories	(107)	–	–	(107)
Amortisation of intangible assets	–	(2)	–	(2)
Interest income	136	27	113	276
Finance costs	(14)	(9)	(106)	(129)

The accounting policies of the above reportable and operating segments are the same as the Group's accounting policies.

Revenue reported above represents revenue generated from external customers. There was no inter-segment sales transactions between the Group's subsidiaries in the different segments during the years ended 31 March 2025 and 2024.

Segment results represent the loss incurred or profit earned by each segment without allocation of items not directly related to the relevant segments. This is the measure reported to CODM for the purposes of resource allocation and assessment of segment performance.

For the purposes of monitoring segment performance and allocating resources between segments:

- All assets are allocated to reportable and operating segments other than certain property, plant and equipment, right-of-use assets, deferred tax assets, other receivables, prepayments and deposits, and cash and bank balances.
- All liabilities are allocated to reportable and operating segments other than certain other payables and accruals, deferred tax liabilities and lease liabilities.

**ii. Geographical information**

The following table provides an analysis of the Group's revenue from external customers based on the location where the goods were delivered:

	2025 HK\$'000	2024 HK\$'000
America	30,792	62,851
The PRC, other than Hong Kong and Macao	119,645	5,657
Others	263	2,672
	<u>150,700</u>	<u>71,180</u>

The following table provides an analysis of the Group's non-current assets based on the geographical location of the assets:

	2025 HK\$'000	2024 HK\$'000
Hong Kong	5,939	6,696
The PRC, other than Hong Kong and Macao	30,015	27,014
	<u>35,954</u>	<u>33,710</u>

*Note:* Non-current assets excluded deferred tax assets.

**c. Information about major customers**

Revenue from customer of the corresponding years contributing over 10% of the total revenue of the Group is as follows:

	2025 HK\$'000	2024 HK\$'000
Customer A	—*	16,173
Customer B	—*	14,556
Customer C	—*	14,439
Customer D	16,955	—*
	<u>16,955</u>	<u>—*</u>

\* Contributed less than 10% of the Group's total revenue for the relevant year.

## 5. OTHER INCOME

	2025 HK\$'000	2024 HK\$'000
Interest income	673	276
Others	10	88
	<u>683</u>	<u>364</u>

## 6. OTHER GAINS AND LOSSES, NET

	2025 HK\$'000	2024 HK\$'000
Other gains and (losses), net comprise of:		
Net exchange (losses)/gains	(6)	20,785
Impairment loss reversed in respect of trade receivables and contract assets	1,028	1,132
Impairment loss (recognised)/reversed in respect of other receivables	(3)	158
Impairment losses on goodwill	–	(2,534)
Gain on deregistration of a subsidiary	9,116	–
Gain on early termination of leases	128	–
Others	(119)	–
	<u>10,144</u>	<u>19,541</u>

## 7. FINANCE COSTS

	2025 HK\$'000	2024 HK\$'000
Interest on lease liabilities	<u>360</u>	<u>129</u>

## 8. PROFIT BEFORE INCOME TAX

Profit before income tax has been arrived at after charging/(crediting):

	2025 HK\$'000	2024 HK\$'000
Staff costs (included directors' and chief executive's emoluments)	9,106	6,284
Salaries, wages and other benefits		
Contributions to defined contribution retirement plans	1,273	510
	<u>10,379</u>	<u>6,794</u>
Auditor's remuneration	800	800
Cost of inventories recognised as an expense, including written-off of inventories and provision of impairment loss on inventories	116,471	55,320
Write-down of inventories	15	107
Depreciation of property, plant and equipment	713	145
Depreciation of right-of-use assets	2,846	920
Amortisation of intangible assets	407	2
Short-term leases expenses	9	6
Other professional fee	2,516	1,148
	<u>2,516</u>	<u>1,148</u>

## 9. DIVIDENDS

No dividend was paid or proposed during the year ended 31 March 2025, nor has any dividend been proposed since the end of the reporting period (2024: Nil).

## 10. INCOME TAX EXPENSE/(CREDIT)

	2025 HK\$'000	2024 HK\$'000
<b>Current tax</b>		
– PRC Enterprise Income Tax	975	–
	<u>975</u>	<u>–</u>
Deferred tax		
– Current year	8	(30)
<b>Income tax expense/(credit)</b>	<u>983</u>	<u>(30)</u>

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2,000,000 of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2,000,000 will be taxed at 16.5% (the “**Regime**”). The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK\$2,000,000 of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2,000,000. The Hong Kong profit tax for the years ended 31 March 2025 and 2024 is provided based on the Regime.

No provision for Hong Kong Profits Tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the years ended 31 March 2025 and 2024.

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiary is 25% (2024: 25%) for the year ended 31 March 2025.

## 11. PROFIT PER SHARE

The calculation of basic profit per share is based on the profit for the year of approximately HK\$7,609,000 (2024: approximately HK\$6,825,000) and the weighted average of approximately 1,211,858,000 (2024: 1,103,968,000) ordinary shares of the Company in issue during the year.

Diluted profit per share equals to basic profit per share, as there were no potential dilutive ordinary shares in issue for the years ended 31 March 2025 and 2024.

## 12. TRADE AND OTHER RECEIVABLES

	2025 HK\$'000	2024 HK\$'000
Trade receivables ( <i>note (a)</i> )	53,858	43,004
Less: Allowances ( <i>note (b)</i> )	(3,625)	(4,653)
Trade receivables, net	50,233	38,351
Other receivables ( <i>note (c)</i> )	1,616	1,334
Less: Allowances	(19)	(16)
Other receivables, net	1,597	1,318
Deposits and prepayment	14,024	4,532
	65,854	44,201

*Notes:*

Trade receivables at the end of the reporting period comprise amounts receivable from the sales of goods. No interest is charged on the trade receivables.

Before accepting any new customer, the Group gathers and assesses the credit information of the potential customer in considering the customer's quality and determining the credit limits for that customer.

As at 31 March 2025 and 2024, other receivables included receivables from a few independent third parties.

**(a) Trade receivables**

The Group generally allows an average credit period of 30 to 180 days (2024: 30 to 90 days) to its customers. The ageing analysis of the Group's trade receivables presented (net of allowances) based on invoice date as at the end of the reporting period, which approximated the respective revenue recognition dates, is as follows:

	2025 HK\$'000	2024 HK\$'000
0 – 30 days	10,669	441
31 – 60 days	9,989	1,615
61 – 90 days	10,554	6,110
91 – 180 days	11,530	18,209
181 – 365 days	7,472	7,568
Over 365 days	19	4,408
	<u>50,233</u>	<u>38,351</u>

Included in trade receivables are the following amounts denominated in a currency other than the functional currency of each individual group entity:

	2025 HK\$'000	2024 HK\$'000
Renminbi	46,378	313
United States Dollars	<u>3,855</u>	<u>38,038</u>
	<u>50,233</u>	<u>38,351</u>

**(b) Movements in loss allowance account in respect of trade receivables during the years are as follows:**

	Contract assets HK\$'000	Trade receivables HK\$'000	Total HK\$'000
As at 1 April 2023	1	5,784	5,785
Impairment loss reversed	<u>(1)</u>	<u>(1,131)</u>	<u>(1,132)</u>
As at 31 March 2024 and 1 April 2024	–	4,653	4,653
Impairment loss reversed	<u>–</u>	<u>(1,028)</u>	<u>(1,028)</u>
As at 31 March 2025	<u>–</u>	<u>3,625</u>	<u>3,625</u>

Other than the above allowances, the Group did not provide any allowances on the remaining past due receivables as, in the opinion of the Directors, there has not been a significant change in credit quality and the amounts are still considered recoverable based on the historical experience. The Group does not hold any collateral over these balances.

(c) **Other receivables**

Movements in loss allowance account in respect of other receivables during the years are as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
As at 1 April	16	174
Impairment loss recognised/(reversed)	<u>3</u>	<u>(158)</u>
As at 31 March	<u><u>19</u></u>	<u><u>16</u></u>

Other than the above allowances, the Group did not provide any allowances on the remaining past due receivables as, in the opinion of the Directors, there has not been a significant change in credit quality and the amounts are still considered recoverable based on the historical experience. The Group does not hold any collateral over these balances.

Furthermore, in the opinion of the Directors, there has not been a significant change in credit quality of the Group's other receivables which are neither past due nor impaired and the amounts are still considered recoverable.

**13. TRADE AND OTHER PAYABLES**

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade payables	982	1,636
Other tax payables	289	3,138
Payrolls and staff cost payables	317	1,422
Other payables and accruals	<u>868</u>	<u>2,759</u>
	<u><u>2,456</u></u>	<u><u>8,955</u></u>

The Group's trade payables principally comprise amounts outstanding for trade purchases. Payment terms with suppliers are mainly on credit term of 30 to 90 days (2024: 30 to 90 days).

The ageing analysis of the Group's trade payables presented based on invoice date as at the end of the reporting period is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within 3 months	539	1,627
More than 3 month less than 1 year	443	–
Over 1 year	<u>–</u>	<u>9</u>
	<u><u>982</u></u>	<u><u>1,636</u></u>

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **BUSINESS REVIEW**

The Group is principally engaged in the fashion accessories business, and skincare and health products sales business.

The global economy is facing significant pressure on its growth momentum due to the overlapping effects of multiple structural factors. Continuing high interest rate policies have dampened economic activity and geopolitical risks have heightened market uncertainty. In addition, rising inflation has had a strong impact on consumer spending, particularly in the luxury goods sector. The Group has always been committed to operating in a prudent manner to ensure steady progress. In the face of many challenges and intensified competition in the industry, the Group has overcome difficulties and moved forward, actively exploring opportunities in all aspect and joining the new development landscape. During the Year, the Group recorded a total revenue of approximately HK\$150,700,000 (2024: approximately HK\$71,180,000). Gross profit for the Year amounted to approximately HK\$34,229,000 (2024: approximately HK\$15,860,000), and profit for the Year amounted to approximately HK\$7,609,000 (2024: approximately HK\$6,825,000).

### **Optimizing Product Portfolio and Market Positioning**

Despite the lack of significant recovery in the overall luxury goods industry during the Year, the Group's fashion accessories business recorded sales growth, demonstrating its adaptability in responding to market changes and brand resilience. The Group continued to optimize the market positioning of its brands, not only deepening product innovation, but also focusing on enhancing brand value and cultural connotation. By incorporating more Chinese cultural elements and precious metal designs into fashion accessories, the Group has successfully created product series with both traditional and modern sensibilities, attracting a wider consumer base. In addition, in order to minimize the adverse impact of geopolitical risks and tariff policies on our business, the Group has proactively adjusted its marketing strategies to strengthen the development of sales share in the People's Republic of China (the "PRC") market while reducing its reliance on the Americas market. It is worth mentioning that at the Third Plenary Session of the 20th Central Committee of the Communist Party of China in 2024, the Central Government emphasized the important role of the Greater Bay Area in promoting high-quality economic development. In line with the overall strategic direction of the country, the Group has launched a brand positioning transformation in the PRC market, which is in line with the country's strategic development.



## **Seizing Opportunities in the “Appearance Economy” and Health Industry and Positioning for the Future**

During the Year, with the rising public interest in the health industry and the Group’s efficient execution of its business strategies through the cooperation of various parties, the Group’s skincare and health products sales platform business achieved significant market growth and made greater contributions to the Group’s total sales. The rapid development of the skincare and health products business is not only the result of strong market demand, but also a successful realization of the Group to seize industry opportunities, proactive innovation and efficient resource allocation. The development of the skincare and health products business is of far-reaching significance to the Group. This business segment has high return potential, with stable and growing market demand, providing the Group with more room for revenue growth.

During the period, the Group successfully established an integrated product sales model covering multiple market segments by leveraging on the dual advantages of its own online platform and third-party retail network, which further enhanced its brand penetration rate and market share. Meanwhile, with consumers attaching greater importance to healthy lifestyles and the rise of the “appearance economy”, the market potential for skincare and health products continues to be unleashed. In response to this trend, the Group has positioned its product brands as “life fashion” and “lifestyle” to create synergy with the brand positioning of its fashion accessories business, which not only strengthens the Group’s brand integrity, but also enhances its market competitiveness and consumers’ sense of identity.

In addition, in order to further enhance our brand influence and market competitiveness, the Group has not only proactively promoted product diversification, but also continued to optimize its industrial layout to fully utilize its strengths in branding, technology and market resources. We have strengthened our investment in product selection and optimization in order to introduce more attractive beauty and health products to meet the needs of consumers at different levels. In the future, the Group will further enrich its product portfolio, expand into new markets and deepen synergies with existing partners to ensure the long-term stability and sustainable development of the business.

## **PROSPECT**

Looking ahead to 2026, the Group expects that geopolitical risks and global economic volatility will continue to pose challenges to the consumer goods industry. We will always remain flexible and keep a close eye on market dynamics and consumer trends to ensure that we continue to adjust our growth strategies and steadily advance our business in an uncertain market environment.

## **Strengthen Marketing Layout and Promote the Integration of Online and Offline Channels**

As competition on sales platforms and social media marketing becomes increasingly fierce, the Group will strengthen its investment in offline marketing by strengthening its offline layout and actively exploring ways to set up new points of presence in order to create a more stable and efficient sales and marketing system. We will promote the in-depth integration of online and offline channels to enhance market penetration and customer stickiness. At the same time, we will continue to optimize our product portfolio by launching more fashion accessories and skincare and health products through diversified sales channels, which will not only satisfy the diversified needs of consumers, but also help expand new customer bases and open up new markets, thereby further increasing our market share.

## **Innovation and Technology Drive Market Competitiveness**

In addition, the Group will continue to upgrade its brand, deepen its social marketing strategy, focus on product innovation and technological development, and launch more new products to maintain market competitiveness. We will capitalize on the growth opportunities in the “appearance economy” and the health industry to enhance our brand value and strengthen our market position through innovation and differentiation strategies.

## **Capitalize on the “Dual Circulation” Opportunity and Plough the China Market**

The Group will also actively respond to the “Dual Circulation” economic development strategy proposed in the National “14th Five-Year Plan” and fully capitalize on the potential opportunities in the China market. We plan to further increase our resource investment in the China market and expand our sales share in the China market.

## **Deepening Industrial Chain Layout to Achieve Long-term Sustainable Development**

Meanwhile, the Group will continue to optimize its industrial layout, deepen the development of its industrial chain and explore opportunities for horizontal and vertical expansion of the industrial chain. Relying on our past experience in the market and brand accumulation, we will realize the efficient conversion of resources and explore the development potential of the upstream and downstream of the industrial chain, so as to further enhance the stability of profitability and achieve long-term sustainable development. At the same time, the Group will continue to evaluate its existing business strategies and explore suitable business opportunities to create and build new profit growth drivers, which will in turn bring more stable development to the Group, thereby providing assurance for the interests of the shareholders of the Company.

## **FINANCIAL REVIEW**

### **Revenue**

Revenue of the Group is mainly derived from (i) fashion accessories platform business, representing wholesale, retail and distribution of fashion accessories mainly through self-operated online platform and third-party sales online platforms; and (ii) skincare and health product sales platform business, representing wholesale, retail and distribution of skincare and health products mainly through self-operated online platform.

Revenue of the Group for the year ended 31 March 2025 was approximately HK\$150,700,000 (2024: approximately HK\$71,180,000), representing a significant increase of approximately 111.7% compared to 2024. The increase in the Group's revenue was primarily driven by (i) the increase in the sales of fashion accessories platform business from approximately HK\$67,769,000 for the year ended 31 March 2024 to approximately HK\$86,775,000 for the year ended 31 March 2025, representing an increase of approximately 28.0%; and (ii) the increase in the sales of skincare and health product sales platform business from approximately HK\$3,411,000 for the year ended 31 March 2024 to approximately HK\$63,925,000 for the year ended 31 March 2025, representing an increase of approximately 1,774.1%.

### **Gross profit and gross profit margin**

The Group's gross profit for the year ended 31 March 2025 was approximately HK\$34,229,000 (2024: approximately HK\$15,860,000), representing an increase of approximately 115.8%. The Group's gross profit margin slightly increased from approximately 22.3% for the year ended 31 March 2024 to approximately 22.7% for the year ended 31 March 2025. Such fluctuation was primarily due to the sales of skincare and health product sales platform business which has higher gross profit margin of 24.8% (2024: approximately 32.2%) accounted for a larger portion of the total revenue when comparing with that in previous year. However, it was partially offset by a decrease in gross profit margin of the sales of fashion accessories platform business from approximately 21.8% for the year ended 31 March 2024 to approximately 21.2% for the year ended 31 March 2025.

### **Other gains and losses**

The Group's net other gains for the year ended 31 March 2025 were approximately HK\$10,144,000 (2024: approximately HK\$19,541,000). This fluctuation was mainly due to the exchange gains of approximately HK\$18,866,000 recognized for the year ended 31 March 2024, arising from one-off reclassification of cumulative translation reserve upon deregistration of a subsidiary with foreign operation. No such significant exchange gains were recognized for the year ended 31 March 2025. However, there was one-off gain on deregistration of a subsidiary amounted to approximately HK\$9,116,000 recognized for the year ended 31 March 2025.

## **Selling and distribution expenses**

The Group's selling and distribution expenses for the year ended 31 March 2025 was approximately HK\$17,978,000 (2024: approximately HK\$16,391,000), representing an increase of approximately 9.7%. The increase in the Group's selling and distribution expenses during the Year was mainly attributable to the higher promotion costs related to the fashion accessories business in the PRC market, which was partially offset by the decrease in the expenses on maintenance and upgrade of fashion accessories platforms during the Year.

## **Administrative expenses**

The Group's administrative expenses for the year ended 31 March 2025 was approximately HK\$18,126,000 (2024: approximately HK\$12,450,000), representing an increase of approximately 45.6%. Such increase was mainly attributable to the aggregate effect of (i) the increase in the staff costs including included directors' remuneration and other staff benefits; (ii) the increase in amount of depreciation of right-of-use assets; and (iii) the increase in the other professional expenses and office management fee.

## **Profit for the Year**

As a result of the foregoing, the Group's profit for the Year was approximately HK\$7,609,000 (2024: approximately HK\$6,825,000).

## **Liquidity and financial resources**

During the Year, the Group generally financed its operations with internally generated resources and its own working capital. As at 31 March 2025, the Group had cash and cash equivalents of approximately HK\$53,346,000 (2024: approximately HK\$48,282,000). As at 31 March 2025 and 2024, there was no undrawn general banking facilities available to the Group, and the Group did not have any outstanding borrowing. The Group monitors its capital structure on the basis of gearing ratio, which is calculated as total liabilities over total equity. The gearing ratio of the Group was approximately 11.6% as at 31 March 2025 (2024: approximately 32.8%).

## **Capital commitments**

As at 31 March 2025 and 2024, the Group did not have any significant capital commitments.

## **Contingent liabilities**

As at 31 March 2025 and 2024, the Group had no significant contingent liabilities.

## **Capital structure**

There has been no change in the capital structure of the Group during the Year. The capital of the Group only comprises ordinary shares.

## **Foreign exchange exposure**

The major business activities of the Group take place in the PRC and Hong Kong. Accordingly, the potential foreign exchange exposure of the Group is mainly attributable to fluctuations of Renminbi. The Group has not used or has no plan to use any forward contract or other derivative products to hedge exchange rates exposure as the management considers it more difficult to monitor and manage the risks arising from such forward contracts or derivative products. The management of the Group will, nonetheless, continue to monitor the Group's foreign currency risks exposures and consider adopting prudent measures as appropriate.

## **Charges on assets**

As at 31 March 2025 and 2024, the Group did not have any charges on its assets.

## **OTHER INFORMATION**

### **DIVIDEND**

The Board does not recommend the payment of any final dividend for the year ended 31 March 2025 and 2024.

## **SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES**

The Group did not hold any significant investments, nor did it have any material acquisitions or disposals of any subsidiaries, associates or joint ventures during the Year.

## **FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS**

Save as disclosed under the section headed "Management Discussion and Analysis" section of this announcement, the Group does not have any other plans for material investments or capital assets.

## EMPLOYEES AND EMOLUMENTS

As at 31 March 2025, the Group had 25 employees (2024: 44), and the total staff cost including Directors' emoluments amounted to approximately HK\$10,379,000 (2024: approximately HK\$6,794,000). To enhance the expertise, product knowledge, marketing skills and overall operational management skills of its employees, the Group organised regular training and development courses for its employees, and provided them with a competitive remuneration package, including salary, allowance, insurance, commission and bonus. Meanwhile, in order to create a harmonious and family-like working atmosphere, the Group emphasises on communication with employees and continually developing paths for staff promotion. Share options would be granted to respective employees with outstanding performance and contributions to the Group.

A directors' remuneration policy has been adopted. It aims to set out the Company's policy in respect of remuneration paid to executive Directors and non-executive Directors. The Directors' remuneration policy sets out the remuneration structure that allows the Company to attract, motivate and retain qualified Directors who can manage and lead the Company in achieving its strategic objective and contribute to the Company's performance and sustainable growth, and to provide Directors with a balanced and competitive remuneration. The remuneration policy is, therefore, aiming at being competitive but not excessive. To achieve this, remuneration package is determined with reference to a matrix of factors, including the individual performance, qualification and experience of Directors concerned and prevailing industry practice. It will be reviewed and, if necessary, updated from time to time to ensure its continued effectiveness.

The Company has adopted a share option scheme (the "**Share Option Scheme**") as an incentive to the Directors and eligible employees, details of which are set out in the circular of the Company dated 6 September 2024. No share option has been granted, exercised, cancelled or lapsed under the Share Option Scheme since its adoption and up to the date of this announcement.

During the Year, the Group has not experienced any significant problems with its employees due to labour disputes nor has it experienced any difficulty in the recruitment and retention of experienced staff.

## PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

There was no purchase, sale or redemption of the Company's listed securities by the Company or any of its subsidiaries during the Year.

## EVENTS AFTER THE REPORTING PERIOD

There were no significant events after the Year and up to the date of this announcement.

## SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained a sufficient public float as required under the Listing Rules during the year ended 31 March 2025 and up to the date of this announcement.

## USE OF PROCEEDS IN RELATION TO THE PLACING UNDER GENERAL MANDATE

On 9 September 2024, the Company entered into the placing agreement (the “**Placing Agreement**”) with KGI Asia Limited (the “**Placing Agent**”), pursuant to which the Company has conditionally agreed to place, through the Placing Agent on a best effort basis, a maximum of 220,000,000 new ordinary Shares (the “**Placing Share(s)**”) at the placing price of HK\$0.270 per Placing Share (the “**Placing**”), to not less than six placees (the “**Placees**”) who and whose ultimate beneficial owner(s) are Independent Third Parties.

The Placing was completed on 4 October 2024. A total of 220,000,000 Placing Shares have been successfully placed by the Placing Agent to not less than six Placees at the placing price of HK\$0.270 per Placing Share pursuant to the terms and conditions of the Placing Agreement. The gross proceeds from the Placing and net proceeds from the Placing, after deduction of the placing commission and other related expenses, amounted to approximately HK\$59.4 million and approximately HK\$58.9 million, respectively.

The net proceeds from the Placing are intended to be used by the Group for (i) operation and enhancement of fashion accessories business; (ii) conducting marketing activities; (iii) enhancement of online platform in relation to both fashion accessories business and skincare and health products sales business; and (iv) general working capital and general corporate purposes of the Group.

Details of the Placing has been set out in the announcements of the Company dated 9 September 2024 and 4 October 2024.

The below table sets out the use of net proceeds from the Placing:

Use of proceeds from the Placing	Net proceeds from the Placing (HK\$' million) (Approximate)	Approximate percentage of the total net proceeds % (Approximate)	Utilised net proceeds from Placing during the Reporting Period (HK\$' million) (Approximate)	Unutilized net proceeds as at 31 March 2025 (HK\$' million) (Approximate)	Expected time to utilize the remaining net proceeds in full
Operation and enhancement of fashion accessories business	15.80	26.80	15.80	–	N/A
Conducting marketing activities	19.50	33.10	2.32	17.18	December 2025
Enhancement of online platform in relation to both fashion accessories business and skincare and health products sales business	12.00	20.40	5.57	6.43	December 2025
General working capital and general corporate purposes of the Group	11.60	19.70	8.94	2.66	December 2025
Total	<u>58.90</u>	<u>100.00</u>	<u>32.63</u>	<u>26.27</u>	



As at 31 March 2025, the unutilized net proceeds from the Placing amounted to approximately HK\$26.27 million, and as at the date of this announcement, the net proceeds has been utilized in accordance with such intended purposes as mentioned above.

## **CORPORATE GOVERNANCE PRACTICES**

The Directors recognise the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of the Group so as to achieve effective accountability to the shareholders of the Company (the “**Shareholders**”) as a whole. The Directors continuously observe the principles of good corporate governance in the interests of the Shareholders and devote considerable effort to identifying and formalising best practice.

The Company has adopted the Corporate Governance Code and Corporate Governance Report (the “**CG Code**”) as set out in Appendix C1 of the Listing Rules. The Company has complied with all the provisions in the CG Code during the Year.

## **MODEL CODE FOR DIRECTORS’ SECURITIES TRANSACTIONS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 of the Listing Rules as the required standard for securities transactions by Directors. The Company has made specific enquiries of all Directors and all Directors confirmed that they have complied with the required standards set out in the Model Code regarding Directors’ securities transactions throughout the Year.

## **AUDIT COMMITTEE**

The audit committee of the Company (the “**Audit Committee**”) was established on 23 April 2008 with written terms of reference adopted by the Company on 29 February 2016 in compliance with the CG Code. As at the date of this announcement, the Audit Committee comprised three members, all being independent non-executive Directors, namely Mr. Yuen Wai Kin, Ms. Ji Lingzi and Mr. Ma Sai Yam. Mr. Yuen Wai Kin is the chairman of the Audit Committee who holds the appropriate professional qualifications as required under Rule 3.10(2) of the Listing Rules. The Audit Committee has reviewed together with the management and the Board the accounting principles and practices adopted by the Group and discussed matters concerning the audit, internal control and risk management and financial reporting, including reviewing the Group’s annual results and the audited consolidated financial statements for the year ended 31 March 2025. The Audit Committee also recommended and submitted the annual results and the consolidated financial statements for the year ended 31 March 2025 to the Board for approval.



## **SCOPE OF WORK OF CL PARTNERS CPA LIMITED**

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the Year as set out in the preliminary announcement have been agreed by the Group's auditor, CL Partners CPA Limited, to the amounts set out in the Group's audited consolidated financial statements for the Year.

The work performed by CL Partners CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no opinion or assurance has been expressed by CL Partners CPA Limited on the preliminary announcement.

## **PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT**

The announcement of the Group's annual results for the Year is published on the website of Hong Kong Exchanges and Clearing Limited at [www.hkex.com.hk](http://www.hkex.com.hk) and on the website of the Company at [www.artini.com.hk](http://www.artini.com.hk).

The 2025 annual report of the Company will be dispatched to the Shareholders and will be made available on the above websites in due course.

By order of the Board  
**Artini Holdings Limited**  
**Chen Long**  
*Chairman and Executive Director*

Hong Kong, 30 June 2025

*As at the date of this announcement, the executive directors of the Company are Mr. Chen Long (Chairman) and Mr. Chen Shaojia (Chief Executive); and the independent non-executive directors of the Company are Mr. Yuen Wai Kin, Ms. Ji Lingzi and Mr. Ma Sai Yam.*