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**WAI YUEN TONG MEDICINE HOLDINGS LIMITED**  
**(位元堂藥業控股有限公司\*)**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 897)**

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

<b>ANNUAL FINANCIAL HIGHLIGHTS</b>			
<i>HK\$ million</i>	<b>FY2025</b>	<b>FY2024</b>	<b>YoY change</b>
Revenue from continuing operations	<b>745.3</b>	783.9	<b>(4.9%)</b>
Gross profit from continuing operations	<b>376.5</b>	394.8	<b>(4.6%)</b>
Profit for the year	<b>7.1</b>	4.0	<b>77.5%</b>
Profit/(loss) attributable to owners of the parent	<b>7.1</b>	(15.4)	<b>146.1%</b>
Earnings/(loss) per share ( <i>HK cents</i> )			
— Basic and diluted	<b>0.63</b>	(1.30)	<b>148.5%</b>
	<b>As at</b>	<b>As at</b>	
	<b>31 March</b>	<b>31 March</b>	
	<b>2025</b>	<b>2024</b>	
Net assets value	<b>1,179.6</b>	1,385.5	<b>(14.9%)</b>
Cash and cash equivalents	<b>132.3</b>	155.0	<b>(14.6%)</b>
Gearing ratio	<b>17.9%</b>	21.7%	<b>(3.8%)</b>

\* For identification purpose only

## RESULTS

The board of directors (the “**Board**” or the “**Directors**”) of Wai Yuen Tong Medicine Holdings Limited (the “**Company**”) is pleased to announce the consolidated results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 March 2025, together with the comparative figures for the previous financial year, as follows:

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

Year ended 31 March 2025

	<i>Notes</i>	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>CONTINUING OPERATIONS</b>			
<b>REVENUE</b>	4	<b>745,298</b>	783,881
Cost of sales		<u>(368,845)</u>	<u>(389,068)</u>
Gross profit		<b>376,453</b>	394,813
Other income and gains, net	4	<b>72,052</b>	91,588
Selling and distribution expenses		<b>(299,030)</b>	(246,123)
Administrative expenses		<b>(109,273)</b>	(108,855)
Reversal of impairment losses/(impairment losses) on financial assets, net		<b>(15,021)</b>	584
Other expenses, net	5	<b>1,434</b>	(86,310)
Finance costs	7	<b>(28,158)</b>	(40,792)
Fair value losses on financial assets at fair value through profit or loss, net		<b>(6,500)</b>	(3,219)
Fair value gains/(losses) on owned investment properties, net		<b>11,073</b>	(17,852)
Share of profits and losses of associates		<u><b>1,045</b></u>	<u>2,533</u>
<b>PROFIT/(LOSS) BEFORE TAX</b>			
<b>FROM CONTINUING OPERATIONS</b>	6	<b>4,075</b>	(13,633)
Income tax credit	8	<u><b>3,017</b></u>	<u>6,359</u>
<b>PROFIT/(LOSS) FOR THE YEAR</b>			
<b>FROM CONTINUING OPERATIONS</b>		<b>7,092</b>	(7,274)
<b>DISCONTINUED OPERATIONS</b>			
Profit for the year from discontinued operations		<u>—</u>	<u>11,319</u>
<b>PROFIT FOR THE YEAR</b>			
		<u><b>7,092</b></u>	<u>4,045</u>

	<i>Notes</i>	<b>2025</b> <b>HK\$'000</b>	2024 <b>HK\$'000</b>
<b>OTHER COMPREHENSIVE INCOME/ (LOSS)</b>			
<i>Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:</i>			
Debt investments at fair value through other comprehensive income:			
Changes in fair value		<b>11</b>	(8,495)
Reclassification adjustments for losses/(gains) included in profit or loss:			
— Impairment losses/(reversal of impairment losses), net	6	<b>(1,239)</b>	461
— Losses/(gains) on disposal/redemption, net	4, 5	<b>(426)</b>	9,152
Subtotal		<b>(1,654)</b>	1,118
Translation reserve:			
Translation of foreign operations		<b>(1,080)</b>	(87,911)
Release upon the completion of the Distribution in Specie		—	8,248
Subtotal		<b>(1,080)</b>	(79,663)
Net other comprehensive loss that may be reclassified to profit or loss in subsequent periods		<b>(2,734)</b>	(78,545)
<i>Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods:</i>			
Equity investments at fair value through other comprehensive income:			
Changes in fair value		<b>699</b>	(34,674)
<b>OTHER COMPREHENSIVE LOSS FOR THE YEAR</b>		<b>(2,035)</b>	(113,219)
<b>TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR</b>		<b>5,057</b>	(109,174)

	<i>Note</i>	<b>2025</b> <b>HK\$'000</b>	2024 <i>HK\$'000</i>
Profit/(loss) attributable to:			
Owners of the parent		<b>7,100</b>	(15,356)
Non-controlling interests		<b>(8)</b>	19,401
		<hr/>	<hr/>
Total		<b>7,092</b>	4,045
		<hr/> <hr/>	<hr/> <hr/>
Total comprehensive income/(loss) attributable to:			
Owners of the parent		<b>5,065</b>	(78,228)
Non-controlling interests		<b>(8)</b>	(30,946)
		<hr/>	<hr/>
Total		<b>5,057</b>	(109,174)
		<hr/> <hr/>	<hr/> <hr/>
<b>EARNINGS/(LOSS) PER SHARE</b>			
<b>ATTRIBUTABLE TO ORDINARY</b>			
<b>EQUITY HOLDERS OF THE PARENT</b>	<i>10</i>		
Basic and diluted			
— For profit/(loss) for the year		<b>HK 0.63 cents</b>	HK (1.30) cents
		<hr/> <hr/>	<hr/> <hr/>
— For profit/(loss) from continuing operations		<b>HK 0.63 cents</b>	HK (0.63) cents
		<hr/> <hr/>	<hr/> <hr/>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 March 2025

	<i>Note</i>	<b>2025</b> <b>HK\$'000</b>	2024 HK\$'000
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		<b>638,547</b>	665,458
Investment properties		<b>129,900</b>	152,000
Net investments in subleases		<b>4,232</b>	5,897
Investments in associates		<b>2,978</b>	4,433
Financial assets at fair value through other comprehensive income		<b>3,699</b>	24,986
Loans and interest receivables		<b>295,000</b>	380,000
Prepayments and deposits		<b>18,823</b>	14,423
Deferred tax assets		<b>21,047</b>	17,685
		<hr/>	<hr/>
Total non-current assets		<b>1,114,226</b>	1,264,882
<b>CURRENT ASSETS</b>			
Inventories		<b>238,098</b>	308,098
Trade receivables	<i>11</i>	<b>67,346</b>	81,356
Loans and interest receivables		<b>112,453</b>	114,759
Prepayments, deposits and other receivables		<b>56,543</b>	57,781
Net investments in subleases		<b>3,856</b>	4,931
Financial assets at fair value through other comprehensive income		<b>455</b>	8,128
Financial assets at fair value through profit or loss		<b>9,927</b>	28,753
Tax recoverable		<b>29</b>	181
Pledged deposits		<b>—</b>	4,444
Cash and cash equivalents		<b>132,316</b>	154,969
		<hr/>	<hr/>
		<b>621,023</b>	763,400
Assets classified as held for sale		<b>—</b>	66,828
		<hr/>	<hr/>
Total current assets		<b>621,023</b>	830,228

	<i>Note</i>	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>CURRENT LIABILITIES</b>			
Trade and bills payables	12	18,271	30,907
Other payables and accruals		139,089	148,683
Contract liabilities		9,364	12,020
Interest-bearing bank borrowings		187,345	184,749
Tax payable		4,864	4,513
		<u>358,933</u>	<u>380,872</u>
<b>Total current liabilities</b>		<b>358,933</b>	<b>380,872</b>
<b>NET CURRENT ASSETS</b>			
		<u>262,090</u>	<u>449,356</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		<u>1,376,316</u>	<u>1,714,238</u>
<b>NON-CURRENT LIABILITIES</b>			
Other payables		40,476	51,220
Interest-bearing bank borrowings		155,950	276,200
Deferred tax liabilities		320	1,362
		<u>196,746</u>	<u>328,782</u>
<b>Total non-current liabilities</b>		<b>196,746</b>	<b>328,782</b>
<b>Net assets</b>		<u><b>1,179,570</b></u>	<u><b>1,385,456</b></u>
<b>EQUITY</b>			
<b>Equity attributable to owners of the parent</b>			
Issued capital		11,251	11,711
Reserves		1,169,817	1,375,235
		<u>1,181,068</u>	<u>1,386,946</u>
<b>Subtotal</b>		<b>1,181,068</b>	<b>1,386,946</b>
Non-controlling interests		(1,498)	(1,490)
		<u>(1,498)</u>	<u>(1,490)</u>
<b>Total equity</b>		<u><b>1,179,570</b></u>	<u><b>1,385,456</b></u>

## NOTES TO FINANCIAL INFORMATION

31 March 2025

### 1. BASIS OF PREPARATION

This financial information has been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties, financial assets at fair value through profit or loss (“FVTPL”) and financial assets at fair value through other comprehensive income (“FVTOCI”) which have been measured at fair value. Assets classified as held for sale are stated at the lower of their carrying amount and fair value less costs to sell.

This financial information has presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand except when otherwise indicated.

### 2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised HKFRS Accounting Standards for the first time for the current year’s financial statements.

Amendments to HKFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to HKAS 7 and HKFRS 7	<i>Supplier Finance Arrangements</i>

The nature and the impact of the revised HKFRS Accounting Standards are described below:

- (a) Amendments to HKFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of HKFRS 16, the amendments did not have any impact on the financial position or performance of the Group.
- (b) Amendments to HKAS 7 and HKFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity’s liabilities, cash flows and exposure to liquidity risk. As the Group does not have supplier finance arrangements, the amendments did not have any impact on the Group’s financial statements.

### 3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has four reportable operating segments as follows:

#### **Continuing operations:**

- production and sale of Chinese pharmaceutical and health food products and relevant services — (i) manufacture, processing and sale of traditional Chinese medicine which includes Chinese medicinal products sold under the brand name of “Wai Yuen Tong” and a range of products manufactured using selected medicinal materials with traditional prescriptions, mainly in Mainland China and Hong Kong, (ii) provision of Traditional Chinese Medicine (“TCM”) services and (iii) provision of management and promotion services (“**Chinese Pharmaceutical Segment**”);
- production and sale of Western pharmaceutical and health food products — manufacture, processing and sale of Western pharmaceutical products and personal care products under the brand names of “Madame Pearl’s” and “Pearl’s”, respectively (“**Western Pharmaceutical Segment**”); and
- property investment — investment in commercial premises for rental income.

#### **Discontinued operations:**

- management and sale of properties in agricultural produce exchange markets.

Upon completion of the Distribution in Specie (as defined in note 9 to the financial information) on 25 March 2024, China Agri-Products Exchange Limited (“CAP”) and its subsidiaries (together the “**CAP Group**”) ceased to be subsidiaries of the Group. The businesses of management and sale of properties in agricultural produce exchange markets carried out by CAP Group were classified as discontinued operations for the year ended 31 March 2024. Accordingly, the financial performance of the management of and sale of properties in agricultural produce exchange markets segment is classified as “profit for the year from discontinued operations” in the consolidated statement of profit or loss and other comprehensive income.

Management monitors the results of the Group’s operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group’s profit/loss before tax except that bank interest income, finance costs, fair value losses from the Group’s financial instruments at FVTPL, losses arising from disposal of subsidiaries, and head office and corporate income and expenses are excluded from such measurement.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

The segmentations are based on the information about the operation of the Group that management uses to make decisions and regularly review by the chief operating decision maker for the purpose of allocating resources to segments and assessing their performance.

## Segment revenue and results

### Year ended 31 March

	Continuing operations								Discontinued operations				Total	
	Chinese Pharmaceutical Segment		Western Pharmaceutical Segment		Property investment		Total continuing operations		Management and sale of properties in agricultural produce exchange markets		Eliminations			
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Segment revenue and income:</b>														
Sales to external customers	651,693	689,200	90,281	90,198	3,324	4,483	745,298	783,881	—	553,973	—	—	745,298	1,337,854
Intersegment sales	12	1,403	1,292	11	5,848	14,304	7,152	15,718	—	—	(7,152)	(15,718)	—	—
Total segment revenue	651,705	690,603	91,573	90,209	9,172	18,787	752,450	799,599	—	553,973	(7,152)	(15,718)	745,298	1,337,854
Other income and gains	5,476	2,538	520	1,177	16,448	38,892	22,444	42,607	—	141,749	—	—	22,444	184,356
Total	657,181	693,141	92,093	91,386	25,620	57,679	774,894	842,206	—	695,722	(7,152)	(15,718)	767,742	1,522,210
<b>Segment results</b>	<b>(31,752)</b>	<b>37,549</b>	<b>(2,504)</b>	<b>14,554</b>	<b>36,113</b>	<b>(39,798)</b>	<b>1,857</b>	<b>12,305</b>	<b>—</b>	<b>170,947</b>	<b>—</b>	<b>—</b>	<b>1,857</b>	<b>183,252</b>
<i>Reconciliation:</i>														
Bank interest income							1,439	2,182	—	2,671			1,439	4,853
Finance costs							(28,158)	(40,792)	—	(111,754)			(28,158)	(152,546)
Fair value losses on financial assets at FVTPL, net							(6,500)	(3,219)	—	(2,817)			(6,500)	(6,036)
Losses on disposal of subsidiaries							—	(5,898)	—	—			—	(5,898)
Corporate and unallocated income and expense, net							35,437	23,172	—	2,890			35,437	26,062
Profit/(loss) before tax							4,075	(12,250)	—	61,937			4,075	49,687
Income tax credit/(expense)							3,017	6,359	—	(52,001)			3,017	(45,642)
Profit/(loss) for the year							7,092	(5,891)	—	9,936			7,092	4,045

#### 4. REVENUE AND OTHER INCOME AND GAINS, NET

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

	2025			2024		
	Continuing operations HK\$'000	Discontinued operations HK\$'000	Total HK\$'000	Continuing operations HK\$'000	Discontinued operations HK\$'000	Total HK\$'000
Revenue from contracts with customers	741,974	—	741,974	779,398	375,675	1,155,073
Revenue from other sources						
Gross rental income from investment property operating leases	3,324	—	3,324	4,483	178,298	182,781
Total revenue	<b>745,298</b>	<b>—</b>	<b>745,298</b>	<b>783,881</b>	<b>553,973</b>	<b>1,337,854</b>

An analysis of the Group's other income and gains, net, from continuing operations is as follows:

	2025 HK\$'000	2024 HK\$'000
<u>Other income</u>		
Interest income on loans receivable from CAP (note (i))	38,758	39,100
Interest income on loans receivable from Wang On	4,681	384
Interest income on financial assets at FVTPL or FVTOCI	544	3,767
Interest income on bank deposits	1,439	2,182
Finance income on net investments in subleases	431	354
Dividends from financial assets at FVTPL or FVTOCI	361	2,451
Rental income from other properties	4,897	4,999
Government subsidies (note (ii))	150	41
Others	2,133	2,915
Total other income	<b>53,394</b>	<b>56,193</b>
<u>Gains, net</u>		
Gain on disposal/redemption of debt investments at FVTOCI	426	—
Gain on disposal of items of property, plant and equipment, net	16,368	35,395
Gain on modification of lease contracts, net	1,864	—
Total gains, net	<b>18,658</b>	<b>35,395</b>
Total other income and gains, net	<b>72,052</b>	<b>91,588</b>

*Notes:*

- (i) The interest income on loans receivable from CAP, the operations of which were classified as discontinued operations during the year ended 31 March 2024, was not eliminated for the year ended 31 March 2024 and was presented to reflect how the loans arrangement with CAP will be reflected in continuing operations going forward.
- (ii) Government subsidies from continuing operations during the year ended 31 March 2025 represented the one-off subsidies of HK\$150,000 granted by SME Export Marketing Fund (2024: HK\$41,000 represented the one-off subsidies granted by The Government of the Hong Kong Special Administrative Region's Research and Development Cash Rebate Scheme and SME Export Marketing Fund).

Government subsidies from discontinued operations during the year ended 31 March 2024 represented the PRC government subsidies HK\$4,618,000 granted to the Group by the local governmental authority in Mainland China for the business support on its operations in agricultural produce exchange market in Mainland China.

The Group has complied with all attached conditions before 31 March 2025 and 2024.

**5. OTHER EXPENSES, NET**

An analysis of other expenses, net, from continuing operations is as follows:

	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Losses on disposal of subsidiaries	—	5,898
Losses on disposal of investment properties	<b>1,201</b>	—
Loss on disposal/redemption of debt investments at FVTOCI, net	—	9,152
Impairment losses/(reversal of impairment losses) on items of property, plant and equipment, net	<b>(3,130)</b>	68,630
Exchange losses, net	<b>495</b>	2,630
Total other expenses, net	<b><u>(1,434)</u></b>	<b><u>86,310</u></b>

## 6. PROFIT/(LOSS) BEFORE TAX

The Group's profit/(loss) before tax from continuing operations is arrived at after charging/(crediting):

	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Cost of inventories recognised as an expense (including allowance for obsolete inventories of HK\$4,015,000 (2024: HK\$2,911,000))	<b>340,265</b>	358,473
Cost of services provided	<b>28,580</b>	30,595
Research and development costs	<b>1,124</b>	1,786
Lease payments not included in the measurement of lease liabilities	<b>7,553</b>	13,573
Auditor's remuneration	<b>3,800</b>	4,580
Depreciation of owned assets	<b>33,349</b>	36,105
Depreciation of right-of-use assets	<b>57,134</b>	53,067
Total	<b>90,483</b>	89,172
Employee benefit expense (excluding directors' remuneration):		
Wages and salaries and other benefits	<b>232,443</b>	221,355
Pension scheme contributions*	<b>10,124</b>	10,038
Total	<b>242,567</b>	231,393
Foreign exchange differences, net	<b>495</b>	2,630
Impairment losses/(reversal of impairment losses) on financial assets, net:		
Debt investments at fair value through other comprehensive income	<b>(1,239)</b>	461
Trade receivables	<b>15,059</b>	(1,045)
Other receivables	<b>1,201</b>	—
Total	<b>15,021</b>	(584)
Gross rental income	<b>(8,221)</b>	(9,482)
Less: Direct outgoing expense	<b>135</b>	386
Net rental income	<b>(8,086)</b>	(9,096)

\* There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

## 7. FINANCE COSTS

An analysis of finance costs from continuing operations is as follows:

	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interest on bank borrowings	<b>22,624</b>	36,721
Interest on lease liabilities	<b>5,534</b>	4,071
Total	<b>28,158</b>	40,792

## 8. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates. The provision for PRC land appreciation tax (“LAT”), as incurred by the Group’s discontinued operations, is estimated according to the requirements set forth in the relevant PRC tax laws and regulations. LAT has been provided at a fixed rate or ranges of progressive rates, as applicable, of the appreciation value, with certain allowable deductions.

	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current — Hong Kong		
Charge for the year	<b>1,637</b>	600
Overprovision in prior years	<b>(250)</b>	(92)
Deferred taxation	<b>(4,404)</b>	(6,867)
Total tax credit for the year from continuing operations	<b>(3,017)</b>	(6,359)
Total tax charge for the year from discontinued operations	<b>—</b>	52,001
Total tax charge/(credit)	<b>(3,017)</b>	45,642

## 9. DIVIDENDS

	<i>Notes</i>	<b>2025</b> <b>HK\$'000</b>	2024 <i>HK\$'000</i>
Proposed final dividend			
— Cash dividend of Nil (2024: HK3.0 cents) per ordinary share	<i>(i)</i>	—	33,753
— Special dividend of Nil (2024: HK14.7 cents) per ordinary share	<i>(i)</i>	—	165,390
Special dividend paid by way of the Distribution in Specie	<i>(ii)</i>	—	869,289
		—	1,068,432
		<u>          </u>	<u>          </u>

### *Notes:*

- (i) The final dividend for the year ended 31 March 2024 proposed subsequent to the reporting period has not been recognised as liabilities at the end of the reporting period and is subject to the approval of the Company's shareholders at the forthcoming annual general meeting. Except for the special dividend paid by way of the Distribution in Specie as detailed in note (ii) below, no interim dividend was declared for the years ended 31 March 2025 and 2024.

During the year, the final dividend for the year ended 31 March 2024 was paid out of the contributed surplus account of the Company.

- (ii) On 7 March 2024, the shareholders of the Company approved the payment of a special dividend by way of a distribution in specie of 1,715,665,730 shares of Wang On (“**Wang On Shares**”) held by the Group which was recognised as financial assets at FVTOCI before the distribution, and 5,310,951,597 shares of CAP (“**CAP Shares**”) held by the Group which represented approximately 53.36% of the issued capital of CAP, with aggregate carrying values in the Group's consolidated statement of financial position as at the completion date of the distribution in specie of approximately HK\$58,333,000 and HK\$810,956,000, respectively, to the qualifying shareholders in proportion to their respective shareholdings in the Company (the “**Distribution in Specie**”). The Distribution in Specie was completed on 25 March 2024 and was recognised as the payment of a special dividend with an aggregate amount of HK\$869,289,000 out of contributed surplus.

**10. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT**

The calculation of the basic earnings/(loss) per share amounts is based on the profit/(loss) for the year attributable to owners of the parent, and the weighted average number of ordinary shares outstanding during the year.

No adjustment has been made to the basic earnings/(loss) per share amounts presented for the years ended 31 March 2025 and 2024 as the Group had no potentially dilutive ordinary shares outstanding during the years.

The calculations of basic and diluted earnings/(loss) per share are based on:

	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<u>Earnings/(loss) per share</u>		
Profit/(loss) attributable to ordinary equity holders of the parent, used in the basic and diluted earnings/(loss) per share calculation:		
From continuing operations	7,100	(7,426)
From the discontinued operations	—	(7,930)
Total	<u>7,100</u>	<u>(15,356)</u>
	<b>Number of shares</b>	
	<b>2025</b>	2024
<u>Shares</u>		
Weighted average number of ordinary shares used in the basic and diluted earnings/(loss) per share calculation	<u>1,125,837,135</u>	<u>1,181,345,893*</u>

\* In respect of the year ended 31 March 2024, no adjustment has been made to the basic loss per share amount of the Group and the discontinued operations presented in respect of a dilution as the impact of outstanding share options issued by CAP had no dilutive effect on the basic loss per share amounts presented.

## 11. TRADE RECEIVABLES

	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade receivables	<b>74,584</b>	94,402
Less: Accumulated impairment	<b>(7,238)</b>	(13,046)
	<hr/>	<hr/>
Net carrying amount	<b>67,346</b>	81,356
	<hr/> <hr/>	<hr/> <hr/>

The Group's trading terms with its customers are mainly on credit. The credit period ranges from 7 to 120 days. Each customer has a maximum credit limit and the credit limit is reviewed regularly. The Group seeks to maintain strict control over its outstanding receivables and to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within 1 month	<b>51,515</b>	37,767
1 to 3 months	<b>14,500</b>	13,313
Over 3 months but within 6 months	<b>716</b>	15,391
Over 6 months	<b>615</b>	14,885
	<hr/>	<hr/>
Total	<b>67,346</b>	81,356
	<hr/> <hr/>	<hr/> <hr/>

## 12. TRADE AND BILLS PAYABLES

	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade payables	<b>18,271</b>	26,463
Bills payable	—	4,444
	<hr/>	<hr/>
Total	<b>18,271</b>	30,907
	<hr/> <hr/>	<hr/> <hr/>

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

	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within 1 month	<b>10,982</b>	13,817
1 to 3 months	<b>2,102</b>	4,234
Over 3 months but within 6 months	<b>334</b>	1,364
Over 6 months	<b>4,853</b>	11,492
	<hr/>	<hr/>
Total	<b>18,271</b>	30,907
	<hr/> <hr/>	<hr/> <hr/>

The trade payables are non-interest-bearing. As at 31 March 2024, the bills payables of the Group are secured by the Group's bank balances and property, plant and equipment and interest-bearing at 2.45% per annum. The trade and bills payables have an average term of 30 to 360 days. The Group has financial risk management policies in place to ensure that all payables are within the credit time frame.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **CONSOLIDATED RESULTS**

For the financial year ended 31 March 2025 (the “**Year**”), total revenue of the Group decreased by approximately 4.9% to approximately HK\$745.3 million, which was mainly attributable to the decrease in sale of Chinese pharmaceutical and health food products.

During the Year, the Group recorded a profit attributable to owners of the parent of approximately HK\$7.1 million (2024: loss attributable to owners of the parent of approximately HK\$15.4 million). Such turnaround from loss to profit was mainly attributable to the combined effect of (i) decrease in impairment loss on property, plant and equipment; (ii) change from fair value losses to fair value gains on owned investment properties; and (iii) decrease in finance cost, as the above partially offset by the increase in marketing expenses.

### **DIVIDEND**

The Board does not recommend the payment of any dividend in respect of the year ended 31 March 2025 (2024: a final cash dividend and a special cash dividend of HK3.0 cents and HK14.7 cents respectively per ordinary share). No interim dividend was declared for the six months ended 30 September 2024 (30 September 2023: Nil).

A special dividend by way of distribution in specie was declared and paid for the year ended 31 March 2024 (further details are disclosed in note 9 to the financial information).

### **BUSINESS REVIEW**

Hong Kong’s retail sector faced persistent challenges throughout 2024 and into early 2025. Provisional figures for 2024 revealed a 7.3% decline in total retail sales value to HK\$376.8 billion, alongside a 9.0% year-on-year contraction in sales volume. This downward trend extended into the first quarter of 2025, with provisional estimates indicating a 6.5% decrease in retail sales value compared to the same period in 2024, underscoring continued adjustments in consumer behavior amid external economic pressures.

## Chinese Pharmaceutical and Health Food Products

Wai Yuen Tong remains steadfast in its commitment to delivering high-quality Traditional Chinese Medicine (TCM) products and services while proactively adapting to shifting consumer preferences. Over the past year, we have strategically expanded our retail footprint, establishing new locations in key tourist areas and optimizing operating hours to enhance customer convenience. Additionally, we have strengthened collaborations with leading health & beauty retailers and e-commerce platforms in Hong Kong and mainland China, broadening access to our trusted TCM offerings. A pivotal component of our growth strategy is to leverage the rapid expansion of cross-border e-commerce, particularly through new emerging dynamic platforms such as Douyin. Our live-streaming initiatives on Douyin have achieved exceptional results, engaging a vast audience of health-conscious consumers from China and driving robust sales growth through e-commerce channels. These e-commerce platforms and service providers have proven to be increasingly important for the marketing and distribution of our product. By harnessing the power of social e-commerce live streaming, we have successfully introduced Wai Yuen Tong's heritage TCM products to millions of potential customers in China, reinforcing brand awareness and accessibility in the mainland market. In response to the resurgence of Chinese outbound tourism, we have reallocated marketing resources to capitalize on this trend, ensuring our products remain a top choice for travelers seeking premium TCM solutions.

Amid this challenging operating environment, Wai Yuen Tong sustained stable performance through its strategic emphasis on essential healthcare needs and product innovation. The Company observed a rising preference for TCM products in the market, particularly among health-conscious middle-class families and Mainland visitors seeking high quality and reliable wellness solutions. With innovation being core to Wai Yuen Tong's strategy, we have successfully introduced 3 key products in 2024 including **Premium Ganoderma Eight Plus** (百草靈芝皇), formulated with premium *Ganoderma lucidum* extracts to support immunity regulation; the **Body Dampness Relief** (祛濕清) product, designed to invigorate the spleen and stomach while promoting diuresis to reduce puffiness; and the **Ultimate Brightening** (雪肌丸) formula, which effectively diminishes pigmentation, blemishes, and UVA/UVB damage. These new ranges complemented the strong performance of established products such as **Wild Cordyceps Plus** (野生蟲草皇) for respiratory health and the **Nano Bone Enhancer** (骨盈素), which contributing to more than double sales volume.

## **Western Pharmaceutical and Personal Care Products**

With the combined effect of improved conditions of COVID and increasing number of outbound visits, the Hong Kong respiratory health market experienced slightly sales decline in the last year. Nevertheless, we have launched a new series of marketing campaigns to celebrate the 70th anniversary of Madame Pearl's, including new TV commercials, outdoor advertising and also award-winning Madame Pearl's brand video on social media. These consolidated together Madame Pearl's cough syrup No. 1 position in the market for 15th consecutive years with positive sales growth in the Hong Kong market.

For China market, we have successfully expanded the distribution of Madame Pearl's cough syrup to over 10,000 outlets, including top chain drugstores as well as leading hospitals in China. We will continue to expand the breadth and depth of distribution of Madame Pearl's products in China, with the aim of improving the respiratory health of consumers in China.

In the Personal Care area, in order to enhance the brand awareness of Pearl's in Hong Kong, we have conducted various marketing programs in last year including MTR in-train video and collaboration with Pokémon on seasonal promotion packs. To capitalize on the increasing importance of cross border e-commerce channel, we have enhanced our resource and promotion for Pearl's Flagship stores and these contributed in marketing in 10-fold increase of Pearl's sales in this strategic channel.

## **Property Investment**

As at 31 March 2025, the Group owned 5 properties in Hong Kong which are all retail properties. A majority of these properties were used as the retail shops under self-operating and franchise models. The net fair value gains on investment properties for the Year amounted to approximately HK\$11.1 million (2024: net fair value losses of approximately HK\$17.9 million) as a result of the recovery of the property market.

During the Year, the Group completed the disposal of properties which are situated at (i) Shop B on G/F including the cockloft, Yan Oi House, No. 237 Sha Tsui Road and Nos. 87 & 89 Chuen Lung Street, Tsuen Wan, New Territories, Hong Kong at a consideration of HK\$38.0 million, completion of which took place on 2 May 2024; (ii) Shop C on Ground Floor and Flat C on Mezz Floor, Lee Wah Building, Nos. 738-740A Nathan Road, Kowloon, Hong Kong at a consideration of HK\$41.0 million, completion of which took place on 17 May 2024; (iii) Shop B on G/F, Kwong Sen Mansion, Nos. 23-33 Shui Wo Street, Kwun Tong at a consideration of HK\$33.0 million, completion of which took place on 16 August 2024 and (iv) Shop A on the Ground Floor, Onshine Commercial Building, No. 10 Tung Sing Road, Aberdeen, Hong Kong at a consideration of HK\$21.9 million, completion of which took place on 26 August 2024.

On 10 April 2025, the Group entered into a provisional sale and purchase agreement with an independent third party to sell a property situated at Shop on G/F with the cockloft, 60A Yen Chow Street, Kowloon, Hong Kong at a consideration of HK\$19.5 million, completion of which took place on 5 June 2025.

## **FINANCIAL REVIEW**

### **Revenue**

The total revenue of the Group decreased by approximately 4.9% to approximately HK\$745.3 million, which was mainly attributable to the decrease in sales performance of Chinese pharmaceutical and health food products.

### **Gross profit**

The Group's gross profit decreased by approximately HK\$18.3 million or approximately 4.6% to approximately HK\$376.5 million for the Year as compared to approximately HK\$394.8 million for the year ended 31 March 2024. The decrease was in line with the decrease in sales revenue and the gross profit margin remained more or less stable at 50.5% (2024: 50.4%).

### **Other income and gains, net**

Other income and gains of the Group decreased by approximately HK\$19.5 million or approximately 21.3% from approximately HK\$91.6 million for the year ended 31 March 2024 to approximately HK\$72.1 million for the Year. The decrease was mostly because of the reduction in gains arising from the disposal of self use properties.

### **Selling and distribution expenses**

Selling and distribution expenses increased by approximately HK\$52.9 million or approximately 21.5% from approximately HK\$246.1 million for the year ended 31 March 2024 to approximately HK\$299.0 million for the Year. The increase was mainly owing to the increase in staff cost as well as advertising and promotion expenses for cross border e-commerce business during the Year.

### **Other expenses, net**

Other expenses decreased by approximately HK\$87.7 million from a net expenses of approximately HK\$86.3 million for the year ended 31 March 2024 to a net income of approximately HK\$1.4 million for the Year. The decrease was mostly attributable to the decrease in and reversal of previously provided impairment loss on items of property, plant and equipment, net.

### **Finance costs**

Finance costs decreased by approximately HK\$12.6 million or approximately 30.9% from approximately HK\$40.8 million for the year ended 31 March 2024 to approximately HK\$28.2 million for the Year. The decrease was mainly due to the decrease in interest rate and the reduction in outstanding loan amount which was resulted from the repayment upon disposals of properties during the Year.

## **Profit/(loss) for the Year attributable to owners of the parent**

During the Year, the Group recorded a profit attributable to owners of the parent of approximately HK\$7.1 million (2024: a loss attributable to owners of the parent of approximately HK\$15.4 million). Such turnaround from loss to profit was mainly attributable to the combined effect of (i) decrease in impairment loss on property, plant and equipment; (ii) change from fair value losses to fair value gains on owned investment properties; and (iii) decrease in finance costs, as the above partially offset by the increase in marketing expenses.

## **Liquidity and Gearing and Financial Resources**

As at 31 March 2025, the Group had total assets of approximately HK\$1,735.2 million (2024: approximately HK\$2,095.1 million) which were financed by current liabilities of approximately HK\$358.9 million (2024: approximately HK\$380.9 million), non-current liabilities of approximately HK\$196.7 million (2024: approximately HK\$328.8 million) and shareholders' equity of approximately HK\$1,179.6 million (2024: approximately HK\$1,385.5 million).

As at 31 March 2025, the Group's cash and cash equivalents and pledged deposit were approximately HK\$132.3 million (2024: approximately HK\$159.4 million).

As at 31 March 2025, the Group's total interest-bearing debts amounted to approximately HK\$343.3 million (2024: approximately HK\$460.9 million), all of which bore interest at floating interest rates and were denominated in Hong Kong dollars.

As at 31 March 2025, the Group's borrowings from financial institution will mature during the period from May 2025 to February 2027.

The current ratio, being a ratio of total current assets to total current liabilities, was approximately 1.7 (2024: approximately 2.2). The gearing ratio, being the ratio of total interest-bearing debts net of cash and cash equivalents and pledged deposits to equity attributable to owners of the parent, was approximately 17.9% (2024: approximately 21.7%). The Group always adopts a conservative approach in its financial management.

## **Foreign Exchange**

The Board is of the opinion that the Group has material foreign exchange exposure in RMB. All the bank borrowings are denominated in Hong Kong dollars. The revenue of the Group, mostly denominated in Hong Kong dollars and RMB, matches the currency requirements of the Group's operating expenses. Currently, the Group does not have a foreign currency hedging policy.

The activities of the Group are exposed to foreign currency risks mainly arising from its operations in Mainland China. The RMB exposure of the Group is mainly derived from currency translation risk arising from the net assets of our Mainland China subsidiaries. The re-translation of these net assets denominated in RMB into Hong Kong dollars using the exchange rate as of the reporting date resulted in a re-translation loss of approximately HK\$1.1 million (2024: loss of approximately HK\$87.9 million). The re-translation loss was recognized in other comprehensive income/exchange reserve.

## **Treasury Policy**

With an aim to ensuring adequate financial resources are available for business growth whilst maintaining a prudent capital structure, the Group manages its financial risks including currency risk, interest rate risk and price risk. The Group invests its surplus funds in equity securities and debt investments to maximize assets efficiency.

## **Capital Commitment**

As at 31 March 2025, the Group had capital commitment of approximately HK\$8.5 million (2024: approximately HK\$2.6 million) in respect of the acquisition of property, plant and equipment, which were contracted for but not provided for in the consolidated financial statements.

## **Pledge of Assets**

As at 31 March 2025, certain bank loans of the Group were secured by the Group's property, plant and equipment, owned investment properties and certain rental income generated therefrom and the equity interests in certain subsidiaries of the Company, with a total carrying value of approximately HK\$274.8 million.

As at 31 March 2024, certain bank loans and bills payables of the Group were secured by the Group's property, plant and equipment, owned investment properties and certain rental income generated therefrom, assets classified as held for sale, the equity interests in certain subsidiaries of the Company, and pledged deposits, with a total carrying value of approximately HK\$438.1 million.

## **Financial Guarantee**

As at 31 March 2025, the Group has provided guarantees to a bank in connection with facilities granted to CAP up to HK\$370.0 million (2024: HK\$370.0 million).

## **Other Significant Investments Held, Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures and Future Plans for Material Investments or Capital Assets**

Save as disclosed above, there was no significant investment held, nor was there any material acquisition or disposal of subsidiaries, associates and joint ventures during the Year. As at 31 March 2025, the Group did not have any concrete plan for material investments or capital assets nor acquisition or disposal of subsidiaries, associates and joint ventures.

## **EVENTS AFTER REPORTING PERIOD**

On 10 April 2025, the Group entered into a provisional sale and purchase agreement with an independent third party to sell a property situated at Shop on G/F with the cockloft, 60A Yen Chow Street, Kowloon, Hong Kong at a consideration of HK\$19.5 million, completion of which took place on 5 June 2025. Further details were set out in the announcement of (Wang On Group Limited (stock code: 1222) (“WOG”), the ultimate holding company of the Company) dated 10 April 2025.

## **RELATIONSHIP WITH EMPLOYEES, SUPPLIERS AND CUSTOMERS**

The Group recognizes our employees as the key element that contributes to the Group's success. As at 31 March 2025, the Group had 759 employees (2024: 810), of whom approximately 84.5% (2024: approximately 81.0%) were located in Hong Kong and Macau and the rest were located in Mainland China. The Group remunerated its employees based on industry practices and individual performance and experience. On top of the regular remuneration, discretionary bonus and share options may also be granted to selected staff by reference to the Group's performance, where appropriate, as well as the individual's performance. The Group also provides a defined contribution to the Mandatory Provident Fund as required under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) for our eligible employees in Hong Kong and pays retirement contributions in accordance with the statutory requirements for our Macau and PRC staff. Other benefits such as medical and retirement benefits and structured training programs were also provided. Meanwhile, the Group endeavors to provide a safe workplace to our employees. The Board believes that the Group maintains admirable relations with the employees.

Besides, the Group understands that it is important to maintain good relationships with the stakeholders, including business partners, suppliers, customers, shareholders, investors and bankers to achieve its long-term business growth and development. With an aim to enhancing the competitiveness of the brands of the Group, it endeavors to provide consistently high quality and large range of products to its customers; and to build up and maintain a trustworthy and long-term relationship with its suppliers.

## **PRINCIPAL RISKS AND UNCERTAINTIES**

The Group examined the principal risks facing the Group through our risk management and internal control system and we considered that the major risks and uncertainties that may affect the Group included:

- (i) industrial policy risk: with the deepening of medical system reform and the issuance of a number of industry policies and laws in respect of medical charge control and control of medicines and certification for traditional Chinese medicine, there could be significant impact on the future development of the pharmaceutical industry;
- (ii) environmental protection policies: environmental impact caused by waste and wastewater generated during the pharmaceutical manufacturing process and the construction and operations of agricultural produce exchange markets, efficiency and security of key infrastructure;
- (iii) cost control: the Group may not always be able to implement cost control measures to effectively counter rising product cost and/or decrease in income;
- (iv) allowance for obsolete inventories: allowance for obsolete inventories due to weather, expiry date of unsold products and other damages;
- (v) supply chain disruption: raw material shortage or price inflation due to industry issues, risks of supplier control and flexibilities, to deal with competitive pricing;

- (vi) inability to penetrate emerging markets: the Group may not be able to effectively penetrate traditional industries and traditional products into emerging markets;
- (vii) respond to customer behavior: the Group may not be able to respond effectively to economy recession, reduction in consumer spending and change of impulsive shopping behavior;
- (viii) sourcing: less globalized sourcing and lower cost competitiveness;
- (ix) volatility in retail rental: continuously increasing in retail rental may reduce our profitability if we are unable to pass on the effect of such increases to our customers; and
- (x) foreign exchange: unfavorable fluctuations in the exchange rate may adversely affect the Group's cash flow and profits.

In response to the above mentioned possible risks, the Group has been closely monitoring the changes in the policies in Hong Kong and Mainland China, and would strengthen our interpretation and analysis of policies and adjust strategies in advance to cope with the ever-changing operating environment. In particular, the Group will strengthen its marketing efforts to cope with changes in consumer behavior and needs, closely control inventories, establish our own sales policies and product development, safety management and environmental protection level, and push forward the construction of lean management and risk control system. For possible risks, the Company would actively propose solutions to lower their impacts on the business of the Company.

## **PROSPECTS**

### **Chinese and Western Pharmaceutical and Health Food Products**

Amid a challenging retail environment and shifting market dynamics, Wai Yuen Tong has reinforced its market leadership in TCM by effectively integrating ancient healing traditions with modern technological advancements. The Company continues to drive TCM innovation with the introduction of its pioneering AI-powered TCM diagnostic system — the first of its kind among Hong Kong TCM providers. Utilizing advanced imaging and data processing technology to assess facial and vocal features, this system delivers highly accurate, data-driven health assessments on individual consumer health conditions, reinforcing Wai Yuen Tong's forefront position of TCM modernization.

Looking ahead, Wai Yuen Tong is strategically positioned to capitalize on emerging opportunities within the TCM and the larger health segment. The Company plans to enhance its service offerings through the expansion of telehealth consultation platforms. By incorporating AI-driven customer relationship management (CRM) systems, Wai Yuen Tong will facilitate more sophisticated and personalized engagement with both existing and potential clients. These initiatives are designed to improve accessibility to professional TCM services while fostering long-term customer loyalty.

Digital transformation will remain a key driver of the Company's growth strategy. Wai Yuen Tong intends to significantly increase investments to strengthen its e-commerce capabilities, with a strong focus on live commerce platforms tailored to consumers in the Guangdong-Hong Kong-Macau Greater Bay Area (GBA). Furthermore, the company is reinforcing strategic relationship with leading cross-border e-commerce platforms and service providers to expand its reach among Mainland China consumers, with the aim to provide high quality health solutions to China consumers.

The national policy framework supporting the development of the Guangdong-Hong Kong-Macau GBA presents substantial growth opportunities for Wai Yuen Tong. The Company is developing targeted strategies to strengthen its presence in GBA markets. Beyond this region, Wai Yuen Tong is actively pursuing expansion into Southeast Asia, where growing interest in TCM and increasing e-commerce penetration create a favorable environment for market entry.

Through these strategic efforts, Wai Yuen Tong remains committed to advancing TCM while adapting to evolving consumer preferences and industry trends. By prioritizing product innovation, service excellence, and digital transformation, the Company is well-positioned to sustain long-term growth and maintain its leadership in the TCM sector.

## **Brands Valuation**

Recently, a professional valuer, Colliers International (Hong Kong) Limited was engaged to assess the value of the well-known brands owned by the Group, namely Wai Yuen Tong, Madame Pearl's and Pearl's. As per the valuation report, the total valuation for these brands as at 31 March 2025 is HK\$2.05 billion.

## **ENVIRONMENTAL, SOCIAL AND GOVERNANCE**

### **Environmental policies and performance**

The Group is committed to enhancing and strengthening efforts on environmental friendliness, so as to facilitate industrial upgrading. We proactively implement environmental protection policies, gradually adjust its portfolio, conduct energy-saving, using recycled paper, emission reduction and pollution prevention strategies. The Group continues to upgrade its industrial facilities to become more environmental friendly, including the use of solar energy and implementation of energy saving policy.

### **Corporate social responsibility**

While the Group endeavours to promote business development and strives for greater rewards for our stakeholders, we acknowledge our corporate social responsibility to share some burden in building the society where our business has been established and thrived. The Group has not only improved the quality management system but also strengthened the audit quality to ensure the quality and safety of Chinese and Western pharmaceutical project control. The Group is also conscious of its role as a socially responsible group of companies. It makes donations for community wellbeing from time to time, and supports the communities. The Group built up a team of staff volunteers to get involved in volunteer work and encourages its employees to participate in any charitable events and caring services.

## **Compliance with the corporate governance code**

The Company is committed to maintaining a high standard of corporate governance within a sensible framework with a strong emphasis on transparency, accountability, integrity and independence and enhancing the Company's competitiveness and operating efficiency, to ensure its sustainable development and to enhance its shareholder value.

The Board has reviewed the corporate governance practices of the Company and is satisfied that the Company had applied the principles and complied with the code provisions set out in the Corporate Governance Code (the "**CG Code**") as contained in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") throughout the Year, except for the following deviation:

Code provision C.2.1 provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual. During the Year, Mr. Tang Ching Ho ("**Mr. Tang**"), the chairman of the Board, also assumed the role of managing Director, which arrangement deviated from code provision C.2.1 of the CG Code. Mr. Tang has extensive management experience in corporate management and is responsible for overall corporate planning, strategic policy making of the Group which is of great value in enhancing the efficiency to cope with the dynamic business environment. Furthermore, there are various experienced individuals in charge of various business units in the daily business operation and the Board comprises three executive Directors and three independent non-executive Directors with balance of skill and experience appropriate for the Group's further development. The Company does not propose to comply with code provision C.2.1 of the CG Code for the time being but will continue to review such deviation to enhance the best interest of the Group as a whole.

The Group continues to review and propose, as and when appropriate, by taking into consideration of such deviation and any other relevant factors.

Further details of the Company's corporate governance practices will be set out in the corporate governance report to be contained in the Company's 2025 annual report.

## **Model code for securities transactions by directors**

The Company has adopted its code of conduct regarding securities transactions by the Directors on the terms no less exacting than the required standard set forth in the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules. Having made specific enquiries of all Directors, the Company confirmed that all Directors had complied with the required standard set out in the Model Code throughout the year under review and up to the date hereof. No incident of non-compliance by the Directors was noted by the Company during the Year.

Details of the Environmental, Social and Governance performance of the Group would be disclosed in the Environmental, Social and Governance Report of the Company to be published on the websites of the Company and the Stock Exchange in due course.

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

During the Year, the Company repurchased a total of 46 million shares of HK\$0.01 each of the Company on the Stock Exchange. All the repurchased shares were subsequently cancelled by the Company on 3 May 2024.

Details of the share repurchases during the Year are as follows:

Month of repurchase	Number of share repurchased (in million)	Purchase price per share		Aggregate amount HK\$ (in million)
		Highest HK\$	Lowest HK\$	
April 2024	46.00	0.260	0.250	11.80
	<u>46.00</u>			<u>11.80</u>

The repurchases of the Company's shares during the Year were made pursuant to the mandate granted by the shareholders of the Company (the "Shareholder(s)") at the 2023 annual general meeting of the Company held on 22 August 2023, with a view to benefiting the Shareholders as a whole by enhancing the net asset value per share and earnings per share of the Company. As at 31 March 2025 and up to the date of this announcement, the total number of shares of the Company in issue was 1,125,102,888 shares.

Save as disclosed above, neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities or hold any treasury shares during the Year.

### AUDIT COMMITTEE

The Company has established its audit committee (the "Audit Committee") with specific terms of reference (as amended from time to time) in accordance with the requirements of the Listing Rules. The Audit Committee comprises Mr. Li Ka Fai, David, Professor Sit Wing Hang and Professor Chan Wing Kwong, all of whom are the independent non-executive Directors, and Mr. Li Ka Fai, David is the chairman of the Audit Committee.

During the Year, the Audit Committee held two regular meetings with management and the external auditor. The Audit Committee reviewed and considered, among other things, the accounting principles and practices adopted by the Group, the financial reporting matters (including the review of interim and final results), the audit plan, the statutory compliance, internal controls and risk management, continuing connected transactions and the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function as well as their training programmes and budget.

The Audit Committee has reviewed with the Company's management and approved the accounting policies and principles adopted and the Group's consolidated financial statements for the financial year ended 31 March 2025.

## **SCOPE OF WORK OF ERNST & YOUNG**

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 ended 31 March 2025 as set out in this announcement have been agreed by the Company's independent auditor, Ernst & Young ("EY"), to the amounts set out in the Group's draft consolidated financial statements for the year ended 31 March 2025. The work performed by EY in this respect did not constitute an assurance engagement and consequently, no opinion or assurance conclusion has been expressed by EY on this announcement.

## **ANNUAL GENERAL MEETING**

The 2025 annual general meeting of the shareholders of the Company will be held at Garden Room A–D, 2/F., New World Millennium Hong Kong Hotel, 72 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong on Tuesday, 19 August 2025 at 11:30 a.m. and the notice convening such meeting will be published and despatched to the shareholders of the Company in the manner as required by the Listing Rules in due course.

## **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from Thursday, 14 August 2025 to Tuesday, 19 August 2025 (both days inclusive) for determining eligibility to attend and vote at the 2025 annual general meeting. In order to be eligible to attend and vote at the 2025 annual general meeting, all transfer of share(s), accompanied by the relevant share certificate(s) with the properly completed transfer form(s) either overleaf or separately, must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m., Wednesday, 13 August 2025.

## **PUBLICATION OF FINAL RESULTS AND DESPATCH OF ANNUAL REPORT**

This final results announcement is published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.wyth.net](http://www.wyth.net)). The 2025 annual report containing all the information required by the Listing Rules will be despatched to the Company's shareholders (where appropriate) and available on the above websites in due course.

By Order of the Board  
**Wai Yuen Tong Medicine Holdings Limited**  
(位元堂藥業控股有限公司\*)  
**Tang Ching Ho**  
*Chairman and Managing Director*

Hong Kong, 30 June 2025

*As at the date of this announcement, the executive Directors are Mr. Tang Ching Ho, Ms. Tang Wai Man and Ms. Law Man Yee, Anita and the independent non-executive Directors are Mr. Li Ka Fai, David, Professor Sit Wing Hang and Professor Chan Wing Kwong.*