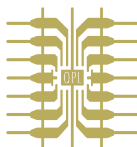


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QPL INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 243)

ANNUAL RESULTS FOR THE YEAR ENDED 30 APRIL 2025

The Board of Directors (the “Board” or “Directors”) of QPL International Holdings Limited (the “Company”) announces the consolidated results of the Company and its subsidiaries (collectively the “Group”) for the year ended 30 April 2025 together with the comparative figures for the year ended 30 April 2024 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 APRIL 2025

	NOTES	2025 HK\$'000	2024 HK\$'000
Revenue	3	301,451	262,699
Raw materials and consumables used		(120,729)	(107,683)
Changes in inventories of finished goods and work in progress		(1,253)	1,751
Other income	4	17,423	21,879
Exchange losses, net		(554)	(442)
Net fair value losses on financial assets at fair value through profit or loss ("FVTPL")		(4,165)	(21,997)
Realised gain/(loss) on disposal of financial assets at FVTPL, net		814	(264)
Reversal of expected credit losses ("ECL") on trade receivables		1,594	161
Allowance for ECL on loan receivables		(4,957)	(11,541)
Allowance for ECL on bond receivables		(1,923)	(9,673)
Allowance for ECL on other receivables and deposits		(41)	(68)
Other gains	4	813	115
Staff costs		(99,286)	(98,864)
Depreciation of property, plant and equipment		(8,873)	(7,910)
Depreciation of right-of-use assets		(1,012)	(5,030)
Other operating expenses		(78,478)	(82,980)
Finance costs	5	(1,304)	(1,453)
Loss before tax		(480)	(61,300)
Income tax expense	6	(583)	(94)
Loss for the year attributable to owners of the Company	7	(1,063)	(61,394)
Other comprehensive expense for the year:			
<i>Item that may be subsequently reclassified to profit or loss</i>			
Exchange differences arising on translation of foreign operations		(305)	(1,578)
Total comprehensive expense for the year attributable to owners of the Company		(1,368)	(62,972)
Loss per share	9		
Basic		HK(0.37) cents	HK(21.26) cents
Diluted		HK(0.37) cents	HK(21.26) cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 30 APRIL 2025

	<i>NOTES</i>	2025 HK\$'000	2024 HK\$'000
Non-current assets			
Property, plant and equipment		116,994	122,184
Right-of-use assets		2,328	2,849
		119,322	125,033
Current assets			
Inventories		90,904	83,178
Trade and other receivables	10	58,771	69,360
Deposits and prepayments		5,489	7,310
Financial assets at FVTPL		60,647	62,578
Loan receivables	11	45,414	44,050
Bond receivables		6,475	11,238
Cash and cash equivalents		78,044	58,538
		345,744	336,252
Current liabilities			
Trade payables	12	13,545	18,110
Other payables and accrued expenses		67,198	63,276
Contract liabilities		1,802	2,430
Tax payable		668	667
Other borrowings		11,873	14,022
Bank borrowings		44,450	35,372
Lease liabilities		914	877
		140,450	134,754
Net current assets		205,294	201,498
Total assets less current liabilities		324,616	326,531
Non-current liability			
Lease liabilities		1,521	2,068
Net assets		323,095	324,463
Capital and reserves			
Share capital		2,887	2,887
Share premium and reserves		320,208	321,576
Total equity attributable to owners of the Company		323,095	324,463

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with all applicable HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). HKFRS Accounting Standards comprise all individual Hong Kong Financial Reporting Standard (“HKFRS”); Hong Kong Accounting Standards (“HKASs”); and interpretations issued by the HKICPA. The consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange and with the disclosure requirements of the Hong Kong Companies Ordinance.

The HKICPA has issued certain new and amendments to HKFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group. Note 2 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in the consolidated financial statements.

2. ADOPTION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

(a) Application of amendments to HKFRS Accounting Standards

The Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA for the first time, which are mandatorily effective for the annual period beginning on or after 1 May 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
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements
Hong Kong Interpretation 5 (“HK Int 5”) (Revised)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

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

2. ADOPTION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS – continued

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

The Group has not applied the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective for the financial year beginning 1 May 2024. These new and amendments to HKFRS Accounting Standards and interpretation include the following which may be relevant to the Group.

	Effective for accounting periods beginning on or after
Amendments to HKAS 21 and HKFRS 1 – Lack of Exchangeability	1 January 2025
Amendments to HKFRS 9 and HKFRS 7 – Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
Amendments to HKFRS 9 and HKFRS 7 – Contracts Referencing Nature-dependent Electricity	1 January 2026
HKFRS 18 – Presentation and Disclosure in Financial Statements	1 January 2027
HKFRS 19 – Subsidiaries without Public Accountability: Disclosure	1 January 2027
Amendments to HK Int 5 – Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
Amendments to HKFRS 10 and HKAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined by the HKICPA

The directors of the Company anticipate that the application of the above new and amendments to HKFRS Accounting Standards will not have material impact on the consolidated financial statements in the foreseeable future except for HKFRS 18 which is detailed below.

HKFRS 18 “Presentation and Disclosure in Financial Statements”

HKFRS 18 will replace HKAS 1 “Presentation of financial statements”, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the consolidated financial statements, HKFRS 18 introduces significant changes to the presentation of financial statements, with a focus on information about financial performance present in the statement of profit or loss, which will affect how the Group present and disclose financial performance in the financial statements. The key changes introduced in HKFRS 18 relate to (i) the structure of the statement of profit or loss, (ii) required disclosures for management-defined performance measures (which are referred to alternative or non-GAAP performance measures), and (iii) enhanced requirements for aggregation and disaggregation of information.

The directors of the Company are currently assessing the impact of applying HKFRS 18 on the presentation and the disclosures of the consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

Revenue

Revenue represents the amounts received and receivables for goods sold by the Group to external customers less value added tax or other sales taxes, sales return and trade discounts. All revenue contracts are for period of one year or less, and therefore, as permitted by practical expedient under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed. All revenue were recognised at point in time within the scope of HKFRS 15.

Segment information

Information reported to the executive directors of the Company, being the chief operating decision maker (the “CODM”), for the purpose of resources allocation and assessment of segment performance focuses on the location of customers. The Group currently operates in one business segment in the manufacture and sale of integrated circuit leadframes, heatsinks, stiffeners and related product. A single management team reports to the CODM who comprehensively manages the entire business.

In accordance with the way information is internally reported to the CODM for resources allocation and segment performance based on the location of customers, the Group has identified eight reportable segments on a geographical basis. The customers of the Group are mainly located in the United States of America (the “USA”), Hong Kong, Europe, the PRC, Philippines, Malaysia, Singapore and Thailand. Customers located in other countries have been aggregated into a single reportable segment as these segments do not meet the quantitative thresholds as set out in HKFRS 8.

3. REVENUE AND SEGMENT INFORMATION – continued

Segment information – continued

Segment revenue and results

The following is an analysis of the Group's revenue from contracts with customers within the scope of HKFRS 15 and results by reportable segments:

	Revenue		Segment results	
	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<i>At a point in time</i>				
The USA	21,136	12,699	1,839	868
Hong Kong	1,036	620	160	64
Europe	21,087	14,496	3,296	1,502
The PRC	96,964	104,854	15,161	10,864
Philippines	34,915	37,713	5,460	3,908
Malaysia	124,777	78,815	19,508	8,166
Singapore	3,322	4,618	519	478
Thailand	2,504	4,651	392	482
Reportable segment total	305,741	258,466	46,335	26,332
Other countries	5,075	8,557	794	887
	310,816	267,023	47,129	27,219
Elimination	(9,365)	(4,324)	–	–
Revenue to external customers and segment results*	301,451	262,699	47,129	27,219
Net gain on disposal of property, plant and equipment			743	115
Net gain on early termination of lease			70	–
Net fair value losses on financial assets at FVTPL			(4,165)	(21,997)
Realised gain/(loss) on disposal of financial assets at FVTPL, net			814	(264)
Net allowance for ECL on loan receivables, bond receivables, other receivables and deposits			(6,921)	(21,282)
Depreciation of property, plant and equipment			(8,873)	(7,910)
Depreciation of right-of-use assets			(1,012)	(5,030)
Unallocated interest income			4,543	8,459
Unallocated other income			–	1,751
Unallocated corporate expenses			(31,504)	(40,908)
Finance costs			(1,304)	(1,453)
Loss before tax			(480)	(61,300)

* Revenue from contracts with external customers under HKFRS 15 amounted to approximately HK\$314,311,000. This includes segment presented above and sales of by-products and scrap of approximately HK\$12,860,000 included in note 4.

Included in the PRC reportable segment is revenue from inter-segments of approximately HK\$9,365,000 (2024: HK\$4,324,000).

3. REVENUE AND SEGMENT INFORMATION – CONTINUED

Segment information – continued

Segment revenue and results – continued

The accounting policies of the operating segment are the same as the Group's accounting policies. Segment results represent the results from each segment without allocation of corporate expenses which include staff costs and central administrative costs, depreciation expenses, net gain on disposal of property, plant and equipment, net gain on early termination of lease, net fair value losses on financial assets at FVTPL, realised gain/(loss) on disposal of financial assets at FVTPL, net, net allowance for ECL on loan receivables, bond receivables, other receivables and deposits, interest income and finance costs. This is the measure reported to the CODM for the purposes of resources allocation and performance assessment.

Inter-segment sales are charged at prevailing market rates.

Segment assets

The following is an analysis of the Group's assets by reportable segment: Trade receivables, included within segment assets, are presented based on the location of the customers.

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
The USA	2,439	2,227
Hong Kong	330	136
Europe	5,983	2,320
The PRC	13,248	21,899
Philippines	8,827	5,553
Malaysia	21,416	24,735
Singapore	1,169	461
Thailand	310	415
	<hr/>	<hr/>
Reportable segment total	53,722	57,746
Other countries	853	694
	<hr/>	<hr/>
	54,575	58,440
Unallocated		
Property, plant and equipment	116,994	122,184
Right-of-use assets	2,328	2,849
Inventories	90,904	83,178
Financial assets at FVTPL	60,647	62,578
Other receivables	4,196	10,920
Deposits and prepayments	5,489	7,310
Loan receivables	45,414	44,050
Bond receivables	6,475	11,238
Cash and cash equivalents	78,044	58,538
	<hr/>	<hr/>
Consolidated total assets	<u>465,066</u>	<u>461,285</u>

For the purposes of monitoring segment performance and allocating resources between segments, all assets are allocated to operating segments other than property, plant and equipment, right-of-use assets, inventories, financial assets at FVTPL, other receivables, loan receivables, deposits and prepayments, bond receivables and cash and cash equivalents.

3. REVENUE AND SEGMENT INFORMATION – CONTINUED

Segment information – continued

Segment assets – continued

In measuring the Group's segment assets, inventories of approximately HK\$90,904,000 (2024: HK\$83,178,000) were not allocated to the reporting segments. However, the relevant effect in the profit or loss were included in the measurement of segment results of each reporting segment. In the opinion of the CODM, such asymmetrical allocation is in accordance with the internal management reports for the purposes of resources allocation and performance assessment and it is not feasible to provide the effect of such asymmetrical allocation in accordance with HKFRS 8.

No segment information on liabilities is presented as such information is not regularly reported to the CODM for the purpose of resources allocation and performance assessment.

Geographical information by location of assets

The Group's non-current assets of approximately HK\$26,010,000 (2024: HK\$27,708,000) are located in the PRC and approximately HK\$93,312,000 (2024: HK\$97,325,000) are located in Hong Kong based on physical location of assets.

Information about major customers

Revenue from customers of the corresponding reporting periods contributing over 10% of the total revenue of the Group are as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Customer A – Malaysia	88,385	67,362
Customer B – The PRC	<u>40,575</u>	<u>44,275</u>

Information about major products

The Group is solely engaged in the manufacture and sale of integrated circuit leadframes, heatsinks, stiffeners and related products. Since the information on revenue from external customers for each product and service is not regularly reviewed by the CODM, no information related to major products could be disclosed.

4. OTHER INCOME AND OTHER GAINS

	2025 HK\$'000	2024 HK\$'000
Other income		
Sales of by-products and scrap	12,860	11,658
Bank interest income	751	461
Interest income from loan receivables	3,432	6,698
Interest income from bond receivables	360	1,300
Sundry income	20	1,762
	<u>17,423</u>	<u>21,879</u>
Other gains		
Net gain on disposal of property, plant and equipment	743	115
Gain on early termination of lease	70	–
	<u>813</u>	<u>115</u>

5. FINANCE COSTS

	2025 HK\$'000	2024 HK\$'000
Interest on:		
Lease liabilities	119	152
Bank borrowings	1,185	1,301
	<u>1,304</u>	<u>1,453</u>

6. INCOME TAX EXPENSE

	2025 HK\$'000	2024 HK\$'000
Current tax:		
PRC Enterprise Income Tax (the “EIT”)	<u>583</u>	<u>94</u>

No provision for Hong Kong Profits Tax has been made since the Group has sufficient tax losses brought forward to offset against current year's assessable profit for the both years.

Under the Law of the PRC on EIT (the “EIT Law”) and Implementation Regulation of the EIT Law, EIT has been provided at a rate of 25% for both years.

Taxation arising in other jurisdictions are calculated at the rates prevailing in the relevant jurisdictions.

7. LOSS FOR THE YEAR

Loss for the year has been arrived at after charging the followings:

	2025 HK\$'000	2024 HK\$'000
Directors' emoluments	2,288	4,330
Salaries and allowances of other staff	89,257	86,475
Contributions to retirement benefit scheme contributions of other staff	7,741	8,059
	99,286	98,864
Auditor's remuneration*		
– Audit services	650	650
Expenses relating to short-term leases*	11,596	12,160
Depreciation of property, plant and equipment	8,873	7,910
Depreciation of right-of-use assets	1,012	5,030
Loss on written-off of loan receivables*	4,246	12,358
Exchange losses, net	554	442

* Included in other operating expenses

8. DIVIDEND

No dividend was paid or proposed during the year ended 30 April 2025, nor has any dividend been proposed since the end of the reporting period (2024: Nil).

9. LOSS PER SHARE

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

	2025 HK\$'000	2024 HK\$'000
Loss for the year attributable to the owners of the Company for the purposes of basic and diluted loss per share	(1,063)	(61,394)
Weighted average number of ordinary shares for the purpose of calculating basic and diluted loss per share	288,746,532	288,746,532

The calculation of diluted loss per share for the years ended 30 April 2025 and 2024 does not assume the exercise of the Company's outstanding share options since their assumed exercise would result into the anti-dilutive effect.

10. TRADE AND OTHER RECEIVABLES

	2025 HK\$'000	2024 HK\$'000
Trade receivables, gross	57,662	63,121
Less: Allowance for ECL	(3,087)	(4,681)
Trade receivables, net	54,575	58,440
Other receivables, gross	4,284	11,032
Less: Allowance for ECL	(88)	(112)
Other receivables, net	4,196	10,920
Trade and other receivables, net	58,771	69,360

At 30 April 2025 and 2024, the trade receivables were denominated in US\$.

The Group allows a credit period ranging from 30 to 90 days (2024: 30 to 90 days) to its trade customers. The following is an aged analysis of trade receivables, net of allowance for ECL, presented based on the invoice date at the end of the reporting period:

	2025 HK\$'000	2024 HK\$'000
Within 30 days	22,405	23,080
Between 31 and 60 days	18,219	22,006
Between 61 and 90 days	11,037	7,036
Over 90 days	2,914	6,318
	54,575	58,440

11. LOAN RECEIVABLES

	2025 HK\$'000	2024 HK\$'000
Fixed-rate loan receivables, gross	87,251	80,930
Less: Allowance for ECL	(41,837)	(36,880)
Fixed-rate loan receivables, net	45,414	44,050

The loan receivables were repayable in accordance with the terms of the loan agreements and all loan receivables are recoverable within 1 year (2024: 1 year). As at 30 April 2025 and 2024, no loan receivables were past due. The effective interest rate of the loan receivables ranged from 8% to 12% (2024: 8% to 12%) as at 30 April 2025.

12. TRADE PAYABLES

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade payables		
Within 30 days	6,561	8,143
Between 31 and 60 days	6,170	6,844
Between 61 and 90 days	276	2,472
Over 90 days	538	651
	<hr/>	<hr/>
	13,545	18,110
	<hr/>	<hr/>

The credit period on purchases of goods is ranging from 30 to 90 days (2024: 30 to 90 days).

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Results

The Company acts as an investment holding company. The principal activities of its subsidiaries are the manufacture and sale of integrated circuit leadframes, heatsinks, stiffeners and related products, investment holding and money lending.

For the fiscal year under review, the Group reported a revenue of HK\$301.45 million, representing an increase of 14.75% as compared with HK\$262.70 million for the previous year. The Group's consolidated loss for the year amounted to HK\$1.06 million as compared with HK\$61.39 million for the previous year. Basic and diluted loss per share was HK0.37 cents and HK0.37 cents respectively (2024: HK21.26 cents and HK21.26 cents respectively).

Dividend

The Directors do not recommend the payment of a dividend for the year (2024: Nil).

Business Review

During the year under review, the Group faced many challenges in the tough business environment and recorded an increase in turnover by 14.75% to HK\$301.45 million (2024: HK\$262.70 million) during the year.

During the year, staff costs increased by 0.43% to HK\$99.29 million (2024: HK\$98.86 million) representing 32.94% (2024: 37.63%) of the Group's revenue. Other operating expenses, mainly included factory operating costs, and selling and administrative expenses, such as repair and maintenance expenses of HK\$16.50 million (2024: HK\$14.89 million), electricity and water charges, and fuel expenses of HK\$20.07 million (2024: HK\$21.15 million), advertising and promotion expenses of HK\$1.81 million (2024: HK\$2.34 million), business entertainment expenses of HK\$4.24 million (2024: HK\$1.17 million), legal and professional fee of HK\$2.65 million (2024: HK\$2.02 million), expenses relating to short-term leases of HK\$11.60 million (2024: HK\$12.16 million), and loss on written-off of loan receivables of HK\$4.25 million (2024: HK\$12.36 million), decreased by 5.42% to HK\$78.48 million (2024: HK\$82.98 million) representing 26.03% (2024: 31.59%) of the Group's revenue during the year. The Group will continue to monitor the market and consequently adjust its labour force and labour structure in order to achieve a better staff mix to enhance labour efficiency. The Group will also continuously tighten its expenditure in its efforts to minimise the potential impact of increasing factory operating costs, and selling and administrative expenses.

Besides, the financial results of the Group during the year under review were also affected by the net fair value losses on financial assets at FVTPL of HK\$4.17 million (2024: HK\$22.00 million). The net fair value loss on financial asset at FVTPL mainly comprised of the fair value losses on investment in listed equity securities of Harbour Digital Asset Capital Limited ("HDA") (approximately HK\$4.13 million). Details of the financial asset at FVTPL are disclosed in the "Significant Investments" section below.

Prospects

The Group will continue to strengthen its engineering and production departments in order to maintain its competitive edges for short lead times and high production planning flexibility. These competitive edges will enable the Group to serve its customers better and should expand the Group's market share.

In order to improve the Group's operational performance, the Group will continue to implement plans to increase its production efficiency and capacity. In order to improve the Group's competitiveness and fulfill different production requirements, the Group would deploy resources to upgrade and restructure existing plants and machineries, and environmental protection facilities.

In addition, the Group will continue to explore other business opportunities with a view to expanding its principal manufacturing business and generating improved returns to our shareholders.

Significant Investments

As at 30 April 2025, the financial assets at FVTPL held by the Group were approximately HK\$60.65 million (2024: HK\$62.58 million). Details of the financial assets at FVTPL held by the Group were as follows:

	As at 30 April 2025		As at 30 April 2024
	Fair value	Approximately percentage to the total asset	Fair value
Financial assets at FVTPL	HK\$'000	%	HK\$'000
Listed equity securities			
WLS Holdings Limited ("WLS")	14,621	3.14	14,621
China Jicheng Holdings Limited ("CJH")	10,920	2.35	10,156
China Investment and Finance Group Limited ("CIF")	7,189	1.55	6,061
SunCorp Technologies Limited ("STL")	5,288	1.14	5,695
Harbour Digital Asset Capital Limited ("HDA")	1,758	0.38	5,890
Other listed equity securities (Note 1)	<u>20,871</u>	4.49	<u>20,155</u>
Total	<u>60,647</u>	13.05	<u>62,578</u>

Note:

1. As at 30 April 2025, other listed equity securities comprised 20 listed equity securities and none of them was more than 1% of the total assets of the Group.

WLS, CJH, CIF, STL and HDA are listed on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Except the Group held approximately 635.7 million shares (approximately 4.4%) of WLS, as at 30 April 2025, there was no investment held by the Group the value of which was more than 3.0% of the total assets of the Group. The total investment cost in WLS was approximately HK\$11.94 million and, for the year ended 30 April 2025, there is no fair value change on investment in WLS. The major activities of WLS are the provision of scaffolding, fitting out and other auxiliary services for construction and buildings work, money lending business and assets management business. Based on WLS’s interim report for six months ended 31 October 2024, revenue and profit for the period of WLS were approximately HK\$46.80 million and HK\$30.49 million respectively. The major activities of CJH are engaged in the manufacturing and sales of umbrellas and umbrella parts. The major activities of CIF are trading of securities and investment holding. The major activities of STL are engaged in the processing and trading of used computer-related components such as integrated circuit chips, hard-disk and motherboards from developed countries to developing countries; providing money lending business; securities brokerage and underwriting business; and sales of clothes and beauty products business. The major activities of HDA are engaged in listed investments in Hong Kong, main stock markets around the world, and also in unlisted companies.

The Directors considered that the future prospects of the financial asset at FVTPL held by the Group may be affected by external market conditions, and the Directors will continue to monitor and assess the Group’s investment.

Raising of Funds and Use of Proceeds

On 24 October 2022, the Company entered into a placing agreement with a placing agent pursuant to which the Company has conditionally agreed to place up to 45,124,422 placing shares at a price of HK\$0.20 per placing share (the “Placing”). The placing shares were allotted and issued on 10 November 2022. Net proceeds from the Placing was approximately HK\$8.7 million (the “Net Proceeds”) which was intended to be applied for upgrading and renovating the Group’s existing property, plant and equipment, and for general working capital of the Group. As at 30 April 2025, the Net Proceeds were fully utilised as intended.

Capital Structure, Liquidity and Financial Resources

The Group generally financed its operations by internal cash resources and bank financing. There has been no material change in the capital structure of the Group since 30 April 2024.

As at 30 April 2025, the Group’s cash and cash equivalents amounted to HK\$78.04 million (2024: HK\$58.54 million). To finance its working capital, the Group has incurred total outstanding debts of HK\$58.76 million as at 30 April 2025 (2024: HK\$52.34 million), which comprised HK\$44.45 million (2024: HK\$35.37 million) of collateralised bank borrowings, HK\$2.44 million (2024: HK\$2.95 million) of lease liabilities and HK\$11.87 million (2024: HK\$14.02 million) of other borrowings. In terms of interest costs, included in the outstanding debts, HK\$46.89 million (2024: HK\$38.32 million) was interest bearing and HK\$11.87 million (2024: HK\$14.02 million) was interest free.

The gearing ratio was 18.19% as at 30 April 2025 (2024: 16.1%).

Foreign Exchange Risk Management

The Group's transactions and monetary assets are primarily denominated in Hong Kong dollars, US dollars and Renminbi. The fluctuations in currency exchange rates during the year ended 30 April 2025 did not adversely affect the Group's operations or liquidity.

During the year under review, no foreign exchange contract was entered into by the Group to hedge against the Group's exposure to currency fluctuations and it is the policy of the Group not to enter into any derivative contracts purely for speculative activities.

Pledge of Assets

As at 30 April 2025, leasehold properties with a carrying amount of approximately HK\$89.19 million (2024: HK\$93.18 million) were pledged to secure bank borrowings granted to the Group. As at 30 April 2025, motor vehicles with a carrying amount of approximately HK\$633,000 (2024: HK\$834,000) were assets held under lease liabilities.

Capital Expenditure

During the year ended 30 April 2025, the Group invested HK\$3.99 million (2024: HK\$4.26 million) in acquiring property, plant and equipment. This capital expenditure was financed mainly from internal financial resources.

Employees and Emolument Policy

As at 30 April 2025, the total number of employees of the Group was approximately 668 (2024: 730). The Group maintains its emolument policy to ensure that employee remuneration is commensurate with job nature, qualifications and experience. The Group continues to offer competitive remuneration packages, share options and other benefits to eligible staff, based on the performance of the Group and of individual employees.

EVENT AFTER THE REPORTING PERIOD

On 8 July 2025, the Company entered into a placing agreement with a placing agent pursuant to which the Company has conditionally agreed to place through the placing agent, on a best endeavour basis, up to 57,744,000 placing shares, to various independent third parties at a price of HK\$0.16 per placing share (the "Placing"). Completion of the Placing took place on 28 July 2025, upon which 57,744,000 placing shares were issued to not less than six placees.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to building and maintaining best practice standards of corporate governance. The corporate governance principles of the Company emphasise a quality Board, effective internal controls, stringent disclosure practices and transparency, independence and accountability to all Shareholders.

The Company has adopted its own code on corporate governance practices (the "QPL Code") incorporating the principles and code provisions set out in the Corporate Governance Code (the "CG Code") contained in Appendix 14 to the Listing Rules on the Stock Exchange.

During the year ended 30 April 2025, the Company has applied the principles and complied with all code provisions set out in the CG Code except for the deviations explained in the relevant paragraphs below.

Chairman and Chief Executive

Code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual.

Mr. Li Tung Lok was the Chairman of the Board since the establishment of the Company in January 1989. Mr. Li had also served as the Chief Executive since January 1989 (except for the period from February 2004 to December 2008). Being the founder of the Group, Mr. Li's industry expertise and detailed understanding of the Company's operations was highly regarded by the Company. Accordingly, vesting the roles of Chairman of the Board and Chief Executive in Mr. Li added significant value to the Company's business growth while enhancing the efficiency of the decision-making process in response to the changing environment. Given all major decisions are reserved to the Board, the Company considers that there was an adequate balance of power and authority in place between the Board and the management of the Company.

Following the passing away of Mr. Li on 2 September 2023, the Group is of the view that there is a deviation from Code Provision C.2.1 of the CG Code and is in the progress of identifying suitable candidate to fill the vacancy for the Chairman and the Chief Executive.

Appointment, Retirement and Re-election of Directors

The Company currently does not have a Director holding office as its managing director.

A retiring Director is eligible for re-election and the re-election of retiring Directors at general meetings is dealt with by separate individual resolutions. Where vacancies arise at the Board, candidates are proposed and put forward to the Board for consideration and approval. The Shareholders may propose a candidate for election as a Director in accordance with the Bye-laws. The procedures for such proposal are posted on the website of the Company.

AUDIT COMMITTEE

The Audit Committee was established in April 2000. As at 30 April 2025, the Audit Committee has consisted of three independent non-executive Directors, namely, Ms. Chung Hoi Yan (being the Chairman of the Audit Committee), Mr. Chu Chun On Franco and Mr. Liu Rongrui. Ms. Chung Hoi Yan is a qualified accountant with extensive experience in accounting, audit and financial matters.

The terms of reference of the Audit Committee are consistent with those set out in the CG Code and are posted on the websites of the Company and the Stock Exchange.

The major roles and functions of the Audit Committee include:

- overseeing the relationship between the Group and its external auditor;

- reviewing the appointment of the external auditor to ensure continuing auditor's independence;
- reviewing the Group's preliminary results, interim results and annual financial statements;
- monitoring the corporate governance of the Group including compliance with statutory and the Listing Rules requirements; and
- assisting the Board in fulfilling its responsibilities by providing an independent review and supervision of the Group's financial reporting system, and effectiveness of the Group's risk management and internal control systems.

The annual report for the year ended 30 April 2025 has been reviewed by the Audit Committee.

SCOPE OF WORK OF MCMILLAN WOODS (HONG KONG) 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 ended 30 April 2025 as set out in this announcement have been agreed by the Company's auditor, McMillan Woods (Hong Kong) CPA Limited, to the amounts set out in the Group's consolidated financial statements for the year. The work performed by McMillan Woods (Hong Kong) CPA Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by McMillan Woods (Hong Kong) CPA Limited on this announcement.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Board has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules for dealings in the securities of the Company by Directors. All Directors have confirmed, following specific enquiry by the Company, that they have fully complied with the required standard set out in the Model Code and its code of conduct regarding directors' securities transactions throughout the year under review.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of listed securities of the Company.

PUBLICATION OF RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement is published on the websites of the Company (www.qpl.com) and the Stock Exchange. The Company's annual report for the year ended 30 April 2025 containing all the information required by the Listing Rules will be despatched to the Shareholders and available on the above websites in due course.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express my gratitude to my fellow Directors and all staff for their efforts and contribution. Besides, I also would like to offer my sincere appreciation to all customers, business partners and Shareholders for their continuing support.

On behalf of the Board
QPL International Holdings Limited
Tung Siu Ching
Executive Director

Hong Kong, 28 July 2025

As at the date of this announcement, the Board comprises two Executive Directors, namely Ms. Tung Siu Ching and Ms. Wu Wangfang, and three Independent Non-executive Directors, namely Ms. Chung Hoi Yan, Mr. Chu Chun On, Franco and Mr. Liu Rongrui.