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## PROSPERITY GROUP INTERNATIONAL LIMITED

恒昌集團國際有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1421)**

### ANNUAL RESULTS ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

The board (the “**Board**”) of directors (the “**Directors**”) of Prosperity Group International Limited (the “**Company**”) presents the audited consolidated results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 30 June 2025, together with comparative figures for the year ended 30 June 2024, as follows:

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

*For the year ended 30 June 2025*

	Notes	2025 HK\$'000	2024 HK\$'000
<b>REVENUE</b>	5	<b>142,910</b>	160,732
Cost of sales	7(b)	<u>(133,135)</u>	<u>(154,789)</u>
<b>Gross profit</b>		<b>9,775</b>	5,943
Other gains and (losses), net	6	<b>230</b>	459
Administrative expenses		<b>(21,663)</b>	(26,712)
Change in fair value of financial assets			
at fair value through profit or loss, net	7(d)	<b>(3)</b>	(28)
Provision for expected credit loss (“ <b>ECL</b> ”) recognised in respect of financial assets at amortised cost, net		<b>(5,136)</b>	(20,348)
Impairment losses recognised on property, plant and equipment and right-of-use assets		<b>(1,120)</b>	–
Share of result of an associate		<b>(462)</b>	–
Finance costs	7(e)	<b>(402)</b>	(442)
Other operating expenses		<u><b>(680)</b></u>	<u>(1,424)</u>
<b>LOSS BEFORE TAXATION</b>	7	<b>(19,461)</b>	(42,552)
Income tax credit (expense)	8	<u><b>1,357</b></u>	<u>(1,505)</u>
<b>LOSS FOR THE YEAR</b>		<u><b>(18,104)</b></u>	<u>(44,057)</u>

	<i>Notes</i>	<b>2025</b> <b>HK\$'000</b>	2024 HK\$'000
<b>ATTRIBUTABLE TO:</b>			
Owners of the Company		<b>(21,761)</b>	(47,260)
Non-controlling interests		<b>3,657</b>	3,203
		<u><b>(18,104)</b></u>	<u>(44,057)</u>
<b>LOSS FOR THE YEAR</b>		<u><b>(18,104)</b></u>	<u>(44,057)</u>
<b>OTHER COMPREHENSIVE INCOME (EXPENSE) FOR THE YEAR</b>			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		<b>2,373</b>	(1,136)
Share of other comprehensive income of an associate		<b>19</b>	–
		<u><b>2,392</b></u>	<u>(1,136)</u>
<b>TOTAL COMPREHENSIVE EXPENSE FOR THE YEAR</b>		<u><b>(15,712)</b></u>	<u>(45,193)</u>
<b>ATTRIBUTABLE TO:</b>			
Owners of the Company		<b>(20,163)</b>	(48,161)
Non-controlling interests		<b>4,451</b>	2,968
		<u><b>(15,712)</b></u>	<u>(45,193)</u>
<b>LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY</b>			
Basic and diluted (HK cents)	9	<u><b>(15.5)</b></u>	<u>(52.8)</u>

# **CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

*As at 30 June 2025*

	<i>Notes</i>	<b>2025</b> <b>HK\$'000</b>	2024 <i>HK\$'000</i>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	10	<b>6,399</b>	6,828
Intangible assets	10	<b>1,120</b>	–
Interest in an associate		<b>813</b>	–
Right-of-use assets		<b>430</b>	947
Total non-current assets		<b>8,762</b>	7,775
<b>CURRENT ASSETS</b>			
Inventories		<b>28,994</b>	31,662
Trade receivables, deposits and other receivables	11	<b>140,767</b>	135,553
Contract assets	12	<b>10,989</b>	4,733
Prepayments	13	<b>26,077</b>	23,238
Financial assets at fair value through profit or loss		<b>2</b>	5
Cash and cash equivalents		<b>5,317</b>	24,309
Total current assets		<b>212,146</b>	219,500
<b>CURRENT LIABILITIES</b>			
Trade and other payables	14	<b>49,089</b>	41,039
Amount due to a director of the Company		<b>1,167</b>	11,899
Lease liabilities		<b>733</b>	704
Bank and other borrowings	15	<b>8,000</b>	3,762
Income tax payable		<b>15,633</b>	16,672
Total current liabilities		<b>74,622</b>	74,076
<b>NET CURRENT ASSETS</b>		<b>137,524</b>	145,424
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>146,286</b>	153,199

	<i>Notes</i>	<b>2025</b> <b>HK\$'000</b>	2024 <i>HK\$'000</i>
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities		<b>616</b>	801
Deferred tax liabilities		<b>632</b>	654
		<hr/>	<hr/>
Total non-current liabilities		<b>1,248</b>	1,455
		<hr/>	<hr/>
<b>NET ASSETS</b>		<b>145,038</b>	151,744
		<hr/>	<hr/>
<b>EQUITY</b>			
Share capital		<b>33,366</b>	25,025
Reserves		<b>74,767</b>	95,319
		<hr/>	<hr/>
<b>TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>		<b>108,133</b>	120,344
Non-controlling interests		<b>36,905</b>	31,400
		<hr/>	<hr/>
<b>Total equity</b>		<b>145,038</b>	151,744
		<hr/>	<hr/>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*For the year ended 30 June 2025*

## 1. CORPORATE AND GROUP INFORMATION

Prosperity Group International Limited (formerly known as Kingbo Strike Limited) (the “**Company**”) was incorporated in the Cayman Islands on 19 June 2013 as an exempted company with limited liability under the Companies Law, Cap. 22 of the Cayman Islands. The Company’s registered office address is at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman KY1-1111, Cayman Islands. The Company is registered with the Companies Registry in Hong Kong as a non-Hong Kong company under the Companies Ordinance (Chapter 622 of the laws of Hong Kong) on 5 September 2013. The Company’s shares are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The principal place of business in Hong Kong registered is at Unit 903A, 9th Floor, Mirror Tower, No. 61 Mody Road, Tsim Sha Tsui East, Hong Kong.

The Company is an investment holding company. The Group is principally engaged in supply of solar photovoltaic parts and equipment, electrical distribution system business and trading of beauty and health products in the PRC.

The consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), which is also the functional currency of the Company. All values are rounded to nearest thousand (HK\$’000) except otherwise indicated.

Certain comparative figures have been re-presented to conform with current year’s presentation. These reclassifications have no effect on financial position, results for the year or cash flows of the Group.

## 2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board (the “**IASB**”). For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and by the Hong Kong Companies Ordinance.

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

The consolidated financial statements have been prepared on the historical cost basis, except for financial assets at fair value through profit or loss which have been measured at fair value at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

### 3. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS

#### Amendments to IFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (the “IASB”) for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 July 2024 for the preparation of the consolidated financial statements:

Amendment to IFRS 16	Lease Liability in a Sale and Leaseback
Amendments to International Accounting Standards (“IAS”) 1	Non-current Liabilities with Covenants
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements
Amendments to IAS 1	Classification of Liabilities as Current or Non-current

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

#### New and amendments to IFRS Accounting Standards in issue but not yet effective

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

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments <sup>3</sup>
Amendments to IFRS 9 and IFRS 7	Contracts Referring Nature-dependent Electricity <sup>3</sup>
Amendment to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate and Joint Venture <sup>1</sup>
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards – Volume 11 <sup>3</sup>
Amendments to IAS 21	Lack of Exchangeability <sup>2</sup>
IFRS 18	Presentation and Disclosure in Financial Statements <sup>4</sup>

<sup>1</sup> Effective for annual periods beginning on or after a date to be determined.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2025.

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2026.

<sup>4</sup> Effective for annual periods beginning on or after 1 January 2027.

Except for the new IFRS Accounting Standard mentioned below, the directors of the Company anticipate that the application of all other amendments to IFRS Accounting Standards have no material impact on the consolidated financial statements in the foreseeable future.

## IFRS 18 “Presentation and Disclosure in Financial Statements”

IFRS 18 “Presentation and Disclosure in Financial Statements”, which sets out requirements on presentation and disclosures in financial statements, will replace IAS 1 “Presentation of Financial Statements”. This new IFRS Accounting Standard, while carrying forward many of the requirements in IAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Minor amendments to IAS 7 “Statement of Cash Flows” and IAS 33 “Earnings per Share” are also made.

IFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of IFRS 18 on the Group’s consolidated financial statements.

## 4. SEGMENT INFORMATION

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

- (a) supply of solar photovoltaic parts and equipment (the “**Solar power business**”);
- (b) provision of electrical distribution system (“**Electrical distribution system business**”); and
- (c) trading of beauty and health products (“**Beauty & Health business**”).

Management of the Group, being the Chief Operating Decision Maker, considers the business from product type perspective. During the year ended 30 June 2025, the Group commenced the business of trading of beauty and health products, and it is considered as a new operating and reportable segment. Management of the Group monitors the results of Solar power business, Electrical distribution system business and Beauty & Health business separately for the purpose of making decisions about resource allocation and performance assessment. Management of the Group was of the view that these three segments were mutually exclusive and distinguished from each other.

Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before taxation. The adjusted profit/loss before taxation is measured consistently with the Group’s loss before taxation except that unallocated gains/losses, change in fair value of financial assets at FVTPL, finance costs, as well as head office and corporate expenses are excluded from such measurement.

There were no inter-segment sales in the two financial years ended 30 June 2025 and 30 June 2024.

Segment assets exclude unallocated head office and corporate assets such as certain property, plant and equipment, right-of-use assets, financial assets at FVTPL, certain prepayments, deposits and other receivables and cash and cash equivalents as these assets are managed on a group basis.

Segment liabilities exclude unallocated head office and corporate liabilities such as certain other payables and lease liabilities as these liabilities were managed on a group basis.

<b>Year ended 30 June 2025</b>	<b>Solar power business HK\$'000</b>	<b>Electrical distribution system business HK\$'000</b>	<b>Beauty &amp; Health business HK\$'000</b>	<b>Total HK\$'000</b>
<b>Segment revenue:</b>				
Sales to external customers	<u>52,585</u>	<u>88,730</u>	<u>1,595</u>	<u>142,910</u>
<b>Results:</b>				
Segment results before reversal of (provision for) ECL	3,506	5,408	(8,863)	51
Reversal of (provision for) ECL	<u>861</u>	<u>(5,997)</u>	<u>–</u>	<u>(5,136)</u>
Segment results	4,367	(589)	(8,863)	(5,085)
Unallocated losses				(946)
Corporate and other unallocated expenses				<u>(13,430)</u>
Loss before taxation				<u>(19,461)</u>
<b>Segment assets</b>	<b>68,605</b>	<b>138,635</b>	<b>10,737</b>	<b>217,977</b>
Corporate and other unallocated assets				<u>2,931</u>
Total assets				<u>220,908</u>
<b>Segment liabilities</b>	<b>12,878</b>	<b>33,403</b>	<b>3,242</b>	<b>49,523</b>
Corporate and other unallocated liabilities				<u>26,347</u>
Total liabilities				<u>75,870</u>



Year ended 30 June 2024	Solar power business <i>HK\$'000</i>	Electrical distribution system business <i>HK\$'000</i>	Beauty & Health business <i>HK\$'000</i>	Total <i>HK\$'000</i>
<b>Segment revenue:</b>				
Sales to external customers	<u>61,866</u>	<u>98,866</u>	<u>–</u>	<u>160,732</u>
<b>Results:</b>				
Segment results before provision for ECL	1,441	1,793	–	3,234
Provision for ECL	<u>(269)</u>	<u>(20,079)</u>	<u>–</u>	<u>(20,348)</u>
Segment results	1,172	(18,286)	–	(17,114)
Unallocated gains				421
Corporate and other unallocated expenses				<u>(25,859)</u>
Loss before taxation				<u>(42,552)</u>
<b>Segment assets</b>	67,210	144,593	–	211,803
Corporate and other unallocated assets				<u>15,472</u>
Total assets				<u>227,275</u>
<b>Segment liabilities</b>	15,108	28,667	–	43,775
Corporate and other unallocated liabilities				<u>31,756</u>
Total liabilities				<u>75,531</u>

## Other segment information

	Solar power business HK\$'000	Electrical distribution system business HK\$'000	Beauty & Health business HK\$'000	Unallocated HK\$'000	Total HK\$'000
<b>Year ended 30 June 2025</b>					
Amortisation of intangible assets	–	–	(950)	–	(950)
Depreciation of property, plant and equipment	–	–	(84)	(1,380)	(1,464)
Depreciation of right-of-use assets	–	–	–	(805)	(805)
Addition of intangible assets	–	–	(2,070)	–	(2,070)
Addition of right-of-use assets	–	–	–	(802)	(802)
Additions of property, plant and equipment	–	–	(620)	(907)	(1,527)
Impairment losses recognised on property, plant and equipment and right-of-use assets	–	–	–	(1,120)	(1,120)
Reversal of (provision for) ECL recognised in respect of trade and other receivables, net	1,536	(4,581)	–	–	(3,045)
Provision for ECL recognised in respect of contract assets, net	(675)	(1,416)	–	–	(2,091)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Year ended 30 June 2024</b>					
Depreciation of property, plant and equipment	–	–	–	(75)	(75)
Depreciation of right-of-use assets	–	–	–	(517)	(517)
Additions of property, plant and equipment	–	(3,343)	–	(3,314)	(6,657)
Provision for ECL recognised in respect of trade and other receivables, net	(1,128)	(18,402)	–	–	(19,530)
Reversal of (provision for) ECL recognised in respect of contract assets, net	859	(1,677)	–	–	(818)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

## Geographical information

### (a) Revenue from external customers

	2025 HK\$'000	2024 HK\$'000
The PRC	142,469	160,732
Hong Kong	441	–
	<u>142,910</u>	<u>160,732</u>

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

### (b) Non-current assets

	2025 HK\$'000	2024 HK\$'000
The PRC	7,212	6,820
Hong Kong	1,550	955
	<u>8,762</u>	<u>7,775</u>

The non-current assets information is presented based on the geographical location of the assets.

## 5. REVENUE

Revenue represents the value of goods sold during the year.

	<b>2025</b> <b>HK\$'000</b>	2024 <i>HK\$'000</i>
Revenue from contracts with customers		
At a point in time:		
– Supply of solar photovoltaic parts and equipment	<b>52,585</b>	61,866
– Provision of electrical distribution system	<b>88,730</b>	98,866
– Trading of beauty and health products	<b>1,595</b>	–
	<b>142,910</b>	160,732

Disaggregation of revenue from contracts with customers

<b>Year ended 30 June 2025</b>	<b>Solar power business HK\$'000</b>	<b>Electrical distribution system business HK\$'000</b>	<b>Beauty &amp; Health business HK\$'000</b>	<b>Total HK\$'000</b>
<b>Segment revenue:</b>				
Revenue from supply of solar photovoltaic parts and equipment	<b>52,585</b>	–	–	<b>52,585</b>
Revenue from provision of electrical distribution system	–	<b>88,730</b>	–	<b>88,730</b>
Revenue from trading of beauty and health products	–	–	<b>1,595</b>	<b>1,595</b>
Total	<b>52,585</b>	<b>88,730</b>	<b>1,595</b>	<b>142,910</b>

Year ended 30 June 2024	Solar power business <i>HK\$'000</i>	Electrical distribution system business <i>HK\$'000</i>	Beauty & Health business <i>HK\$'000</i>	Total <i>HK\$'000</i>
<b>Segment revenue:</b>				
Revenue from supply of solar photovoltaic parts and equipment	61,866	–	–	61,866
Revenue from provision of electrical distribution system	–	98,866	–	98,866
Revenue from trading of beauty and health products	–	–	–	–
Total	<u>61,866</u>	<u>98,866</u>	<u>–</u>	<u>160,732</u>

All the Group's sales contracts are for periods of one year or less. As permitted under IFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

## 6. OTHER GAINS AND (LOSSES), NET

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Sample sales	52	–
Gain on disposal of property, plant and equipment	50	–
Loss on written-off of property, plant and equipment	–	(6)
Bank interest income	12	67
Foreign exchange gain	1	91
Incentives from the Singapore Government ( <i>Note (a)</i> )	–	15
Forfeiture of share option	–	258
Others	<u>115</u>	<u>34</u>
	<u>230</u>	<u>459</u>

*Note:*

- (a) Incentives from the Singapore Government comprise special employment credit, temporary employment credit and wages credit scheme. There are no unfulfilled conditions or contingencies relating to these incentives.

## 7. LOSS BEFORE TAXATION

The Group's loss before tax is arrived at after charging (crediting):

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
(a) Cost of sales (Refer to (b) below)	133,135	154,789
Auditors' remuneration		
– Audit service	850	996
– Non audit service	90	306
Amortisation of intangible assets (included in cost of sales)	950	–
Depreciation of property, plant and equipment	1,464	75
Depreciation of right-of-use asset	805	517
Expenses relating to short-term leases	1,544	2,137
Legal and professional expenses	1,740	715
Employee benefits (Refer to (c) below)	13,565	17,900
Net fair value loss on financial assets at FVTPL (Refer to (d) below)	3	28
	<u>133,135</u>	<u>154,789</u>
(b) Cost of sales:		
– Contract cost from provision of solar power business	48,679	59,423
– Contract cost from provision of electrical distribution system	82,712	95,366
– Cost from trading of beauty and healthy products	1,744	–
	<u>133,135</u>	<u>154,789</u>
(c) Employee benefits:		
– Directors' emoluments	2,652	2,193
– Other staff salaries, wages and bonuses	9,963	14,711
– Other staff equity-settled share-based expense	158	159
– Retirement benefits, excluding directors' emoluments	792	837
	<u>13,565</u>	<u>17,900</u>
(d) Net fair value loss on financial assets at FVTPL:		
– Unrealised loss (gain) on fair value of financial assets at FVTPL	3	(1)
– Realised loss on fair value of financial assets at FVTPL	–	29
	<u>3</u>	<u>28</u>
(e) Finance costs		
– Interest on interest-bearing bank and other borrowings	257	274
– Interest on lease liabilities	113	150
– Bank charge	32	18
	<u>402</u>	<u>442</u>

## 8. INCOME TAX EXPENSE

	2025 HK\$'000	2024 HK\$'000
Current tax – The PRC		
– Charge for the year	2,227	1,453
Overprovision in prior years – The PRC	(3,551)	–
Deferred tax	(33)	52
	<u>(1,357)</u>	<u>1,505</u>
Total tax (credit) charge for year	<u>(1,357)</u>	<u>1,505</u>

The tax rate for Singapore subsidiary is based on Singapore corporate income tax (“CIT”) rate at 17% for both years.

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years. Withholding tax was provided for dividend distributed and undistributed profits of certain subsidiaries in the Mainland China at a rate of 10% (2024: 10%).

Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profit for both years.

## 9. LOSS PER SHARE

The weighted average number of equity shares refers to weighted average number of shares in issue during the year. The basic loss per share are based on the weighted average number of ordinary shares outstanding during the year.

The calculation of basic loss per share is based on:

	2025 HK\$'000	2024 HK\$'000
<b>Loss</b>		
Loss attributable to equity holders of the parent, used in the basic loss per share calculation	<u>(21,761)</u>	<u>(47,260)</u>
	2025 '000	2024 '000
<b>Shares</b>		
Weighted average number of ordinary shares in issue during the year used in the basic loss per share calculation	140,093	89,457
<b>Basic loss per share (HK cents)</b>	<u>(15.5)</u>	<u>(52.8)</u>

The computation of diluted earnings per share for both years does not assume the exercise of the Company’s outstanding share options as the relevant exercise price of those options were higher than the average market price for the current year.

## 10. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

During the year ended 30 June 2025, the Group has made approximately HK\$1,527,000 additions in property, plant and equipment (2024: HK\$6,657,000).

During the year ended 30 June 2025, the additions to intangible assets include HK\$2,070,000 attributable to trade mark for Beauty and Health business (2024: nil).

## 11. TRADE RECEIVABLES, DEPOSITS AND OTHER RECEIVABLES

	2025 HK\$'000	2024 HK\$'000
<i>Trade receivables:</i>		
Third parties		
– Gross amount	233,538	223,901
– Less: allowance for ECL	(94,040)	(89,351)
	<u>139,498</u>	<u>134,550</u>
<i>Deposits and other receivables:</i>		
Deposits	822	705
Others	447	298
	<u>1,269</u>	<u>1,003</u>
Total trade receivables, deposits and other receivables	<u>140,767</u>	<u>135,553</u>

### Trade receivables

Trade receivables are non-interest bearing and are generally on terms of 180 to 360 days.

As at 1 July 2023, trade receivables amounted to HK\$107,717,000 (net of allowance for credit losses of approximately HK\$70,316,000).

An aging analysis of the trade receivables as at the end of the year, based on the invoice date/delivery date (net of allowance for ECL), is as follows:

	2025 HK\$'000	2024 HK\$'000
Less than 30 days	57,746	25,168
30 to 60 days	–	–
61 to 90 days	10,262	15,258
91 to 180 days	6,923	33,301
181 to 365 days	25,210	26,409
Over 365 days	39,357	34,414
	<u>139,498</u>	<u>134,550</u>

The gross carrying amount of trade receivables that were past due of HK\$146,890,000 (2024: HK\$112,226,000) relate to a number of customers that have a good track record with the Group. The Group does not hold any collateral or other credit enhancements over these balances. Up to the date of issuance of these consolidated financial statements, there are subsequent settlement received from the trade debtors of RMB39,252,000 (equivalent to approximately HK\$42,785,000).

## 12. CONTRACT ASSETS

	2025 HK\$'000	2024 HK\$'000
Contract assets ( <i>Note (a)</i> )	15,490	7,080
Less: allowance for ECL ( <i>Note (b)</i> )	<u>(4,501)</u>	<u>(2,347)</u>
	<u>10,989</u>	<u>4,733</u>

As at 1 July 2023, contract assets amounted to HK\$4,247,000 (net of loss allowance of HK\$1,542,000).

*Notes:*

- (a) Contract assets primarily relate to the subsidiaries, i) retention receivable of provision of electrical distribution system of HK\$10,117,000 (2024: HK\$6,225,000); and ii) retention receivable of supply of solar photovoltaic parts of HK\$5,373,000 (2024: HK\$855,000).

Contract assets that brought forward from prior years of HK\$7,080,000 (2024: HK\$5,789,000) are transferred to receivables when the rights become unconditional.

- (b) Net allowance for ECL of approximately HK\$2,091,000 (2024: HK\$818,000) was recognised in profit or loss during the year ended 30 June 2025.

## 13. PREPAYMENTS

	2025 HK\$'000	2024 HK\$'000
Prepayments		
– Advance payments made to suppliers ( <i>Note</i> )	25,838	22,773
– Other	<u>239</u>	<u>465</u>
	<u>26,077</u>	<u>23,238</u>

*Note:* For the Group's business operations, advance payments are required when suppliers request partial or full payment for products prior to the delivery or provision of the relevant goods or services.

As at 30 June 2025, the advance payment is required when the supplier requires partial or certain percentage of the payment for the products prior to the delivery/provision of the relevant goods or services, mainly representing of Nil (2024: HK\$25,000) for prepayment to supplier for photovoltaics parts and equipment, and approximately HK\$22,022,000 (2024: HK\$22,748,000) for prepayment to electrical distribution system. These prepayments are made in accordance with the terms specified in the purchase contract, and the Group has also fully entered into corresponding sales contracts with customers. Subsequent to the end of the reporting period, all prepayments were fully utilised.

The remaining balances mainly represent advances to suppliers of HK\$2,240,000 (2024: nil) for goods and services, and prepaid licence fee of HK\$1,576,000 (2024: nil), both related to the health and beauty business.



## 14. TRADE AND OTHER PAYABLES

	2025 HK\$'000	2024 HK\$'000
<i>Trade payables:</i>		
Third parties	17,522	8,747
<i>Other payables:</i>		
Accrued liabilities ( <i>Note (a)</i> )	3,874	4,986
VAT and other tax payables	20,954	21,167
Warranty provision ( <i>Note (b)</i> )	3,565	4,006
Contract liabilities ( <i>Note (c)</i> )	151	–
Others	3,023	2,133
	31,567	32,292
Total	49,089	41,039

### Notes:

- (a) Accrued liabilities refer mainly to accrual for professional fees and employee benefits.
- (b) The Group has adopted the estimation where the warranty obligation is the equivalent of 2.5% of revenues of provision of electrical distribution system and solar power business, which is consistent with the practice of the relevant industry. The accrual basis stays at 2.5% based on the best estimation, the Group derives its estimates from results from historical data and other assumptions that the Group believes to be reasonable under the circumstances.
- (c) As at 1 July 2023, contract liabilities amounted to nil.

The Group receives a designated amount of the contract value from customers in advance. The advances result in contract liabilities being recognised as revenue until the customer obtains control of a promised products and the entity satisfies a performance obligation.

### Trade payables

These amounts are non-interest bearing. Trade payables are normally settled on terms of 30 to 90 days.

An aging analysis of the trade payables as at the end of the year, based on the invoice date, is as follows:

	2025 HK\$'000	2024 HK\$'000
Less than 90 days	13,330	4,330
91 to 180 days	–	104
181 to 365 days	4,192	4,313
	17,522	8,747

## 15. BANK AND OTHER BORROWINGS

	2025 HK\$'000	2024 HK\$'000
Unsecured other borrowings	8,000	–
Secured bank borrowings	–	3,762
	<u>8,000</u>	<u>3,762</u>
Represented by:		
Carrying amount repayable within one year	<u>8,000</u>	<u>3,762</u>
	<u>8,000</u>	<u>3,762</u>

The other borrowings are denominated in HK\$, unsecured and unguaranteed and bear a fixed interest rate of 6% per annum as at 30 June 2025.

The bank borrowings are denominated in Renminbi and bear interest of 0.75% over 1 year PRC Loan Prime Rate per annum as at 30 June 2024.

At 30 June 2024, the Group's bank borrowings are secured by:

- (i) interest of properties located in the PRC of a senior management of the Group; and
- (ii) personal guarantee provided by a senior management of the Group.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **BUSINESS REVIEW**

During the financial year ended 30 June 2025, the performance of the Group in different business segments were as follows:

#### **Solar Power Business**

The Group's solar power business mainly engaged in the supply of solar PV parts and equipment. The Group has recognised a revenue of approximately HK\$52.6 million from the solar power business for the financial year ended 30 June 2025, which is at a lower revenue level compared to the financial year ended 30 June 2024 of approximately HK\$61.9 million.

#### **Electrical Distribution System**

The Group's electrical distribution system business refers to the supply of electrical distribution system (including distribution board, junction box, cables and switches etc.) and energy storage power system. The Group had recognised a revenue of approximately HK\$88.7 million for the financial year ended 30 June 2025, this results in a decrease compared to the revenue of approximately HK\$98.9 million for the financial year ended 30 June 2024.

#### **Beauty and Health Business**

The Group started beauty and health business during the year and recorded a revenue of approximately HK\$1.6 million.

### **BUSINESS PROSPECT**

In the future, the market still faces uncertainties and challenges. However, the Group remains confident in its business in Mainland China, given China's enormous market size.

The Group will continue to focus on the solar power business and electrical distribution system and seek for any new development. In the meantime, the Group will endeavor to seek projects with solid returns and high growth potential, including but not limited to existing businesses, in order to continuously enhance the value of the Company to shareholders.

## **FINANCIAL REVIEW**

The Group's revenue has decreased by 11.1% from approximately HK\$160.7 million for the financial year ended 30 June 2024 to approximately HK\$142.9 million for the financial year ended 30 June 2025. Loss attributable to owners of the Company and loss per share attributable to ordinary equity holders of the Company for the financial year ended 30 June 2025 amounted to approximately HK\$21.8 million and HK\$15.5 cents respectively, compared to approximately HK\$47.3 million and HK\$52.8 cents respectively for the financial year ended 30 June 2024.

### **Financial Results**

#### ***Revenue***

For the financial year ended 30 June 2025, revenue of the Group mainly comprises of revenue generated from the following three business segments of the Group:

##### ***Solar Power Business***

The Group has recognised revenue of approximately HK\$52.6 million from the solar power business for the financial year ended 30 June 2025, which is a decrease of 15.0% compared to approximately HK\$61.9 million from that of last year.

##### ***Electrical Distribution System***

The Group has recognised revenue of approximately HK\$88.7 million for the financial year ended 30 June 2025, which is a decrease of 10.3% compared to approximately HK\$98.9 million for the financial year ended 30 June 2024.

##### ***Beauty and Health Business***

The Group has recognised revenue of approximately HK\$1.6 million from beauty and health business for the financial year ended 30 June 2025.

#### ***Operating Results***

Gross profit margin of the Group has increased by 83.8% from 3.7% for the financial year ended 30 June 2024 to 6.8% for the financial year ended 30 June 2025. This is mainly attributable to a general increase in pricing.

The operating results of the Group has recorded a decrease of loss from approximately HK\$44.1 million for the financial year ended 30 June 2024 to approximately HK\$18.1 million for the financial year ended 30 June 2025. The decrease in loss is primarily attributable to the combined effect of the increase in gross profit from approximately HK\$5.9 million to approximately HK\$9.8 million, decrease in expected credit loss recognised in respect of financial assets at amortised cost from approximately HK\$20.3 million to approximately HK\$5.1 million and decrease in administrative expenses from approximately HK\$26.7 million to HK\$21.7 million.

### ***Other Gains and Losses, Net***

Other gains and losses had decreased from a net gain of approximately HK\$0.5 million for the year ended 30 June 2024 to a net gain of approximately HK\$0.2 million for the financial year ended 30 June 2025. The decrease was mainly due to the forfeiture of share option during the year ended 30 June 2024.

### ***Change in Fair Value of Financial Assets at Fair Value through Profit or Loss, net***

The decrease in the loss in fair value of financial assets is attributable to the decrease in fair value loss on financial assets at fair value through profit or loss by 89.3% to approximately HK\$3,000 for the year ended 30 June 2025 (2024: HK\$28,000).

### ***Administrative Expenses***

Administrative expenses for the financial year ended 30 June 2025 have decreased by 18.9% to approximately HK\$21.7 million (2024: HK\$26.7 million).

### ***Impairment losses recognised on property, plant and equipment and right-of-use assets***

Impairment losses recognised on property, plant and equipment and right-of-use assets of the Group is approximately HK\$1.1 million for the year ended 30 June 2025 (2024: nil).

### ***Other Operating Expenses***

Other operating expenses of the Group have decreased to approximately HK\$0.7 million for the year ended 30 June 2025 (2024: HK\$1.4 million).

### ***Income Tax Expense***

There was a net income tax credit of approximately HK\$1.3 million for the financial year ended 30 June 2025 compared to net income tax expenses of approximately HK\$1.5 million for the financial year ended 30 June 2024. This is primarily attributable to overprovision of tax expenses in prior years in solar power business in PRC.

### ***Employment and Remuneration Policy***

As at 30 June 2025, total number of employees of the Group was 35 (2024: 35). During the financial year ended 30 June 2025, employees costs (including Directors' emoluments) amounted to approximately HK\$13.6 million (2024: HK\$17.9 million). Remuneration of the employees which included salaries, discretionary bonuses and share-based incentives was based on the Group's results and individual performances. Medical and retirement benefits schemes were made available to qualified individuals.

The Group joined the Mandatory Provident Fund Scheme ("MPF"), and Central Pension Scheme (the "CPS") in Hong Kong and the PRC, respectively.

Under the MPF scheme, the Group and its employees in Hong Kong make monthly contributions at 5% of the employee's earning capped at HK\$1,500 per month to the scheme. Contributions to the scheme vests immediately. No forfeited contributions are available to reduce the contribution payable in future years as at 30 June 2025 and 30 June 2024.

## **Financial Position**

As at 30 June 2025, total assets of the Group were approximately HK\$220.9 million (30 June 2024: HK\$227.3 million), representing a decrease of 2.8% as compared with that of 2024, among which current assets decreased by 3.4% to approximately HK\$212.1 million (30 June 2024: HK\$219.5 million).

The decrease in current assets of the Group was mainly attributed to the combined effect of decrease in inventories of approximately HK\$2.7 million, increase in trade receivables, deposits and other receivables of approximately HK\$5.2 million, increase in contract assets of approximately HK\$6.3 million, increase in prepayment of approximately HK\$2.8 million, and decrease in cash and cash equivalent of approximately HK\$19.0 million.

As at 30 June 2025, total liabilities of the Group amounted to approximately HK\$75.9 million (30 June 2024: HK\$75.5 million), which is an increase of 0.5% as compared with that of 2024, among which current liabilities increased by 0.7% to HK\$74.6 million (30 June 2024: HK\$74.1 million), whereas non-current liabilities decrease by HK\$0.2 million compared with the financial year ended 30 June 2024. The increase in current liabilities is mainly due to the combined effect of increase in trade and other payables, bank and other borrowings and decrease in amount due to a director. The decrease in non-current liabilities was mainly attributable to the decrease in lease liabilities.

Total equity of the Company has decreased by 4.4% to approximately HK\$145.0 million as at 30 June 2025 (30 June 2024: HK\$151.7 million). This is mainly due to the loss of the financial year of approximately HK\$15.7 million and the proceeds from issue of share of the Company of approximately HK\$8.3 million.

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

As at 30 June 2025, the Group maintained net current assets of approximately HK\$137.5 million (30 June 2024: HK\$145.4 million). Besides, the Group maintained cash and cash equivalents of approximately HK\$5.3 million, of which 33.4% were denominated in Hong Kong dollars (30 June 2024: HK\$24.3 million, of which 29.3% was denominated in Hong Kong dollars).

The Group's gearing ratio was 0.49 (30 June 2024: 0.27), which was calculated on the basis of net debt over equity attributable to owners of the Company. Net debt is calculated as total borrowings plus amount due to a director plus trade and other payables less cash and cash equivalents.

## **Charge on Assets**

As at 30 June 2025, the Group had no charge on its assets (30 June 2024: Nil).

## Capital Structure

### 2024 Right Issue

On 22 March 2024, the Company announced that the Board proposed to implement the rights issue on the basis of one (1) rights share for every two (2) existing Shares in issue at the subscription price of HK\$0.4 per rights share, to raise up to approximately HK\$16.7 million before expenses by way of issuing up to 41,708,400 rights shares (the “**Right Issue**”).

The subscription price represents: (a) a discount of approximately 9.09% to the closing price of HK\$0.44 per Share as quoted on the Stock Exchange on the last trading day; (b) a discount of approximately 6.10% to the average closing price of approximately HK\$0.426 per Share for the last five consecutive trading days as quoted on the Stock Exchange up to and including the last trading day; (c) a discount of approximately 3.61% to the average closing price of approximately HK\$0.415 per Share for the last ten consecutive trading days as quoted on the Stock Exchange up to and including the last trading day.

On 8 May 2024, the Company completed the Rights Issue and issued 41,708,400 rights shares. The net proceeds from the Rights Issue was approximately HK\$16.0 million.

Further details of the Rights Issue were set out in the Company’s announcements dated 22 March 2024, 29 April 2024 and 8 May 2024, together with the Company’s prospectus dated 11 April 2024.

On 12 June 2024, The Company has published an announcement relating to the change in use of proceeds and the expected timeline of full utilisation by (a) reallocating approximately HK\$7.5 million which was originally allocated for developing solar power and electrical distribution system business to developing its sale of cosmetic products business; and (b) extending the expected timeline of full utilisation of the unutilised net proceeds from the end of December 2024 to the end of June 2025.

The table below sets forth the status of utilisation of the proceeds as at 30 June 2025, and the expected timeline of the use of the unutilised proceed from the Right Issue:

	Allocation of net proceeds HK\$ (million)	Utilisation up to the financial year ended 30 June 2025 HK\$ (million)	Expected timeline of full utilisation of the net proceeds
Developing its sale of cosmetic products business	7.5	7.5	End of June 2025
Developing solar power and electrical distribution system business	3.7	3.7	End of December 2024
General working capital of the Group	4.8	4.8	End of December 2024
Total	16.0	16.0	

## 2024 Placing

On 28 November 2024, the Company entered into a placing agreement (the “**2024 Placing agreement**”) with Advent Securities (Hong Kong) Limited, pursuant to which Advent Securities (Hong Kong) Limited agreed to place up to 16,680,000 new shares of the Company to not less than six placees on a best effort basis at a placing price of HK\$0.2 per placing share (the “**2024 Placing**”). The Placing was completed on 9 December 2024 and 16,680,000 new shares of the Company with an aggregate nominal value of HK\$3,336,000 were allotted and issued by the Company to not less than six placees who were independent individuals, corporations and/or institutional investors, who and whose ultimate beneficial owners were third parties independent of and not connected with the Company and its connected persons.

The placing price of HK\$0.2 represented (i) a discount of approximately 19.68% to the closing price of HK\$0.249 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) a premium of approximately 7.41% over the average closing price per Share of approximately HK\$0.186 as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the 2024 Placing Agreement.

The net placing price for the 2024 Placing was approximately HK\$0.186 per placing share.

The 2024 Placing was conducted by the Company to raise additional funding for the business operations of the Group and strengthen the financial position of the Group for future development. The net proceeds amounting to approximately HK\$3.1 million arising from the 2024 Placing shall be fully applied as general working capital of the Group.

As at 30 June 2025, the Group had utilised the net proceeds of the 2024 Placing as follows:

Intended use of net proceeds	Allocation of	Utilisation up to
	net proceeds	the financial
	HK\$ (million)	year ended
		30 June 2025
		HK\$ (million)
General working capital of the Group	3.1	3.1

The utilisation of net proceeds was in accordance to the original intention disclosed in the announcement of the Company dated 28 November 2024 in relation to the 2024 Placing.

## 2025 Placing

On 18 March 2025, the Company entered into a placing agreement (the “**2025 Placing agreement**”) with Advent Securities (Hong Kong) Limited, pursuant to which Advent Securities (Hong Kong) Limited agreed to place up to 25,025,000 new shares of the Company to not less than six placees on a best effort basis at a placing price of HK\$0.2 per placing share (the “**2025 Placing**”). The Placing was completed on 8 April 2025 and 25,025,000 new shares of the Company with an aggregate nominal value of HK\$5,005,000 were allotted and issued by the Company to not less than six placees who were independent individuals, corporations and/or institutional investors, who and whose ultimate beneficial owners were third parties independent of and not connected with the Company and its connected persons.



The placing price of HK\$0.2 represented (i) a discount of approximately 9.91% to the closing price of HK\$0.222 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) a premium of approximately 9.91% over the average closing price per Share of approximately HK\$0.222 as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the 2025 Placing Agreement.

The net placing price for the 2025 Placing was approximately HK\$0.185 per placing share.

The 2025 Placing was conducted by the Company to raise additional funding for the business operations of the Group and strengthen the financial position of the Group for future development. The net proceeds amounting to approximately HK\$4.62 million arising from the 2025 Placing shall be fully applied as general working capital of the Group.

As at 30 June 2025, the Group had utilised the net proceeds of the 2025 Placing as follows:

Intended use of net proceeds	Allocation of net proceeds HK\$ (million)	Utilisation up to the financial year ended 30 June 2025 HK\$ (million)
General working capital of the Group	4.62	4.62

The utilisation of net proceeds was in accordance to the original intention disclosed in the announcement of the Company dated 18 March 2025 in relation to the 2025 Placing.

### Capital Expenditure and Commitments

During the financial year ended 30 June 2025, the Group had capital expenditure of approximately HK\$3.6 million (2024: HK\$6.7 million).

As at 30 June 2025, the Group has capital commitments contracted for but not provided in the consolidated financial statements of approximately HK\$0.6 million (30 June 2024: HK\$0.4 million).

### Contingent Liabilities

The Group did not have any contingent liabilities as at 30 June 2025 (2024: Nil).

### Significant Investments

As at 30 June 2025, the Group held certain listed securities as financial assets at fair value through profit or loss. There were no other significant investments held. Nor were there any material acquisitions or disposals during the year.

## MATERIAL ACQUISITIONS AND DISPOSALS

There were no material acquisitions or disposals of subsidiaries, joint ventures and associated companies during the financial year ended 30 June 2025.

## Cash Flow

The Group reported net cash flows used in operating activities of approximately HK\$15.1 million (2024: net cash flows used in HK\$1.2 million) for the financial year ended 30 June 2025. The increase in net cash flow used in operating activities is primarily due to the increase in the trade and other receivables, trade and other payables and prepayments during the year.

Net cash used in investing activities is approximately HK\$4.8 million for the financial year ended 30 June 2025 (2024: HK\$3.5 million). This is mainly attributable to the purchase of intangible assets.

Net cash flows from financing activities mainly attributed to approximately HK\$0.8 million for the financial year ended 30 June 2025 (2024: net cash flows from HK\$15.9 million). The decrease in net cash flow from financing activities is primarily due to the combined effect of repayment of bank borrowing and the proceeds from right issue of shares.

## Financial Ratios

The following table shows the key financial ratios indicating the performance of the Group for the last five financial years:

<b>Financial year ended 30 June</b>	<b>2025</b>	2024	2023	2022	2021
Gross profit margin (%) <sup>1</sup>	<b>6.8</b>	3.7	6.7	10.6	9.9
Net profit margin (%) <sup>2</sup>	<b>N/A<sup>8</sup></b>	N/A <sup>8</sup>	N/A <sup>8</sup>	N/A <sup>8</sup>	N/A <sup>8</sup>
Return on assets (%) <sup>3</sup>	<b>N/A<sup>8</sup></b>	N/A <sup>8</sup>	N/A <sup>8</sup>	N/A <sup>8</sup>	N/A <sup>8</sup>
<b>As at 30 June</b>	<b>2025</b>	2024	2023	2022	2021
Gearing ratio <sup>4</sup>	<b>0.49</b>	0.27	0.25	0.03	0.0
Current ratio <sup>5</sup>	<b>2.8</b>	3.0	3.7	5.0	5.2
Average trade receivables collection period (days) <sup>6</sup>	<b>350.0</b>	275.1	684.5	431.6	254.8
Average trade payables repayment period (days) <sup>7</sup>	<b>36.27</b>	11.5	31.7	35.2	27.8

*Notes:*

- <sup>1</sup> Gross profit margin = Gross profit/Revenue x 100%
- <sup>2</sup> Net profit margin = Net profit/Revenue x 100%
- <sup>3</sup> Return on assets = Net profit before tax/Total assets
- <sup>4</sup> Gearing ratio = Net debt/Equity attributable to owners of the Company
- <sup>5</sup> Current ratio = Current assets/Current liabilities
- <sup>6</sup> Average trade receivables collection period = (Average trade receivables + Bill receivables/Revenue) x 365
- <sup>7</sup> Average trade payables repayment period = (Average trade payables/Purchases) x 365
- <sup>8</sup> The ratio is not applicable as the Group suffered a net loss for the financial year

The increase in gross profit margin for the financial year ended 30 June 2025 was attributed to a general increase in pricing.

The increase in average trade receivables collection period of 74.9 days for the financial year ended 30 June 2025 is primarily attributable to the combined effect of increase in trade receivables for the financial year ended 30 June 2025.

The Group always maintains good and prompt payment relationships with the suppliers to achieve overall benefit for the on-going and future purchase pricing. The increase in repayment period was mainly due to the increase in average purchase for the financial year ended 30 June 2025.

## **COMPLIANCE WITH CORPORATE GOVERNANCE CODE**

Throughout the year ended 30 June 2025, the Company has applied and complied with the principles in the Corporate Governance Code (the “**Code**”) set out in Appendix C1 to the Listing Rules, except for the following deviation.

### **Chairman and Chief Executive Officer**

The Company does not have any officer with the title of “chief executive officer”.

For the financial year ended 30 June 2025, the Chairman was responsible for the general operations of the Board and the overall strategy of the Group. The Board considers that this structure would not impair the balance of power and authority between the directors and the management of Company.

The Board understands the importance of complying with the code provision C.2.1 of the CG Code and will continue to consider the feasibility of compliance. If compliance is determined, appropriate persons will be nominated to take up the different roles of the Chairman and the Managing Director.

### **Code provision C.1.8**

According to Code C.1.8 of the CG Code, the Company should arrange appropriate insurance cover in respect of legal action against its directors. The Board believes that with the current risk management and internal control systems and the close supervision of the management, the Directors' risk of being sued or getting involved in litigation in their capacity as Directors is relatively low. Benefits to be derived from taking out insurance may not outweigh the cost. As such, the Company currently does not have insurance cover for legal action against its directors.

### **Rule 13.92 of the Listing Rules**

Since 19 July 2024, the Company had not been in compliance with the board diversity requirement under Rule 13.92 of the Listing Rules, which prohibits a single-gender board. Following the appointment of Ms. Chan Sheung Yu as an independent non-executive director of the Company on 27 December 2024, the Board has achieved gender diversity and is now in compliance with Rule 13.92 of the Listing Rules.

### **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES**

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

### **DIRECTORS' SECURITIES TRANSACTIONS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the "**Model Code**") as the code of practice for carrying out securities transactions by the Directors. After specific enquiry with all members of the Board, the Company confirmed that all Directors have fully complied with the relevant standards stipulated in the Model Code during the financial year ended 30 June 2025.

### **DIVIDEND POLICY**

Code provision F.1.1 of the CG Code relates to disclosure of dividend policy. The Company does not have a dividend policy and the Board will decide on the declaration/recommendation of any future dividends after taking into consideration a number of factors, the Group's future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions (if any) and other factors which our Directors deem relevant, and other factors that the Board considers relevant.

### **AUDIT COMMITTEE**

The audit committee of the Company (the "**Audit Committee**") was established with written terms of reference in compliance with the code provisions of the Code as set out in Appendix C1 to the Listing Rules. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control procedures of the Group.

As at 30 June 2025, the Audit Committee consists of three non-executive Directors, of whom three are independent, namely, Mr. Chen Yeung Tak, Dr. Luo Xiaodong, and Mr. Wang Haoyuan.

The Group's final results for the financial year ended 30 June 2025 and this announcement have been reviewed with no disagreement by the Audit Committee before submission to the Board for approval.

### **SCOPE OF WORK OF MOORE 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 June 2025 as set out in the preliminary announcement have been agreed by the Group's auditor, Moore CPA Limited, to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the Board on 26 September 2025. The work performed by Moore CPA Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Moore CPA Limited on the preliminary announcement.

### **PROPOSED FINAL DIVIDEND**

The Board did not recommend the payment of a final dividend for the financial year ended 30 June 2025.

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

This preliminary final results announcement is published on the websites of the Company (<https://prosperityhc.com>) and the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)). The annual report of the Company for the financial year ended 30 June 2025 will be despatched to the Company's shareholders and available on the abovementioned websites in due course.

By Order of the Board  
**Liu Yancheng**  
*Chairman and Executive Director*

Hong Kong, 26 September 2025

*As at the date of this announcement, the Directors are:*

#### **Executive Directors**

Mr. Liu Yancheng (*Chairman*)  
Mr. Yao Runxiong  
Mr. Wu Yifeng

#### **Independent non-executive Directors**

Mr. Chen Yeung Tak  
Dr. Luo Xiaodong  
Mr. Wang Haoyuan  
Ms. Chan Sheung Yu