友和集團控股有限公司
YOHO GROUP HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)
Stock Code：2347

2025/26
Annual Report

CONTENTS

CORPORATE INFORMATION

EXECUTIVE DIRECTORS
Mr. Wu Faat Chi *(Chairman and Chief Executive Officer)*
Ms. Tsui Ka Wing *(Chief Operating Officer)*

NON-EXECUTIVE DIRECTOR
Mr. Man Lap

INDEPENDENT NON-EXECUTIVE DIRECTORS
Dr. Qian Sam Zhongshan
Mr. Ho Yun Tat
Dr. Leung Shek Ling Olivia

AUDIT COMMITTEE
Mr. Ho Yun Tat *(Chairman)*
Dr. Leung Shek Ling Olivia
Mr. Man Lap

NOMINATION COMMITTEE
Mr. Wu Faat Chi *(Chairman)*
Dr. Qian Sam Zhongshan
Dr. Leung Shek Ling Olivia

REMUNERATION COMMITTEE
Dr. Leung Shek Ling Olivia *(Chairwoman)*
Ms. Tsui Ka Wing
Mr. Ho Yun Tat

STRATEGY AND INVESTMENT COMMITTEE
Mr. Man Lap *(Chairman)*
Mr. Wu Faat Chi
Ms. Tsui Ka Wing

COMPANY SECRETARY
Ms. Chan Sau Ling

AUTHORISED REPRESENTATIVES
Mr. Wu Faat Chi
Ms. Chan Sau Ling

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PRINCIPAL BANKS
The Hongkong and Shanghai Banking Corporation Limited
Bank of China (Hong Kong) Limited
Hang Seng Bank Limited

COMPANY WEBSITE
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STOCK CODE
2347

OPERATIONAL HIGHLIGHTS

	FY25/26 *(Note 5)*	FY24/25
Gross merchandise value (the "**GMV**") *(Note 1)* *(HK$ million)*	**855.6**	848.1
Number of registered members *(Note 2)*	**1,387,000**	1,224,000
Number of orders intake *(Note 3)*	**523,000**	433,000
Basket value *(Note 4)* *(HK$)*	**1,634**	1,960

Notes:

1. The "GMV" for a particular financial year is equivalent to the total gross sales dollar value of all relevant orders intake for products and services during that financial year, regardless of whether the products and services are delivered, returned or cancelled; before deductions for discounts offered by us and set-offs by virtue of conversion of membership points; and inclusive of shipping and handling charges, duty and taxes.

2. An individual may enroll as a "registered member" through our e-commerce platform at **www.yohohongkong.com** (desktop version) or **m.yohohongkong.com** (mobile version) or Yoho mobile app (the "**Yoho E-commerce Platform**") (as a prerequisite to the placement of any order on the platform), or upon a purchase completed at any of our retail stores (as he/she wishes).

3. The "number of orders intake" for a particular financial year consists of orders placed with us, orders made by our customers at our retail stores, and orders from consumers received via online redemption platform(s) of third-party reward scheme(s) and third-party online marketplaces during that financial year.

4. The "basket value" for a particular financial year is calculated by dividing our GMV by the number of orders intake during that financial year.

5. FYX/Y refers to the financial year ended 31 March of the year Y. For example, "FY25/26" refers to the year ended 31 March 2026.

FINANCIAL HIGHLIGHTS

	FY25/26(Note 1)	FY24/25
Revenue *(HK$'000)*	**736,771**	753,795
Gross profit *(HK$'000)*	**117,309**	118,121
Gross profit margin	**15.9%**	15.7%
Profit and total comprehensive income for the year *(HK$'000)*	**16,752**	20,466
Net profit margin(Note 2)	**2.3%**	2.7%
EBITDA(Note 3) *(HK$'000)*	**30,413**	32,592
EBITDA margin(Note 4)	**4.1%**	4.3%
Adjusted net profit(Note 5) *(HK$'000)*	**17,315**	21,577
Adjusted net profit margin(Note 6)	**2.4%**	2.9%
Earnings per share		
Basic *(HK cents)*	**3.41**	4.13
Diluted *(HK cents)*	**3.41**	4.13
Dividends per share *(HK cents)*	**3.00**	3.00
Payout ratio(Note 7)	**88.0%**	72.6%

	FY25/26	FY24/25
Liquidity:		
Net cash position *(HK$'000)*	**228,245**	191,515
Gearing ratio(Note 8)	**N/A**	N/A
Current ratio(Note 9)	**4.1**	4.4
Debt-to-assets ratio(Note 10)	**23.2%**	23.8%

Notes:

1. FYX/Y refers to the financial year ended on 31 March of the year Y. For example, "FY25/26" refers to the year ended 31 March 2026.
2. Net profit margin is calculated as profit and total comprehensive income for the year divided by revenue.
3. EBITDA is defined as non-HKFRS Accounting Standards measures as profit and total comprehensive income for the year adjusted by interest income, interest expense, income tax expense, depreciation of property, plant and equipment and right-of-use assets, amortisation of other intangible assets.
4. EBITDA margin is calculated as EBITDA divided by revenue.
5. Adjusted net profit is defined as non-HKFRS Accounting Standards measures as profit and total comprehensive income for the year adjusted by share options granted to directors and certain employees of the Company.
6. Adjusted net profit margin is calculated as adjusted net profit divided by revenue.
7. Payout ratio is calculated as dividends per share divided by earnings per share.
8. Gearing ratio is calculated as interest-bearing gross debt (including bank overdraft) divided by total equity at the end of the year.
9. Current ratio is calculated as total current assets divided by total current liabilities.
10. Debt-to-assets ratio is calculated as total liabilities divided by total assets.

CHAIRMAN'S STATEMENT

Dear Shareholders,

Hong Kong's retail market is undergoing a profound structural transformation. Over FY25/26 (the "**Year**"), macroeconomic uncertainty, increasingly rational consumer decision-making, and the diversion of local consumption to Chinese mainland and overseas destinations have collectively presented significant structural challenges to the local retail sector. This is not merely a short-term cyclical downturn, but rather the onset of a new retail normal.

FROM AGGRESSIVE EXPANSION TO RESILIENT GROWTH

In the face of a challenging macro-market environment over the past few years, we have conducted a prudent strategic review. Against a backdrop of demand volatility and changing consumption patterns, we made a clear strategic choice between revenue scale and earnings quality. While safeguarding our market share, we have placed greater emphasis on guiding the Group towards a new stage of high-quality profitability and financial resilience.

In anticipation of a retail environment that is expected to become increasingly dynamic and unpredictable, the core objective of our current strategic adjustment is to enable the Group to allocate and reserve resources more effectively, preserve its strength, and remain well-positioned to capture future market opportunities. During the Year, we proactively adjusted certain product categories with relatively lower gross margin efficiency. Through stringent supply chain management and inventory optimisation, we effectively released capital previously tied up in inventory, converted it into tangible cash flow, and enabled our team to focus its core efforts on matters of greater long-term value.

In fact, had the Group chosen to retain certain lower-margin product structures from the past, we would have been fully capable of achieving double-digit sales growth during the Year. However, we remained firmly committed to our "Margin-First" strategy, with a continued focus on further optimising our operating structure. The stable performance of our GMV and revenue during the Year reflects the outcome of our proactive efforts to reshape our business portfolio and uphold transaction quality. More importantly, this has reinforced the financial foundation for the Group's long-term and healthy development, enabling us to maintain greater flexibility and resilience amid market volatility. Yoho does not pursue short-term scale on paper, rather, we are committed to building sustainable, resilient and defensible long-term growth.

CHAIRMAN'S STATEMENT

FROM VERTICAL E-COMMERCE TO A FULL-CATEGORY PLATFORM

Within our core direct-to-consumer ("**1P**") business, we demonstrated robust resilience. Over the Year, despite the local electronics and appliance market generally experiencing a significant double-digit decline, Yoho maintained a stable performance. This indicates that our market share has been further expanded and consolidated. This resilience is underpinned by our strategic investment in customer experience. During the Year, we launched our "Flash Delivery" service, enabling same-day delivery for small and medium-sized parcels, while also beginning to reshape fulfilment standards for major appliances. In addition, we worked closely with our marketplace merchants to accelerate the expansion of non-electronics and non-appliance categories. We have now built a diversified stock keeping unit ("**SKU**") portfolio comprising 40,000 skincare and beauty products, 20,000 personal care products, and 10,000 health and wellness products. These new growth engines are rapidly unlocking their potential. Non-electronics and non-appliance categories are expected to play an increasingly important role in our overall product mix.

Meanwhile, after three years of dedicated development and accumulation, our marketplace ("**3P**") business has officially entered its harvest phase, emerging as a vital strategic pillar within our platform ecosystem. Currently, the platform has successfully attracted more than 1,000 quality merchants, offering consumers approximately 200,000 product choices. As the GMV contribution from our 3P business continues to rise, we have adopted a more forward-looking strategy and launched the "Best Commission Plan" after the year-end. This initiative has helped further unlock the potential of our merchants, enhance the platform's overall price competitiveness, and create a sustainable growth engine for the Group. We will disclose further details regarding the 3P business to the market at the appropriate time.

FROM THE LOCAL MARKET TO THE GLOBAL MARKET

Yoho's future will by no means be limited to the local market. In the long run, we are actively advancing a fundamental transformation in the Group's platform role, from a vertical e-commerce channel deeply rooted in Hong Kong to a comprehensive commercial ecosystem that connects global brands, diverse consumers and cross-regional markets.

As part of this globalisation strategy, we will fully leverage Hong Kong's geographical advantages as a free port and duty-free port, as well as its unique position as a regional brand showcase and consumer testing hub. Rooted in Hong Kong with a global outlook, we are adopting a dual-track strategy that integrates the complementary strengths of public-domain and private-domain channels. Over the Year, the Group has successfully established new sales channels reaching Chinese mainland and overseas markets. These initiatives have not only enabled us to tap into new customer segments but also allowed us to accumulate valuable cross-border operational data and accurately capture the evolving preferences of overseas consumers.

CHAIRMAN'S STATEMENT

Targeting overseas and Chinese mainland markets, we will, on the one hand, continue to deepen our strategic partnerships with mainstream public-domain e-commerce and content platforms, underpinned by our robust product authenticity assurance mechanism and mature supply chain capabilities, to achieve efficient market penetration. On the other hand, with Hong Kong serving as our central operations and distribution hub, we are strategically building the global private-domain network of our flagship brand, YOHO, and our premium sub-brand, J SELECT, as an organic complement to public-domain channels, while continuously enhancing the cross-border payment and overseas fulfilment experience.

To accelerate this globalisation process, one of the Group's key strategic initiatives in the second half of 2026 will be the comprehensive transformation of our premium sub-brand, J SELECT, into an international platform serving global consumers. By leveraging the Group's existing extensive product base of approximately 200,000 SKUs, we will undertake highly customised product curation and portfolio optimisation to better align with the consumption scenarios of different markets around the world. This prudent, precise and highly flexible expansion approach will enable us to establish a sustainable and replicable global growth model with strong scalability as we steadily expand into Chinese mainland and overseas markets.

CLOSING REMARKS AND APPRECIATION

Finally, on behalf of the Board, I would like to express my sincerest gratitude to all our employees for their exceptional resilience and unwavering dedication over the Year amid a complex and rapidly changing market environment. At the same time, we would also like to extend our heartfelt appreciation to our valued customers, business partners and shareholders for their continued trust and support. We will continue to uphold a transparent and responsible approach to governance, and remain committed to creating sustainable long-term value for all stakeholders.

Wu Faat Chi
Chairman and Executive Director
25 June 2026

MAJOR MILESTONES AND EVENTS

The overview of the major business milestones accomplished by the Group is presented below:

2013

- Established in 2013, the Group started to engage in OMO retail business by launching the Yoho E-commerce Platform and opening our first physical store in Kwun Tong.

2014

- In March, we created the "友和 YOHO" YouTube Channel to enhance our digital presence. As of the date of this annual report, "友和 YOHO" YouTube Channel recorded a total of 11 million views, of which our flagship advertising campaign video – "Mr. Yoho is coming! Muscular Brothers – Mr. Yoho wants to define 'convenience'…", has captivated audiences with over 425,000 views.
- We introduced our first Double 11 Shopping Festival in November, positioning us as a pioneer of large-scale Double 11 promotions among Hong Kong's e-commerce landscape.

2015

- In June, we introduced Iris Ohyama, a 60-year-old Japanese brand, and also introduced the dust mite vacuum cleaner, an innovative product, to Hong Kong and Macau markets. Iris Ohyama has been one of the best-selling brands on the Yoho E-commerce Platform.

2016

- We conducted a comprehensive upgrade on our data processing system to synchronise online and offline information, including those relating to our members, products and discounts available to our customers.
- We introduced the viewing of real-time stock level by our customers on the Yoho E-commerce Platform.

2017

- We reached more than 100,000 registered members on the Yoho E-commerce Platform by the end of 2017.
- We became a loyal supporter of the Make-A-Wish programme launched by the Hong Kong Christian Service, which supports grassroots families in Hong Kong.

2018

- We launched the "Auto-pricing System" to monitor and adjust the price of our products automatically.
- In July, the Yoho E-commerce Platform had over 20,000 SKUs.

MAJOR MILESTONES AND EVENTS

2019

- We obtained pre-IPO investments for a total amount of HK$40,000,000 from Biz Cloud Investments Limited ("**Beyond Ventures Vehicle**") and The Innovation and Technology Venture Fund Corporation ("**ITVFC**").

- In November, we were awarded the "Deloitte HK Top 10 Tech Fast Award".
- We opened our flagship store in Cheung Sha Wan.

- We introduced digital price tags at our retail stores to achieve automatic synchronisation of pricing information on the Yoho E-commerce Platform and at our retail stores.

2020

- In November and December, we collaborated with HSBC to offer customers discounts for reaching a certain spending amount during the Double Eleven and Double Twelve online shopping festivals. The collaboration resulted in a record-breaking year-on-year growth of over 200% in November monthly sales.

2021

- In March, we had 500,000 registered members and the Yoho E-commerce Platform was the most-visited electronic and home appliances e-commerce platform with the highest online retail sale volume in Hong Kong. (Source: Frost & Sullivan)
- In May, pre-IPO investors *(note 1)* subscribed for a total of 15,031,101 series A convertible preferred shares of our Company (the "**Series A Preferred Shares**") at a total consideration US$8,250,000.

Note:

1. IWS refers to the 2021 Pre-IPO New Shares Investors (as defined in the prospectus of the Company dated 26 May 2022 (the "**Prospectus**")), comprising (1) Japan Home Centre (Management) Ltd; (2) Method King Limited; (3) Triple Gold Enterprise Limited; (4) Cell Rising Capital (BVI) Limited; (5) EVO Fund; (6) Wealth Power Asia Investment Ltd; (7) Ms. Chiu Wing Kwan Winnie; (8) Ms. Chiu Jennifer Wendy; (9) Mr. Hoong Cheong Thard; (10) Mr. Adamczyk Alexis Thomas David (one of our non-executive Directors, resigned on 2 February 2024); (11) Mr. Rondouin Hugues Louis Gabriel; (12) Ms. Lam Suk Ling Shirley; (13) Infinity Evergreen Limited; (14) Mr. Chiu Ka Kui Kenneth; (15) Mr. Leung Hon Fai Kevin; (16) Mr. Tsoi Yiu Ting; (17) Mr. Wu Arthur; (18) Mr. Wu Shang Hong Jason; (19) Ms. Li Ying; (20) Ms. Geffner Xin Yue Jasmine; and (21) Ms. Shi Huiting.

MAJOR MILESTONES AND EVENTS

2023

- In February, we were awarded the Caring Company Logo 2022/23 by The Hong Kong Council of Social Service for the second consecutive year.
- On 13 March, we marked our 10th anniversary and launched a series of thanksgiving campaigns throughout March.
- In March, we launched a strategic partnership with JHC to offer free pickup services at 30 JHC stores across Hong Kong in the first phase of the partnership, with a guarantee of "Same-day Collection".
- In May, we were awarded the 12th Junzi Corporation Award by The Hang Seng University of Hong Kong which recognizes companies that embrace ethical business values and promote the five virtues of "Benevolence, Righteousness, Propriety, Wisdom, and Trustworthiness".
- The number of YOHO registered members has officially surpassed 1 million, marking a significant milestone in our journey.

2022

- In February, we were awarded the Caring Company Logo 2021/22 by The Hong Kong Council of Social Service.
- On 10 June, our Company became the first B2C e-commerce platform successfully listed on the Main Board of the HKEX.

- In October, we opened our largest flagship store in Causeway Bay, spanning 12,000 square feet on the 9th floor of Hang Lung Centre. Our offline retail network now covers Kowloon East, Kowloon West and Hong Kong Island.
- In November, we launched our 3P Business Model, where quality third-party merchants may sell their products that are beyond the categories we offer under our 1P Business Model, through the Yoho E-commerce Platform.

MAJOR MILESTONES AND EVENTS

2025

- In April, we launched Flash Delivery, a next-generation logistics service that enhances our last-mile infrastructure. It offers same-day delivery, same-day pickup, and 3-hour warehouse-to-store transfers, providing a seamless and ultra-fast fulfillment experience.
- In June, we officially launched the YOHO App. With our expanded portfolio spanning 20 major product categories and the integration of AI technology, the app is designed to further drive cross-category selling and foster habitual browsing and personalized engagement within a mobile-first context.

- In June, we opened our first J SELECT Beauty concept store at K11 MUSEA, marking a strategic step in expanding into the beauty, skincare, and health segments. Designed as an immersive experience hub offering personalized consultations and interactive product demonstrations, the store enhances our offline experiential strategy and further integrates our OMO capabilities.

2024

- In February, we launched the Yoho AI Assistant, a pioneering personal AI shopping assistant that marked a pivotal milestone in our AI e-commerce roadmap. As an early adopter of AI in Hong Kong retail, we are building scalable personalization capabilities to enhance conversion, engagement, and operational efficiency.
- In March, to celebrate YOHO's 11th anniversary, we introduced a citywide "Best Price Guarantee" campaign. We pledged to refund the price difference if customers found lower prices elsewhere, reinforcing our commitment to customer value and trust.
- In August, we launched YOHO First, the first paid membership programme of its kind in Hong Kong's retail sector, offering exclusive benefits for an annual fee of HK$399. As a strategic step toward developing a paid membership-based ecosystem, the programme is designed to drive recurring revenue, strengthen customer stickiness, and support sustainable margin expansion through effective loyalty monetization.

- In September, we completed our first strategic acquisition since listing, acquiring J SELECT, a premium global lifestyle retailer formerly under Jebsen Group. The move supports our dual-brand strategy and strengthens our presence in the beauty, health, and lifestyle segments.

MAJOR MILESTONES AND EVENTS

2026

- In April, we launched the "Best Commission Plan", covering approximately 400 third-level product categories and reducing the commission rate for eligible merchants from 9% to 5%, subject to a maximum commission cap of HK$200 per item.
- In April, we opened our second J SELECT Beauty concept store at Langham Place, further expanding the Group's Prime Mall footprint and deepening its presence in the beauty retail segment.

- In June, we became one of the first in the industry to roll out "same-day delivery, collection and installation" services for selected major appliance categories, addressing traditional pain points in the major appliance shopping journey.

- As of the date of this annual report, our number of registered member has exceeded 1,419,000.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

OVERALL PERFORMANCE

During the Year, the Hong Kong retail market showed signs of gradual recovery from a low base, although overall momentum remained modest and category performance continued to diverge. The local retail sector continued to face operating pressure amid macroeconomic uncertainties, cautious consumer sentiment, northbound spending by Hong Kong residents and the diversion of consumption to outbound travel. Purchasing decisions for higher-ticket and discretionary products became more rational, while market competition extended beyond price to delivery efficiency, shopping convenience and service experience.

Amid an unsettled demand recovery and intensified price competition, the Group maintained a stable operating performance during the Year, supported by the resilience of its core business and the continued execution of its “Margin-First” strategy. Rather than pursuing sales volume growth alone, the Group placed greater emphasis on gross profit return, conversion efficiency and customer value per transaction, with a view to preserving transaction scale while enhancing operational quality and earnings sustainability.

During the Year, the Group’s GMV and revenue amounted to approximately HK$855.6 million and HK$736.8 million, respectively, remaining broadly stable year-on-year. Although the basket value declined to approximately HK$1,634 due to cautious consumer sentiment and changes in product mix, the impact was largely offset by growth in order volume, continued expansion of the member base and further development of the 3P business, supporting overall GMV stability.

The number of orders intake increased by 20.8% year-on-year to approximately 523,000, reaching a record high, and registered members further increased to approximately 1.39 million. GMV of the 3P business also increased by approximately 74.4% year-on-year to approximately HK$30.9 million. While part of the growth benefited from a lower base, the continued expansion reflected improving merchant participation and platform transaction activity.

While maintaining a stable GMV scale, the Group further strengthened its discipline in product selection, procurement and replenishment, using product demand, turnover speed and gross profit contribution as key management indicators. These management measures were gradually reflected in an improved inventory structure and lower inventory levels. The Group’s inventory decreased from approximately HK$110.2 million as at 31 March 2025 to approximately HK$99.9 million as at 30 September 2025, and further to approximately HK$72.7 million as at 31 March 2026. The continued decline reflected the Group’s increasingly refined product selection, procurement and replenishment arrangements, together with an improved inventory structure, and a significant reduction in slow-moving and inefficient inventory.

Lower inventory pressure reduced the need for subsequent deep discounting or clearance sales, thereby easing the drag on gross profit from low-turnover, low-margin products and products subject to greater price volatility. Benefiting from an improved product mix, reduced discounting and clearance pressure, and a higher proportion of higher-margin categories, the Group’s gross profit amounted to approximately HK$117.3 million, while gross profit margin further improved to 15.9%, reaching a five-year high. This reflected the gradual embedding of the “Margin-First” strategy into product selection, procurement and inventory management, and its translation into improved earnings quality.

MANAGEMENT DISCUSSION AND ANALYSIS

During the Year, the Group continued to enhance its technology applications and platform service capabilities across delivery services, customer experience and member operations. These initiatives included the launch of the YOHO mobile application, the rollout of "Flash Delivery" as an express fulfilment service, enhanced use of artificial intelligence and data analytics, optimisation of backend functions for the 3P business, and continued enhancement of after-sales and customer service capabilities. While the related investments led to an increase in operating expenses, they represent strategic investments to enhance service efficiency, user experience and repeat purchase capability, and are expected to support transaction frequency and customer value over the long term.

Despite the increase in such investments, the Group recorded EBITDA of approximately HK$30.4 million. This performance was mainly supported by improved gross profit margin, enhanced inventory management, growth in order volume and improved operating efficiency, which partially offset the additional costs arising from such strategic investments.

With a stable core business, healthy financial position and sufficient cash reserves, the Group remained capable of pursuing strategic investments while maintaining shareholder returns. After considering the full-year results, cash position and future development needs, the Board recommended a final dividend of HK$0.015 per ordinary share for FY25/26. Together with the interim dividend of HK$0.015 per ordinary share paid during the Year, the total dividend for FY25/26 amounted to HK$0.030 per ordinary share (FY24/25 total dividend: HK$0.030 per ordinary share), reflecting the Group's commitment to balancing long-term development with shareholder returns.

FLAGSHIP BRAND – YOHO

1P Business

During the Year, the 1P business remained YOHO's core business. The Group entered the market in its early years through electronics and appliances and successfully established brand recognition, user trust, and transaction traffic in this segment through its diversified product offerings, online-merge-offline ("**OMO**") shopping experience, and competitive pricing. Electronics and appliances remain key revenue and traffic contributors to the Group's 1P business. During the Year, the Group continued to refine product selection and product mix management to improve conversion efficiency and gross margin performance.

Conversion in electronics and appliances depends not only on product selection and pricing, but also heavily on fulfilment arrangements such as delivery, installation and after-sales support. Given the higher ticket size of these products, customers typically place greater emphasis on service reliability and delivery certainty before making a purchase. The Group therefore further leveraged its OMO capabilities to integrate online enquiries, in-store experience, delivery and installation, and after-sales support, reducing customers' coordination burden throughout the purchase process.

Major appliances are a representative example. Their purchase typically involves multiple fulfilment steps, including delivery, old appliances recycling and installation. During the Year, the Group initially rolled out "same-day delivery, collection and installation" for selected major appliance categories, enabling customers to complete new appliance delivery, old appliance recycling and installation arrangements within the same day. This initiative integrates previously fragmented processes into a one-stop fulfilment experience, improving transaction certainty for higher-ticket products and strengthening the service barrier of the Group's major appliance category.

MANAGEMENT DISCUSSION AND ANALYSIS

While consolidating its service capabilities in core categories, the Group also leveraged its member data, platform traffic and operating capabilities to expand non-electronics categories. During the Year, the Group strengthened its focus on beauty, health and wellness, personal care and other daily consumption categories with relatively higher gross margins and purchase frequency. By considering gross profit contribution, user demand and cross-selling potential in product selection, the Group further optimised its product mix and reduced reliance on higher-ticket electronics and appliance categories.

Among these categories, beauty and personal care place greater emphasis on the expansion of younger and lifestyle-oriented consumption scenarios. The Group actively introduced high-quality emerging local brands, leveraging their brand stories, design aesthetics and social media influence to capture young consumers' demand for lifestyle and personal care products. The health and wellness category, on the other hand, has demand across different age groups and strong repeat purchase potential. By introducing reputable and long-established healthcare brands, the Group addressed consumers' emphasis on brand heritage, product reputation and reliability, while leveraging its online marketing capabilities to enhance the reach and conversion of these heritage brands among younger customer segments.

Beyond medium to long-term category expansion, the Group also focused on short-cycle consumer trends and trending product opportunities. As social media, short videos, Key Opinion Leader (KOL) recommendations and community discussions continue to accelerate product breakout cycles, the Group strengthened its tracking of social media trends, platform search data, sales performance and member behaviour. This enables the Group to identify products with topical appeal and conversion potential, allowing it to secure supply more quickly and capture demand for trending products, thereby enhancing the product selection accuracy and the market responsiveness for its 1P business.

3P Business

During the Year, the 3P business continued to record solid growth. Such growth was mainly driven by the natural conversion of YOHO's existing traffic, member base and brand trust, rather than significant upfront investment. This reflected the gradual conversion of the Group's accumulated operating capabilities into transaction growth of the 3P business.

Facing a challenging local retail environment and rising merchant operating costs, the Group launched the "Best Commission Plan" after the year-end, effective from 1 April 2026, to enhance 3P merchant appeal and product competitiveness on the platform. The plan restructured merchant commission arrangements and covers approximately 400 third-level product categories. Under the new arrangement, the commission rate for eligible merchants in designated product categories was reduced from 9% to 5%, with a maximum commission cap of HK$200 per item. Based on existing higher-ticket products on the platform, the effective commission rate may be as low as approximately 1%, representing a cost advantage compared with general market commission arrangements.

For merchants, the lower commission rate and capped commission mechanism reduce variable selling costs. This is particularly beneficial for higher-ticket products, as the effective commission percentage may decrease as product prices increase, allowing merchants to retain greater pricing and promotional flexibility. For the Group, while the arrangement may reduce commission income per item in the short term, it is expected to improve product price competitiveness and transaction conversion, thereby supporting the long-term growth of the 3P business through higher transaction scale and merchant participation.

Since launching the 3P business in the fourth quarter of 2022, YOHO has maintained a "no registration fee, no listing fee and no annual fee" arrangement to lower merchants' entry barriers and initial operating pressure. The "Best Commission Plan" launched after the year-end further extends this approach from entry costs to transaction costs, continuing YOHO's direction of supporting merchant participation with a lower operating threshold.

MANAGEMENT DISCUSSION AND ANALYSIS

Cross-border Business

During the Year, YOHO continued to take a prudent approach to cross-border business testing, focusing on channel partnership discussions, product trial sales and category demand assessment. Given the differences in platform rules, logistics arrangements, payment methods and marketing costs across markets, the Group did not make large-scale investments, but instead adopted a low-cost and phased approach to accumulate market feedback and assess demand fundamentals and operational feasibility.

In Chinese mainland market, YOHO continued to capture cross-border consumption demand through its proprietary WeChat Mini Program, while exploring cooperation opportunities with mainstream e-commerce and content platforms to assess traffic costs, commission arrangements, operating requirements and conversion efficiency. In Southeast Asia, the Group also tested the market response of selected beauty, personal care and trendy toy products through local mainstream e-commerce platforms, and preliminarily observed a certain level of demand for these categories. These tests enabled the Group to accumulate market-specific operating data while controlling upfront investment, providing a reference for future cross-border product selection, pricing and delivery arrangements.

Premium Sub-Brand – J SELECT

During the Year, J SELECT further strengthened its positioning as a premium lifestyle retail brand, forming a differentiated and complementary positioning with the flagship brand, YOHO, which focuses on the mass market, broad product coverage and high-efficiency e-commerce. J SELECT focuses on beauty, health and lifestyle categories with higher basket value, higher margins and a stronger need for product experience. Through curated product offerings, in-store experience and premium brand positioning, J SELECT continued to enhance its ability to convert demand for high-value products.

These products are rarely driven by price comparison alone. Customers often require a deeper understanding of product functions, usage methods, expected results and after-sales support before making a purchase. Accordingly, J SELECT continued to use physical stores as an important sales channel, using product display, trial arrangements and staff guidance to reduce purchase uncertainty and improve conversion.

To balance offline expansion costs with sales effectiveness, J SELECT did not pursue large flagship stores or extensive SKU displays. Instead, it adopted a more focused and experience-led store model. Following the opening of its K11 MUSEA store in Tsim Sha Tsui in the first half of FY25/26, the Group opened its third J SELECT store at Langham Place in Mong Kok in April 2026, increasing the brand’s physical presence in core commercial districts and high-traffic retail locations. These stores enable the Group to showcase representative products with higher sales potential within limited store space, while providing a suitable sales setting for mid-to-premium brands that value product display, customer education and brand image, thereby supporting the Group’s introduction of more quality brand partnerships.

J SELECT’s offline presence also strengthened the Group’s OMO operating capabilities. Currently, the dual-brand store network of YOHO and J SELECT has expanded to six stores, covering major transport hubs and core commercial-residential districts. Together with over 2,000 pickup points across Hong Kong and the “Flash Delivery” service, the network supports different shopping journeys, including online browsing, in-store experience, self-pickup and fast delivery. Based on the Group’s internal estimate of the coverage of its dual-brand stores, pickup points and “Flash Delivery” service, the relevant OMO network covers a serviceable population of approximately 2 million.

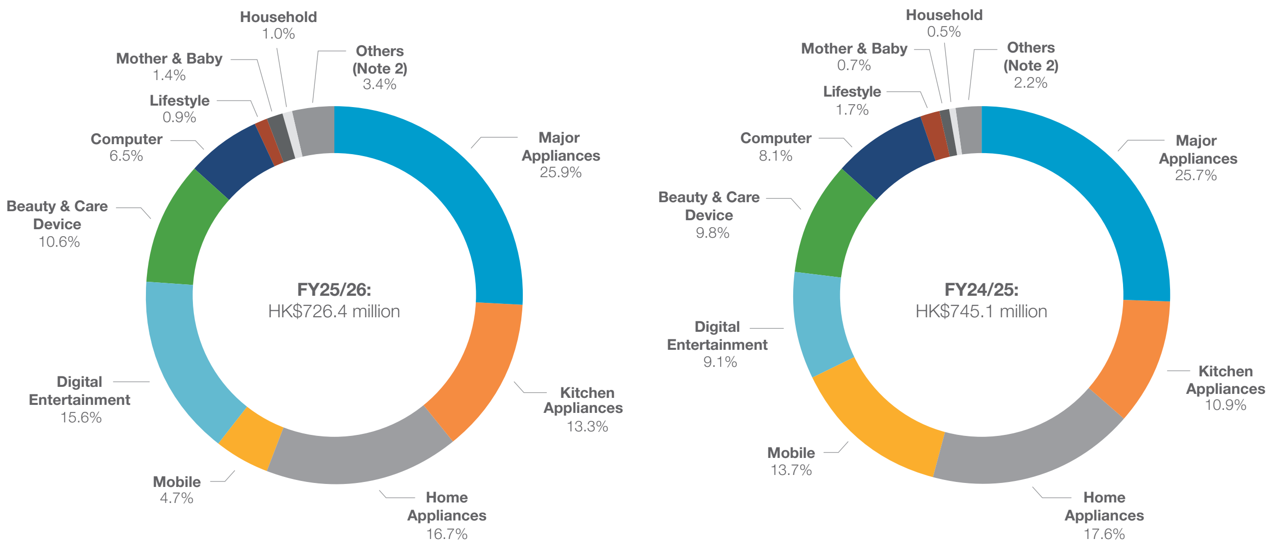
MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS PERFORMANCE

Our GMV increased by approximately 0.9% and revenue decreased by approximately 2.3%, respectively, for FY25/26 compared to FY24/25.

In terms of product category, the below graph demonstrates the diversity in our product offering to satisfy customers' demand.

Revenue breakdown by product category(Note 1)



Notes:

1. Excluding revenue generated from the provision of advertising services.

2. Others refers to Toys, Skincare & Makeup, Personal Care, Health & Wellness, Supermarket Food, Menswear, Womenswear, Kidswear, Pet Supplies, Wine & Spirits, Book & Culture and Other Products/Services.

BUSINESS HIGHLIGHTS

We operate a dynamic OMO business model under two complementary brands, YOHO and J SELECT, each strategically positioned to serve distinct customer segments and drive growth.

YOHO is our flagship brand targeting the mass market with a focus on competitive pricing and an extensive product range. Its offerings span electronics and appliances, beauty and skincare, health and wellness, household, mother and baby, pet supplies, wines and spirits, and toys. With a strong presence across online and offline channels, YOHO operates the robust YOHO E-commerce Platform and three expansive retail stores located in key districts (Kwun Tong, Causeway Bay, and Cheung Sha Wan).

J SELECT elevates our portfolio by focusing on mid-to-high-end consumers, offering a curated selection of premium beauty devices, lifestyle products, and cutting-edge gadgets. Its presence extends online through the J SELECT e-commerce platform (jselect.com) and offline with a premium retail store in Popcorn Mall, Tseung Kwan O and K11 MUSEA, Tsim Sha Tsui.

Our dual-brand strategy underscores our dedication to capturing diverse consumer segments and unlocking new opportunities by leveraging differentiated market positioning, advanced retail technology, and forward-thinking innovations.

MANAGEMENT DISCUSSION AND ANALYSIS

OMO BUSINESS MODEL

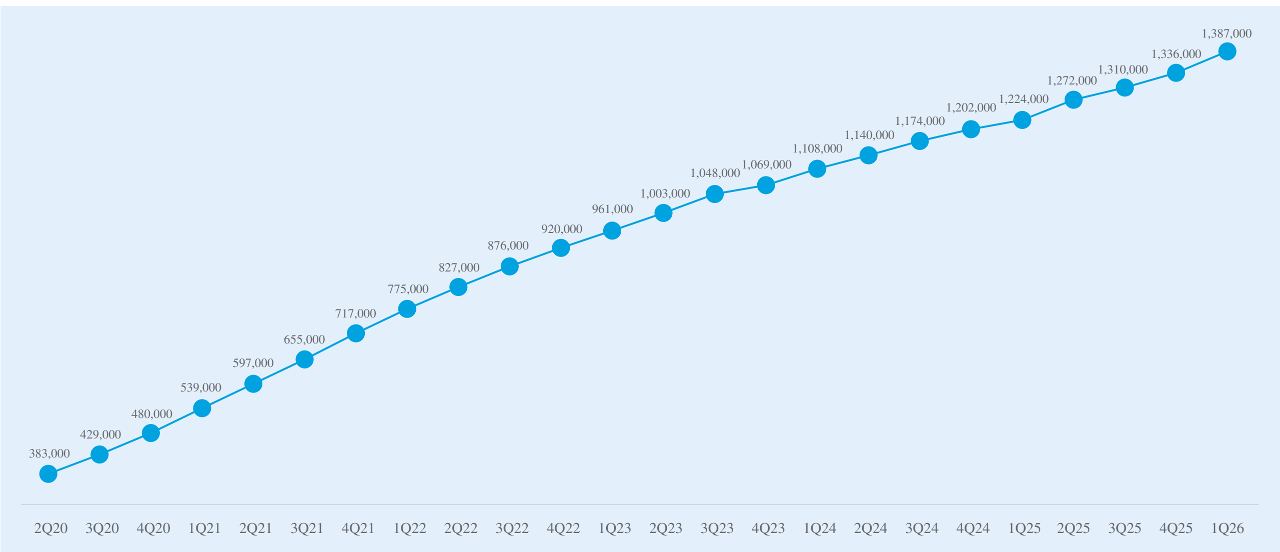
We believe our OMO business has enabled us to enhance customer experience, which helped drive the significant increase in our customer base and the scale of operation during the years indicated below:

	FY25/26	FY24/25	Movement
GMV *(HK$ million)*	**855.6**	848.1	0.9%
Number of registered members	**1,387,000**	1,224,000	13.3%
Number of orders intakes	**523,000**	433,000	20.8%
Basket value *(HK$)*	**1,634**	1,960	-16.6%

GROWING CUSTOMER BASE

We have established a customer base comprising over 1,387,000 registered members as at 31 March 2026.

Number of Registered Members



Source: Internal system.

The above result was facilitated by our membership programme in strengthening customer loyalty and incentivising our customers to make repeat purchases. The growing customer base also echoed with our brand name which encapsulates our ideology to create a one-stop e-commerce platform to cater both online and offline retail market under our OMO business model.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

REVENUE

Our revenue decreased from approximately HK$753.8 million for FY24/25 to approximately HK$736.8 million for FY25/26, representing a decrease of approximately 2.3%. The decrease in our revenue was primarily due to prolonged macroeconomic volatility and persistently high interest rates weighed heavily on consumer confidence leading to more restrained spending behaviors and heightened price sensitivity across discretionary categories, severely hitting the retail sector in Hong Kong.

GROSS PROFIT

Our gross profit remained stable at approximately HK$117.3 million for FY25/26 (FY24/25: HK$118.1 million). Furthermore, our gross profit margin increased from approximately 15.7% for FY24/25 to approximately 15.9% for FY25/26, mainly due to the effectiveness of our refined product mix and disciplined margin management.

SELLING AND DISTRIBUTION EXPENSES

Our selling and distribution expenses increased from approximately HK$68.1 million for FY24/25 to approximately HK$72.2 million for FY25/26 primarily due to an increase in depreciation of right-of-use assets in warehouse expansion and new premium retail stores in Tseung Kwan O and Tsim Sha Tsui.

ADMINISTRATIVE EXPENSES

Our administrative expenses decreased from approximately HK$32.6 million for FY24/25 to approximately HK$31.7 million for FY25/26 primarily due to stringent cost management.

INCOME TAX EXPENSE

Our income tax expense decreased from approximately HK$3.7 million for FY24/25 to approximately HK$2.7 million for FY25/26.

Notwithstanding the fact that we recorded a decrease in profit before tax to approximately HK$19.4 million for FY25/26 (FY24/25: approximately HK$24.1 million), we recorded an effective tax rate of approximately 13.7% (FY24/25: approximately 15.2%) for FY25/26.

PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR

As a result of the foregoing, we recorded a profit and total comprehensive income for the year of approximately HK$16.8 million for FY25/26 as compared with a profit and total comprehensive income for the year of approximately HK$20.5 million for FY24/25. Our net profit margin remained stable at approximately 2.3% for FY25/26 (FY24/25: 2.7%). The decrease in profit and total comprehensive income for the year was primarily attributable to the decrease in revenue from approximately HK$753.8 million for FY24/25 to approximately HK$736.8 million for FY25/26.

TRADE RECEIVABLES

Our trade receivables decreased from approximately HK$6.7 million as at 31 March 2025 to approximately HK$5.5 million as at 31 March 2026. Our days sales outstanding remained stable at 3 days as of 31 March 2026 (2025: 4 days).

TRADE PAYABLES

Our trade payables increased from approximately HK$33.6 million as at 31 March 2025 to approximately HK$41.9 million as at 31 March 2026. Our days purchases outstanding remained stable at 22 days as of 31 March 2026 (2025: 24 days).

MANAGEMENT DISCUSSION AND ANALYSIS

NON-HKFRS MEASURES

In order to supplement our consolidated statements of profit or loss and other comprehensive income, which are presented in accordance with HKFRS, we also use adjusted net profit and EBITDA as non-HKFRS measures as an additional financial measure, which is not required by, or presented in accordance with, HKFRS. We believe that these non-HKFRS measures help identify underlying trends in our business that could otherwise be distorted by the effect of the expenses that we include in income from operations and net profit, and therefore provide useful information to investors and others in understanding and evaluating our results of operation by eliminating potential impacts of such items. We also believe that these non-HKFRS measures provide useful information about our operating results, enhance the overall understanding of our past performance and future prospects, and allow for greater visibility with respect to key metrics used by our management in its financial and operational decision-making.

The use of adjusted net profit and EBITDA as non-HKFRS measures has material limitations as an analytical tool because they do not reflect all items of income and expenses that affect our operations. When assessing our operating and financial performance, you should not consider adjusted net profit and EBITDA as non-HKFRS measures in isolation from or as a substitute for our profit or loss for the year, gross profit or any other financial performance measure that is calculated in accordance with HKFRS. The term "adjusted net profit and EBITDA as non-HKFRS measures" is not defined under HKFRS, and such term may not be comparable to other similarly titled measures used by other companies.

ADJUSTED NET PROFIT

We define adjusted net profit as non-HKFRS measures as profit for the year adjusted by share options granted to directors and certain employees.

The following table sets forth our adjusted net profit as non-HKFRS measures for the years indicated:

	FY25/26 HK$'000	FY24/25 HK$'000
Profit and total comprehensive income for the year	**16,752**	20,466
Adjusted for:		
Equity-settled share-based expense to directors and certain employees	**563**	1,111
Adjusted net profit as non-HKFRS measures	**17,315**	21,577

MANAGEMENT DISCUSSION AND ANALYSIS

EBITDA

We define EBITDA as non-HKFRS Accounting Standards measures as profit and total comprehensive income for the year adjusted by interest income, interest expense, income tax expense, depreciation of property, plant and equipment and right-of-use assets, amortisation of other intangible assets.

	FY25/26 HK$'000	FY24/25 HK$'000
Profit and total comprehensive income for the year	16,752	20,466
Adjusted for:		
Interest income	(7,172)	(7,948)
Interest expense	997	1,408
Income tax expense	2,664	3,665
Depreciation of property, plant and equipment	2,482	2,757
Depreciation of right-of-use assets	14,240	12,223
Amortisation of other intangible assets	450	21
EBITDA as non-HKFRS measures	30,413	32,592

PLEDGE OF ASSETS

As at 31 March 2026, bank deposits in the amount of approximately HK$1.4 million (31 March 2025: HK$1.4 million) had been pledged against bank guarantee letters for a subsidiary of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

LIQUIDITY AND CAPITAL RESOURCES

Since the listing of our shares on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 10 June 2022 (the "**Listing Date**"), there has been no change in the capital structure of the Group. The capital of the Group comprises of issued ordinary share capital and capital reserves.

The Group's sources of funding comprise of its cash and cash equivalents and short-term bank deposits. The Group's total cash position recorded an increase of 19.2% from approximately HK$190.2 million (excluding the pledged deposits of approximately HK$1.4 million) as at 31 March 2025 to approximately HK$226.8 million (excluding the pledged deposits of approximately HK$1.4 million) as at 31 March 2026 mainly due to the increase in bank deposits from approximately HK$174.5 million as at 31 March 2025 to approximately HK$202.7 million as at 31 March 2026. The cash and cash equivalents and short-term bank deposits of the Group, mainly denominated in US$ and HK$, are generally deposited with authorised financial institutions.

As at 31 March 2025 and 31 March 2026 respectively, the Group had not utilised any uncommitted banking facilities. Our total cash and cash equivalents consisted of cash at bank and in hand and short-term deposits within three months of maturity. As at 31 March 2026, bank deposits in the amount of approximately HK$1.4 million (31 March 2025: HK$1.4 million) had been pledged against bank guarantee letters for a subsidiary of the Company. The Group was in a net cash position as of 31 March 2025 and 31 March 2026 and hence no gearing ratio was presented in our financial statements. The Directors are of the opinion that, after taking into consideration the available internal financial resources, the Group has sufficient funds to finance its operations and to meet the financial obligations as and when they fall due. During FY25/26, the Group invested approximately HK$1.7 million on capital expenditure as compared to approximately HK$3.9 million in FY24/25. For the upcoming capital expenditure requirements, we will remain cautious and it is expected to be funded by internal resources within the Group. Overall, the Group's financial position remains sound for continued business expansion.

GEARING RATIO

Gearing ratio (i.e. interest-bearing gross debt divided by total equity) was at nil as at 31 March 2026 and 2025, respectively.

USE OF NET PROCEEDS FROM THE GLOBAL OFFERING

On 26 May 2022, the Company offered 55,000,000 ordinary shares (the "**Shares**") for subscription by public in its global offering. The offer price per Share was determined at HK$2.10 and the Shares were successfully listed on the Main Board of the Stock Exchange on the Listing Date. The net proceeds (after deduction of underwriting fees and commissions and other Listing expenses) from the global offering of the Company was approximately HK$74.7 million (the "**Net Proceeds**") and a total amount of approximately HK$50.5 million out of the Net Proceeds have been utilised by the Group as of 31 March 2026 according to the allocation set out in the prospectus of the Company dated 26 May 2022 (the "**Prospectus**").

MANAGEMENT DISCUSSION AND ANALYSIS

An analysis of the utilisation of the net proceeds from the Listing Date up to 31 March 2026 is set out below:

	Percentage	Allocated use of proceeds (HK$ million)	**Utilised amount up to 31 March 2025 (HK$ million)**	**Utilised amount during the period ended 31 March 2026 (HK$ million)**	**Unutilised balance as of 31 March 2026 (HK$ million)**	Proposed timetable for the use of unutilised net proceeds
Capturing a larger market share through organic growth	20.4%	15.2	**13.4**	**1.8**	**–**	N/A
Expanding the product offerings on our e-commerce platform(s) through the launch of online marketplace operations	7.1%	5.3	**2.5**	**1.3**	**1.5**	On or before 31 March 2028
Expanding our services to customers in Chinese mainland and, in particular, the Greater Bay Area	8.6%	6.4	**–**	**0.6**	**5.8**	On or before 31 March 2028
Strengthening our supply chain capabilities	9.2%	6.9	**2.2**	**3.2**	**1.5**	On or before 31 March 2027
Further investing in brand management and marketing to increase mass awareness of our group and the effectiveness of our marketing activities	11.8%	8.8	**2.7**	**0.9**	**5.2**	On or before 31 March 2028
Expanding our teams of staff in support of our business strategies	19.2%	14.4	**9.3**	**3.1**	**2.0**	On or before 31 March 2027
Acquiring companies in e-commerce-related industries	13.7%	10.2	**2.0**	**–**	**8.2**	On or before 31 March 2028
General working capital	10.0%	7.5	**7.5**	**–**	**–**	N/A
	100.0%	74.7	**39.6**	**10.9**	**24.2**	

MANAGEMENT DISCUSSION AND ANALYSIS

The unutilised Net Proceeds of approximately HK$24.2 million as at 31 March 2026 (placed in interest-bearing deposits with authorised financial institutions in Hong Kong) is expected to be applied in accordance with the planned use as previously disclosed in the Prospectus, save that, after careful consideration, the Company has decided to:

(i) extend the expected timeline for utilising the remaining Net Proceeds allocated for expanding the product offerings on our e-commerce platform(s) through the launch of online marketplace operations to on or before 31 March 2028, to allow the Group additional time to carefully vet and onboard high-quality third-party merchants, optimise the platform's user interface in a highly competitive e-commerce landscape;

(ii) extend the expected timeline for utilising the remaining Net Proceeds allocated for expanding our services to customers in Chinese mainland and, in particular, the Greater Bay Area to on or before 31 March 2028, to prudently pace our capital deployment in response to current macroeconomic fluctuations and highly competitive regional market dynamics across Chinese mainland, allowing the Group to thoroughly assess local consumer behavior and ensure strict compliance with evolving cross border regulations and fine tune our product localization strategies to effectively capture the distinct purchasing power with the Greater Bay Area;

(iii) extend the expected timeline for utilising the remaining Net Proceeds allocated for strengthening our supply chain capabilities to on or before 31 March 2027, to pace our infrastructure and technology upgrades in line with current transaction volumes, thereby avoiding premature capital expenditure while ensuring the supply chain upgrades are aligned with the Group's updated logistics requirements;

(iv) extend the expected timeline for utilising the remaining Net Proceeds allocated for further investment in brand management and marketing to on or before 31 March 2028, to address the need for additional time to adapt to softened retail sentiment and more cautious consumer spending patterns, enabling the Group to carefully pace our large scale promotional campaigns that directly resonates with current consumer trends;

(v) extend the expected timeline for utilising the remaining Net Proceeds allocated for expanding our teams of staff in support of our business strategies to on or before 31 March 2027, to adopt a more selective approach to ensure that the Group recruits high-caliber professionals whose expertise precisely align with our long-term business strategic needs; and

(vi) extend the expected timeline for utilising the remaining Net Proceeds allocated for acquiring companies in e-commerce-related industries to on or before 31 March 2028, to allow adequate time for conducting thorough due diligence and identifying acquisition targets that are in line with strategic growth objectives of the Group.

Despite the prudent planning by the Board and management of the Company concerning the relevant use of Net Proceeds, the actual implementation of relevant projects have been affected by factors such as market environment and overall project progress. As such, the Board has determined to extend the timelines for these projects, with the view that the extension is not expected to have any material adverse impacts on the operations of the Company and is in the best interests of the Company and the Shareholders as a whole.

Save as disclosed above, the Board currently has no intention to change the planned use of the Net Proceeds as disclosed in the Prospectus. The expected timeline for using the unutilised Net Proceeds is based on the best estimation of the business market situations made by the Board. It might be subject to changes based on the market conditions. Further disclosure in the Company's annual report(s) in respect of change in timeline, if any, will be made by the Company in accordance with the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") as and when appropriate to update its shareholders and potential investors.

MANAGEMENT DISCUSSION AND ANALYSIS

PRINCIPLE RISKS AND UNCERTAINTIES

Our Group's financial condition, results of operations and business prospects may be affected by a number of principal risks and uncertainties directly or indirectly pertaining to our Group's business. The following list is a summary of certain principal risks and uncertainties faced by our Group which are not exhaustive and therefore other risks and uncertainties may also exist:

- we face significant competition in our business and our profitability and prospects for future growth depend on our ability to compete effectively with the other competitors;
- our business depends on our ability to maintain existing and attract new customers;
- incidents of counterfeit products could adversely affect the demand of our products, our brand, reputation and profitability;
- our business and results of operations may be materially and adversely affected if we are unable to maintain daily operations and security of the Yoho E-commerce Platform and systems;
- we are exposed to cybersecurity risks and may be liable for our users' privacy being compromised which may materially and adversely affect our reputation and business;
- the independent warehousing service provider and independent courier service providers engaged by us may increase their service charges and our net profit margin and results of operations may be affected as a result;
- we may not be able to provide electronic appliances to our customers in a timely manner or at all, which may subject us to refund of advances received in relation to the sales of electronic appliances; and
- our business, financial conditions and results of operations could be affected if we fail to attract and retain our key personnel, management team and our employees.

MANAGEMENT DISCUSSION AND ANALYSIS

PROSPECT

Looking ahead, the Hong Kong retail market is expected to remain challenging. Cautious consumer sentiment, intensified price comparison, and the diversion of spending to cross-border and outbound consumption are expected to continue to weigh on the recovery of local retail. In this environment, retailers can no longer rely solely on high-cost expansion to drive growth. Earnings quality, operating efficiency and cash returns will become increasingly important competitive priorities.

Accordingly, "Margin-First" will remain the Group's core operating principle. The Group will maintain disciplined capital allocation and allocate capital and operating resources more prudently, prioritising business opportunities that can deliver stronger gross profit return, operating efficiency and customer value. By leveraging its existing brand trust, member base, merchant network and OMO operating capabilities, the Group will enhance the operating efficiency of its 1P business, 3P business and cross-border business through more precise product selection, better use of member data and deeper merchant collaboration.

In the long term, the Group will build on its three existing businesses and leverage Hong Kong's strengths as a regional brand showcase and consumer testing window to further extend its role beyond a pure retail channel into a platform that connects brands, consumers and different markets, while consolidating its local market position and developing opportunities in Chinese mainland and overseas markets in an orderly manner.

1P BUSINESS

The 1P business will continue to serve as the Group's core revenue source and profit pillar. Guided by the "Margin-First" principle, the Group will prioritise resources towards product categories with stable demand, strong brand recognition and higher return potential to enhance gross profit return and operating efficiency.

Going forward, the Group will drive the development of its 1P business through the dual-brand strategy of YOHO and J SELECT. YOHO will continue to serve as the Group's core multi-category OMO platform for the Hong Kong mass market, focusing on electronics, appliances, beauty and health products, lifestyle products and other daily consumption needs. Leveraging localised operations, broad category coverage, competitive pricing and its delivery service network, YOHO will continue to enhance purchasing convenience, fulfilment efficiency and after-sales support for higher-ticket and service-led products, reinforcing its role as the Group's main platform in the local e-commerce market.

J SELECT will further develop into a premium, curated and international lifestyle platform, focusing on beauty, cosmetics, health, small electronics and lifestyle products. Its premium brand positioning, curated product mix and experience-led stores enable the Group to test high-value products, capture mid-to-premium consumer demand and deepen cooperation with quality brands. Through clear dual-brand segmentation, the Group can strengthen its mass-market presence while expanding into mid-to-premium lifestyle opportunities, thereby improving the product depth and margin structure of the 1P business.

On the supply side, the Group will actively explore strategic brand partnerships, minority investments and acquisition opportunities, gradually extending its role from a retail channel to a brand growth partner. For high-potential brands, the Group can provide sales channels, member reach, store display, OMO operations and regional market development capabilities. For the Group, these partnerships and investments can support priority access to differentiated, higher-margin products with social media traction potential, enhance supply control and product uniqueness, and reduce over-reliance on open-market procurement and price competition.

MANAGEMENT DISCUSSION AND ANALYSIS

3P BUSINESS

The 3P business will continue to develop on the foundation of YOHO's existing platform traffic, member base and brand trust. YOHO currently has over 1.4 million registered members and has established a stable transaction base. Consumers are accustomed to searching, comparing and purchasing a wide range of products on the YOHO platform, providing third-party merchants with a mature traffic gateway and sales channel.

The Group will continue to drive the development of the 3P business through flexible and merchant-friendly policies. The focus of the 3P business is not to maximise short-term commission income, but to enhance platform transaction activity and expand product coverage without increasing the Group's 1P inventory burden. Through lower entry barriers and competitive commission arrangements, the Group can attract more merchants with price-competitive and differentiated products, broaden user choice, and reduce its procurement and inventory risks.

After the year-end, the Group officially launched a platform advertising service for merchants, under which merchants can place advertisements and increase product exposure on the YOHO platform by pre-loading advertising credits. The Group will also provide merchant operating tools such as flash sales, themed promotions and platform campaigns to help merchants improve product exposure, conversion efficiency and transaction opportunities at key sales touchpoints. These initiatives will enhance merchants' operating capabilities on the platform and create revenue streams for the Group beyond commissions.

Looking ahead, the Group will also prudently develop third-party logistics services ("**3PL**") to provide merchants with more comprehensive logistics and delivery support. As 3PL involves warehouse capacity, delivery costs, service reliability and after-sales responsibilities, the Group will proceed gradually while balancing platform capacity, cost efficiency, customer experience and merchants' operating flexibility. Once mature, 3PL can serve as an optional logistics solution for merchants, helping reduce service inconsistencies caused by merchants' self-arranged delivery.

MANAGEMENT DISCUSSION AND ANALYSIS

CROSS-BORDER BUSINESS

Cross-border business remains an important medium to long-term growth direction for the Group. The Group will develop its cross-border business with reference to different market characteristics, platform traffic dynamics and brand positioning, while adopting a combined public-domain and private-domain channel strategy to balance traffic acquisition, cost control and operating flexibility.

Public-domain platforms offer sizeable traffic and mature transaction infrastructure, enabling the Group to increase product exposure, test market demand and reach new customers more efficiently. Meanwhile, these platforms also have demand for Hong Kong supply chains with stable supply, product authenticity assurance and cross-border delivery capabilities, providing the Group with opportunities to enter new markets. However, such platforms typically involve higher commissions, marketing costs and platform rule constraints, which may limit gross margin, pricing flexibility and customer relationship building.

Private-domain channels, by contrast, provide greater flexibility in product selection, pricing, content presentation and customer relationship management. However, at the early stage of development, they still require sufficient brand awareness, traffic entry points and user trust. The Group therefore intends to use public-domain platforms to build exposure, test demand and acquire new customers, while using private-domain channels to retain customer relationships, encourage repeat purchases and support more flexible operations.

YOHO will remain the Group's principal platform for cross-border testing and operations. Leveraging its Hong Kong-based supply chain, authenticity assurance, product selection capabilities and delivery experience, YOHO will deepen the operations of its WeChat Mini Program, and advance cooperation with mainstream e-commerce platforms and content platforms, bringing Hong Kong products and curated offerings to Chinese mainland and other cross-border consumer markets. Through YOHO, the Group will assess pricing acceptance, platform costs and conversion efficiency across markets, while gradually developing a replicable cross-border operating model and keeping investment and operating risks under control.

J SELECT will serve as an important private-domain channel for the Group's international market expansion and globalisation strategy. Leveraging its curated, premium and international lifestyle positioning, J SELECT will focus on global consumers with strong purchasing intent for beauty and skincare, health products, small electronic products and lifestyle goods. With Hong Kong as its central operating and distribution hub, the Group will progressively develop and enhance J SELECT's website, mobile application, cross-border payment and international delivery capabilities to provide global consumers with a smoother and more reliable shopping experience. Meanwhile, developing a proprietary private-domain channel will help reduce reliance on traffic distribution and operating rule changes of any single third-party platform, thereby strengthening the autonomy, stability and long-term sustainability of the Group's cross-border business.

MANAGEMENT DISCUSSION AND ANALYSIS

OTHER INFORMATION

TALENT REMUNERATION

Including the Directors, as at 31 March 2026, our Group had 97 permanent full-time employees as compared with 104 as at 31 March 2025. Our Group provides remuneration package consisting of basic salary, bonus, and other benefits to our employees. Bonus payments are discretionary and dependent on both our Group's and individual performances. Our Group also provides comprehensive medical and life insurance coverage, competitive retirement benefits schemes, and staff training programs and operates a share option scheme.

CAPITAL EXPENDITURE

During FY25/26, our Group's addition of property, plant and equipment and other intangible assets amounted to approximately HK$1.7 million (FY24/25: approximately HK$3.9 million).

CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

As at 31 March 2026, the Group did not have any significant capital commitment nor contingent liability (2025: Nil).

Substantially all of our Group's monetary assets and liabilities are denominated in Hong Kong dollars ("**HK$**"), United States dollars ("**US$**") and Japanese yen ("**JPY**"). Given the pegged exchange rate between HK$ and US$, the exposure of our operating entities that use HK$ as their respective functional currencies to the fluctuations in US$ is minimal. The Group does not expect any appreciation or depreciation of the HK$ against US$ which could materially affect the Group's results of operations, however, exchange rate fluctuations between HK$ and JPY could affect our Group's performance and asset value. Our Group manages its foreign exchange risk by closely monitoring the movement of the foreign exchange rates and will consider hedging arrangements for significant foreign currency exposure should the need arise. During the FY25/26, the Group did not hedge its investments dominated in foreign currency by currency borrowings and other hedging instruments.

The Group has a treasury policy that aims at better controlling its treasury operations and lowering borrowing cost. Such treasury policy requires the Group to maintain an adequate level of cash and cash equivalents and sufficient banking facilities available to finance the Group's daily operations and to address short term funding needs. The Group reviews and evaluates its treasury policy from time to time to ensure its adequacy and effectiveness.

MATERIAL ACQUISITIONS, DISPOSALS, SIGNIFICANT INVESTMENTS AND FUTURE PLANS OF MATERIAL INVESTMENTS

Save as disclosed in this report, during the Reporting Period, the Group did not have material acquisition, disposal, significant investments and future plans for material investment or capital assets.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this report, there were no significant events that may affect our Group since the end of the Reporting Period.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ESG GOVERNANCE AND STRATEGY

REPORTING FRAMEWORK

Reporting Boundary

This Environmental, Social and Governance Report (the "**ESG Report**") is prepared and published by the Group in accordance with Appendix C2 Environmental, Social and Governance Reporting Guide (the "**Guide**") of the Listing Rules. The ESG report presents a comprehensive overview of the Group's ESG strategy, policies, initiatives, and performance related to our OMO retail operations for the year from 1 April 2025 to 31 March 2026. The reporting scope covers our principal business activities in Hong Kong, including our corporate headquarter, three YOHO retail stores located in Cheung Sha Wan, Kwun Tong and Causeway Bay, two J SELECT retail stores in Tseung Kwan O and Tsim Sha Tsui[1], and our warehouse in Kwai Chung[2].

Reporting Principles

In preparing the ESG Report, the reporting principles of materiality, quantitative, balance, and consistency have been strictly applied, ensuring the integrity and quality of the disclosed information.

Materiality	Information considered sufficiently important and pertinent by the Group's stakeholders is included in the ESG Report. The prioritisation of the identified ESG issues was guided by a materiality assessment, the results of which are presented in the "Materiality Analysis" section of the ESG Report.
Quantitative	To support the objective evaluation of the Group's ESG performance and management effectiveness, quantitative information is provided with standards, methodologies, assumptions and calculation tools disclosed where appropriate.
Balance	Information is presented as objectively as possible to provide stakeholders with a fair and balanced view of the Group's overall ESG performance.
Consistency	Consistency of the reporting standards, data collection processes and calculation methods is ensured, with comparative figures provided across reporting years to enable meaningful year-on-year analysis.

1 A J SELECT store in Tsim Sha Tsui was opened during FY25/26, with operations commencing in June 2025, to support the Group's offline retail expansion.

2 A warehouse expansion in Kwai Chung was carried out during FY24/25, with an additional floor coming into operation in October 2024, to support business needs.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ESG STRATEGY

Driving Sustainable and Inclusive Retail Transformation

As a leading OMO retail player in Hong Kong, YOHO is committed to integrating digital capabilities with its offline retail and service network to enhance customer accessibility, service efficiency and operational resilience. Our ESG strategy is a core pillar of our long-term business vision, guiding how we create shared value for customers, employees, investors, and the broader community, while managing environmental impact and operational risks across our business. Through responsible operations, technology-enabled services and continuous improvement, we strive to contribute to a more sustainable, inclusive and resilient retail ecosystem.

Environmental: Towards Greener, Smarter Retail

The Group is committed to reducing our environmental footprint by embedding sustainability into every aspect of our operations. From optimizing last-mile logistics and promoting circular practices to enabling greener product choices, we aim to lead the shift towards a low-carbon, resource-efficient retail model. Our environmental efforts are informed by data and innovation, ensuring both operational efficiency and ecological responsibility.

Strategic Focus:

- Accelerate the adoption of low-carbon logistics and smart delivery solutions
- Promote circular economy principles through recycling, refurbishment, and reuse initiatives
- Educate consumers to make informed, sustainable purchasing decisions
- Enhance energy efficiency and responsible resource consumption across operations

Social: Empowering People and Communities

Social responsibility lies at the heart of YOHO's business. As a digital-first yet people-centric retailer, YOHO seeks to amplify its positive social impact by fostering a diverse, inclusive, and supportive workplace, contributing to charitable initiatives, and leveraging our platform to empower local startups and nonprofit organizations. We also strive to mobilize collective efforts across sectors to create meaningful contributions to public welfare and social goods, capitalizing on our high-traffic and data-rich online e-commerce platform.

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Strategic Focus:

- Amplify our influence as a leading e-commerce platform to drive collective action for public welfare and charitable causes
- Champion community-focused programmes and drive social innovation across our ecosystem
- Foster inclusive, flexible, and empowering work environments that support employee well-being and continuous development
- Create access and visibility for underrepresented groups through inclusive platform initiatives and strategic partnerships
- Uphold customer trust by implementing robust data privacy protections and maintaining transparent communication regarding data usage

Governance: Embedding Trust and Accountability

Sound governance is the foundation of long-term business resilience and stakeholder confidence. At YOHO, we embed governance principles into every level of our organization to ensure integrity, resilience, and long-term value creation. With board-level oversight and cross-functional leadership, we are committed to upholding a culture of accountability and continuous improvement across our operations.

Strategic Focus:

- Cultivate a values-led culture built on integrity, compliance, and ethical conduct
- Integrate ESG risks and opportunities into enterprise-wide governance and strategic decision-making
- Promote transparency through proactive reporting, stakeholder engagement, and responsible disclosures
- Build organizational capacity through ongoing ESG education, policy reinforcement, and performance monitoring
- Ensure effective governance structures are in place to align business practices with stakeholder expectations

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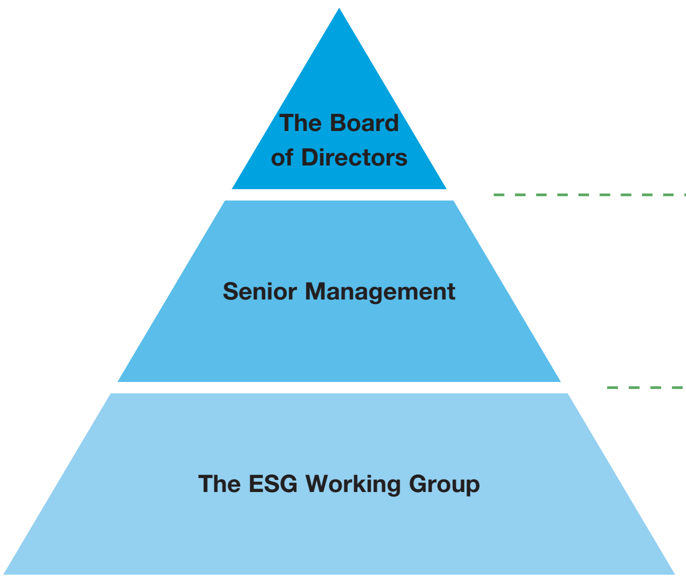
ESG GOVERNANCE

ESG Governance Framework

YOHO maintains a rigorous and institutionalized ESG governance system, operating in full compliance with all applicable laws and regulations under the Hong Kong jurisdiction. ESG governance is positioned as a foundational element of the Group's corporate oversight, enterprise risk management, and long-term stakeholder engagement strategy.

Three-tier Governance Structure

The Group operates a three-tier governance structure to ensure rigorous oversight and execution of ESG priorities. This structure comprises:



Retains ultimate accountability for ESG matters. The Board provides strategic direction and oversight on ESG policy formulation, target setting, performance evaluation, and long-term sustainability planning

Serves as the operational anchor of the framework, overseeing the execution of cross-functional ESG initiatives, ensuring policy compliance, and providing quarterly ESG updates to the Board if appropriate

Composed of departmental heads and designated personnel, is responsible for implementing ESG initiatives at the operational level and embedding ESG considerations into day-to-day business processes

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ESG Governance Policy

To institutionalize ESG governance, the Group has adopted a formal ESG Governance Policy, developed in line with the Listing Rules. This policy establishes a clear framework governing:

- Oversight of ESG and climate-related risks and opportunities
- Identification and engagement of key stakeholders
- ESG strategy development and review procedures
- Performance tracking, reporting, and assurance mechanisms
- Establishment and evaluation of key performance indicators (KPIs)
- Responsive action plans for managing material ESG risks

ESG Risk Management Process

Central to this governance model is a comprehensive ESG risk management process, built upon a structured "identify-assess-mitigate" approach. This framework facilitates the proactive identification of emerging risks and enables timely mitigation strategies to protect and enhance stakeholder value. Current priority risk domains include:

- Business ethics and compliance
- Cybersecurity and data privacy
- Sustainable procurement and supply chain integrity
- Occupational health and safety
- Climate-related financial and operational risks

Regular review of ESG policies and practices

To ensure the effectiveness of this governance structure and the relevance of ESG strategies in a dynamic business environment with evolving stakeholder expectations, senior management undertakes formal reviews of ESG policies and practices at least on an annual basis. These reviews assess the effectiveness of current policies, identify new risks or opportunities, and guide updates to strategy and implementation plans. All decisions, refinements, and progress updates are recorded in the Group's internal governance documentation portal, with formal communications disseminated to relevant departments, ensuring cross-organisational alignment, transparency, and accountability.

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STAKEHOLDER ENGAGEMENT

Our stakeholder engagement approach is designed to gather insights into the perspectives and expectations that influence our current and future sustainability strategies. We have engaged stakeholders directly impacted by the Group's operations, including investors, customers, employees, suppliers, local community, and regulatory bodies. Through continuous communication with these key groups, we aim to better understand their concerns and priorities related to our operations and sustainability performance. The feedback collected from these stakeholder engagement exercises has been instrumental in shaping our strategic direction and has significantly informed the preparation of the ESG Report.

Table of engagement channels with stakeholders:

Stakeholder Group	Engagement Channels	
Shareholders/Investors	• Annual general meetings • Annual and interim reports • Announcements and press releases	• Company website and investor relations portal • Non-deal roadshows • Investor meetings and calls
Employees	• Regular staff meetings and briefings • Intranet updates	• Employee engagement activities and surveys • Training and development programs
Customers	• Customer service live chat/email support • Customer feedback channels	• Customer satisfaction surveys • Product reviews and social media engagement
Suppliers and subcontractors	• Quotation and tender processes • Supplier onboarding and evaluation mechanisms • Regular business reviews and meetings	
Local community	• Participation in community service and outreach programs • Company website and social media platforms • Corporate social responsibility initiatives	• Company website, social media, and press releases • Collaboration with local NGOs
Regulatory bodies	• Compliance reporting and filings • Regular correspondence and site inspections • Meetings and seminars on regulatory updates	

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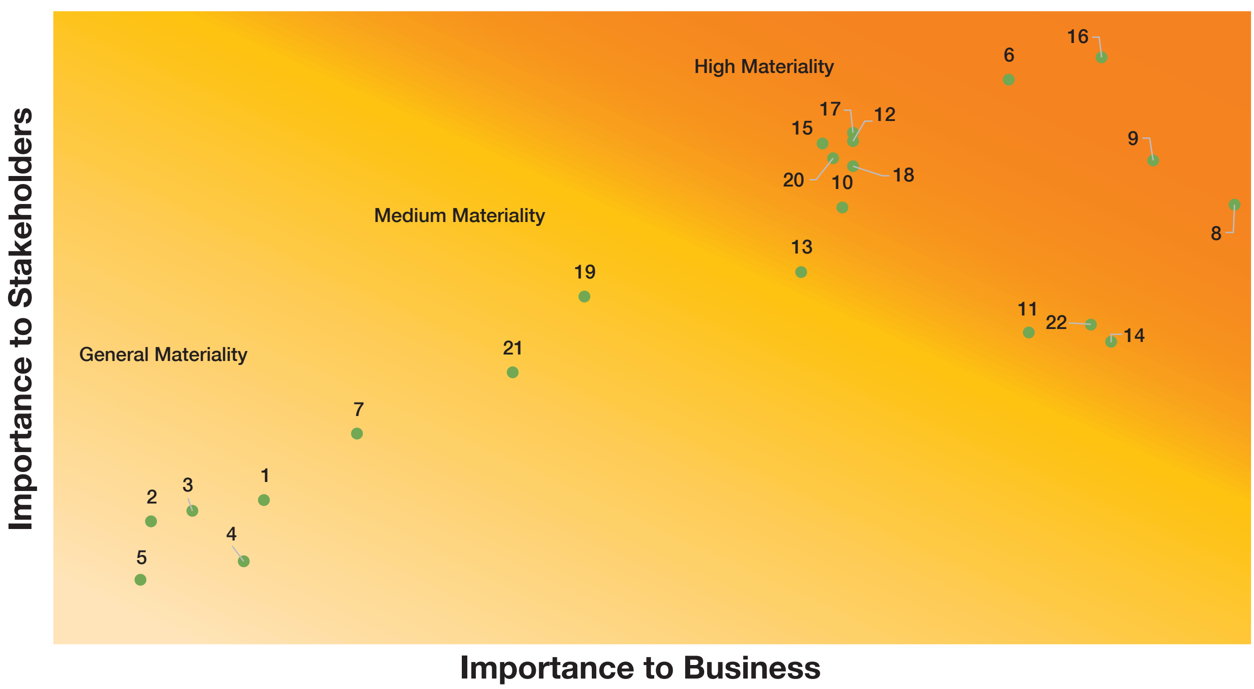
MATERIALITY ASSESSMENT

To better allocate resources and ensure the effective implementation of our ESG strategies, the Group conducted a materiality assessment during the Reporting Period in accordance with the Guide issued by the Stock Exchange. As part of this process, both internal and external stakeholders were invited to participate in an online questionnaire covering a broad range of ESG topics, allowing the Group to gain deeper insights into stakeholder expectations and identify the ESG issues most critical to our business.

A total of 22 ESG topics were assessed, with stakeholders rating each topic based on two dimensions, i.e. its importance to stakeholders and its significance to the Group's business operations. The Group prioritized these ESG topics based on the feedback gathered to ensure the results were accurate, balanced, and reflective of stakeholder concerns. Following a comprehensive analysis, the 22 topics were categorized into three levels of materiality, among which, 10 of high materiality, 6 of medium materiality, and 6 of general materiality.

The Board of Directors has reviewed and confirmed the following key ESG topics as material to the Group.

Yoho's Materiality Matrix



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Highly Material Issues		Medium Material Issues		General Material Issues	
6	Packaging material	10	Employee promotion, remuneration, and working conditions	1	Air and greenhouse gas emissions
8	Equal employment opportunities and diversity	11	Occupational health and safety	2	Climate change response
9	Staff recruitment and termination	13	Prohibition of child labour and forced labour	3	Non-hazardous waste management
12	Employee training and career development	14	Supply chain management and monitoring	4	Energy consumption and efficiency
15	Green procurement	19	Intellectual property rights	5	Water consumption and efficiency
16	Quality and safety management of services and products	21	Prevention of bribery, corruption and money laundering	7	Driving environmental protection practice in the industry
17	Customer information protection				
18	Customer satisfaction				
20	Advertising and labelling				
22	Charity support				

The ESG Report addresses the concerns raised by our stakeholders by outlining the Group's policies, measures and performance across key ESG topics over the Reporting Period. Looking ahead, we will periodically review and refine our ESG policies to ensure they remain aligned with the evolving expectations of our stakeholders.

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COMPLIANCE WITH LAWS AND REGULATIONS

The Group recognizes that compliance with all applicable environmental and social laws and regulations is not only a legal obligation, but also a core component of responsible corporate governance. With ESG priorities identified, the Group remains committed to upholding high compliance standards across our operations. We acknowledge that any non-compliance may lead to regulatory penalties, operational disruptions, and reputational damage. To proactively mitigate such risks, the Group has developed a comprehensive environmental compliance framework supported by internal controls and staff training. Dedicated personnel are responsible for ensuring the effective implementation and continuous improvement of our compliance systems.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL

As our operations are primarily based in Hong Kong, we ensure strict adherence to local environmental regulations while remaining attentive to emerging international sustainability standards.

ENVIRONMENTAL GOVERNANCE AND PERFORMANCE

Environmental Management System (EMS)

To translate our environmental vision into effective action, the Group has implemented a structured EMS that integrates sustainability into our operational planning, performance monitoring, and decision-making processes. The system is designed to mitigate the environmental impact of our business, reduce resource consumption, and embed a culture of sustainability throughout the organisation.

Environmental governance is led by the Board and senior management, who provide strategic direction and accountability for environmental performance. This top-down commitment ensures that sustainability is embedded into the Group's risk management, capital allocation, and strategic decision-making processes. Operational ownership resides with the ESG Working Group, which acts as a cross-functional implementation engine – driving policy execution, integrating environmental initiatives across departments, and ensuring alignment with the Group's ESG objectives.

The key features of our environmental management system are summarized below:

- Continuous identification, evaluation, and assessment of environmental risks and compliance with legal requirements
- Collaboration with key stakeholders such as employees and suppliers in the risk assessment process to co-create effective mitigation strategies
- Establishment of measurable and practicable environmental performance objectives and targets, with regular reviews to monitor progress
- Assurance of resource availability, and clear delineation of roles and responsibilities to facilitate effective environmental performance management
- Thorough investigation, documentation, and management of environmental incidents in accordance with applicable legislations and standards, including the determination of preventive and corrective measures
- Execution of management reviews of the environmental management system, utilizing the monitoring of environmental measures to evaluate adequacy, effectiveness, and to pinpoint opportunities for enhancement

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Environmental Targets

We adopt a risk-informed and forward-looking approach to environmental management, recognising that long-term business resilience depends on our capacity to address environmental risks across the value chain. To operationalize this strategy, we have established performance targets in the areas of air emissions, waste reduction, and energy efficiency. Progress towards these targets will be continuously monitored through the implementation of structured environmental initiatives and operational practices, as outlined in the subsequent sections of the ESG Report.

Environmental Aspects	Targets
Air emissions	• Strengthen monitoring of air emissions intensity across key operational areas, with the objective of maintaining or improving emissions intensity (e.g., per sq. ft or per revenue) by FY26/27 • Assess opportunities to adopt lower-emission solutions in logistics and facility operations where commercially and operationally viable by FY26/27
Wastes	• Track non-hazardous waste intensity relative to business performance, and identify opportunities for waste reduction at source, particularly in packaging and fulfilment operations by FY26/27 • Aim to increase the proportion of recycled content in packaging materials year-over-year, with a mid-term goal to transition at least 50% of outbound paper boxes to those made with recycled content by FY26/27 • Identify internal reuse opportunities (e.g., supplier box reuse, refurbished electronics for employee use) and expand partnerships with recyclers and NGOs to divert reusable or repairable materials from landfill
Energy consumption	• Closely monitor our energy consumption intensity and ensure its consumption is in line with business growth by FY26/27 • Formalize procurement guidelines to prioritize energy-efficient equipment (e.g., those with Grade 1 Energy Labels), and ensure that all major appliance purchases are evaluated against energy performance criteria by FY26/27

Note: As the Group does not involve significant water consumption, water usage data has not been disclosed, and no specific target has been set in this area.

During the Reporting Period, the Group did not identify any material non-compliance with environmental laws and regulations in Hong Kong. Considering the nature of our business as an OMO retailer, our operations do not involve substantial water consumption and the production of hazardous waste, hence the relevant disclosures are not applicable.

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Air and Greenhouse Gas (GHG) Emissions

The primary source of our GHG emissions is the indirect emissions associated with electricity consumption across our operations. In FY25/26, our total indirect GHG emissions and intensity amounted to 398.24 tonnes CO2e (FY24/25: 425.32) and 0.0051 tonnes CO2e per square foot area (FY24/25: 0.0055), respectively. Although total electricity consumption increased during the year, the decrease in indirect GHG emissions was mainly due to the lower applicable electricity emission factors adopted for the reporting year. As a result, both total indirect GHG emissions and GHG emissions intensity decreased compared with the previous year. The breakdown of our GHG emissions is as follows:

Item	Unit	Total amount in FY25/26	Total amount in FY24/25
Scope 1: Direct greenhouse gas emissions	Tonnes CO2e	0	0
Scope 2: Energy indirect greenhouse gas emissions		398.24	425.32

Note: These carbon emissions are calculated with reference to Appendix 2: Reporting Guidance on Environmental KPIs published by the Stock Exchange.

For details of our measures to control indirect GHG emissions, please refer to the section "Energy Consumption and Efficiency" below.

ENVIRONMENTAL STEWARDSHIP AND KEY INITIATIVES

Recognizing the critical role of environmental stewardship in sustainable development, the Group has identified (i) energy consumption and efficiency, (ii) waste management and circular economy practices, and (iii) sustainable packaging materials as our key environmental priorities. These focus areas have been strategically integrated into our operational workflows and decision-making processes to drive reductions in our environmental footprint and to optimise resource efficiency across the entire value chain.

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Energy Consumption and Efficiency

We are conscious of our carbon footprint and the responsibility to optimise natural resource utilisation across operations. At YOHO, we recognise that energy conservation and climate change mitigation are essential not only for environmental stewardship but also for long-term operational efficiency and resilience.

During FY25/26, the Group's total electricity consumption increased to 1,041,950.22 kWh (FY24/25: 1,013,855.54), primarily due to the opening of the Tsim Sha Tsui J SELECT retail store. However, our energy intensity remained broadly stable at 13.29 kWh per square foot of area (FY24/25: 13.07), which demonstrates the efficacy of our energy optimisation and control measures.

Recognizing the direct link between energy use and indirect GHG emissions, the Group remains committed to managing both proactively. To support our energy targets and integrate sustainability into daily business operations, we have developed and implemented a set of energy-saving principles and initiatives tailored to various functions across the organization. These measures aim to reduce overall consumption, lower emissions intensity, and align with our broader ESG objectives.

Low-Carbon Last-Mile Logistics

- Utilize smart route optimisation systems to minimize fuel consumption and delivery distances
- Encourage click-and-collect in-store pickup or consolidated delivery options to lower the frequency of trips and reduce emissions per parcel
- Provide eco-friendly delivery alternative such as simultaneous delivery and collection of waste electrical and electronic equipment ("WEEE") to reduce frequent and fragmented shipments

Office Operations

- Routine energy tracking and internal benchmarking to identify inefficiencies
- Facility upgrades such as the replacement of outdated equipment and lighting with energy-efficient alternatives
- Employee engagement campaigns to raise awareness of energy conservation practices and promote behavioural change
- Adoption of cloud-based platforms for communication and document sharing, reducing reliance on power-intensive local servers and physical printing

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Retail Stores

- Optimized use of air conditioning and lighting, with staff trained to reduce usage during off-peak hours
- Installation of LED signage and display lighting to reduce electricity consumption while maintaining visibility and branding impact

Warehouse

- Route optimisation using smart logistics software to reduce travel distances, avoid high-traffic areas, and minimize fuel consumption
- Consolidation of deliveries to reduce the frequency of trips and maximize vehicle load capacity
- Use of eco-conscious packaging designs, reducing excess material and overall package weight to improve transport fuel efficiency
- Adoption of reusable and stackable packaging materials to minimize waste and enable more efficient loading

Waste Management and Circular Economy Practices

We adhere to the "3R" approach to environmental conservation, i.e. reduction of waste, reuse of resources and recycling of used materials, which is applied wherever practicable across our operations.

Non-Hazardous Waste

The Group inevitably generates non-hazardous waste which we categorize for either recyclable or non-recyclable for disposal. Recyclable wastes are reused internally as much as possible, while any surplus is handled by certified disposal companies to ensure responsible processing. During FY25/26, the Group generated 0.37 tonnes of paper (FY24/25: 1.57) and 12.37 tonnes of general office waste (FY24/25: 12.08), with a total of 0.00016 tonnes of non-hazardous waste per square foot area (FY24/25: 0.00018). Our paper consumption primarily stems from printing invoices, which are typically issued during in-store purchases or pickups. The year-on-year reduction in paper consumption was mainly driven by the expanded adoption of e-invoicing, where digital receipts are issued by default across all stores. In addition, our internal operations have increasingly shifted toward paperless workflows, including the use of cloud-based systems for documentation and approvals, significantly reducing the need for physical printing.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Non-Hazardous Waste Management Across Operations

- Digital Price Tag Implementation:

  All offline retail stores have fully adopted electronic shelf labels that automatically sync with our e-commerce platform. This significantly reduces reliance on disposable paper tags and ensures pricing accuracy across all channels

- Sustainable Shopping Bags:

  We launched the "I Used to Be a Plastic Bottle" shopping bag made from recycled polyethylene terephthalate (RPET) – a material sourced from post-consumer plastic bottles. This initiative provides customers with an eco-friendly alternative to conventional plastic or nylon bags derived from fossil fuels

- Reduction of Paper Usage:

  – All physical stores issue e-invoices by default, with printed receipts provided only upon request

  – We promote a paperless culture by leveraging cloud-based systems and digital communication platforms across all departments. Internally, documents are shared, edited, and stored electronically, eliminating the need for printing in most daily operations and significantly reducing paper consumption

Hazardous Waste Across Value Chain

While the Group does not directly generate hazardous waste as part of its core retail operations, we may indirectly engage with hazardous materials through activities within our value chain, particularly in relation to the disposal of WEEE. Such instances typically arise when we assist customers with WEEE recycling, or when returned or exchanged products are found to be defective, non-repairable, and unsuitable for refurbishment or donation. These items may contain regulated components such as heavy metals or toxic substances that require proper classification and specialized disposal by licensed service providers, in accordance with environmental regulations.

All such waste products are stored appropriately and transferred to licensed disposal partners for safe processing in compliance with local environmental regulations and applicable international standards. To ensure responsible end-of-life treatment, we collaborate with certified recyclers, including ALBA IWS and Green@Community, who provide specialized services for the collection, treatment, and material recovery of electrical and electronic equipment.

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Value Chain Responsibility for Hazardous Waste Reduction

- Mandatory WEEE Recycling Selection at Checkout:

  We embedded a mandatory WEEE recycling selection step into our e-commerce checkout process, requiring customers to choose a recycling method before order confirmation, to further mitigate the risk of improper disposal and promote consumer's environmental accountability

- Refurbishment and Donation Programmes:

  We partner with e-waste recycling companies and environmental NGOs to refurbish small household appliances with minor defects. These revitalized items are then donated to underserved and vulnerable communities, extending product lifecycles and reducing e-waste generation

  During the Reporting Period, we expanded the scope of our refurbishment initiatives from small household appliances to include televisions with minor defects. This reflects our continued efforts to prioritise higher-impact product categories, as televisions generally involve greater material use and potential e-waste impact. By repairing and redistributing usable units, the programme extends product lifecycles, reduces unnecessary disposal, and better supports the practical needs of underserved and vulnerable households

- Promotion of Refurbished Electronics:

  We cultivate a culture of reuse and sustainability by prioritizing refurbished devices for internal use. All employees are equipped with high-performance refurbished computers by default – demonstrating that environmental responsibility and operational effectiveness can go hand in hand. New devices are issued only when specific functional requirements cannot be met, reinforcing our dedication to circular economy principles, and reducing unnecessary electronic waste

Packaging Materials

Packaging plays a critical role in the e-commerce value chain – not only in protecting products during transit but also as a key contributor to environmental impact. Recognizing this, the Group has strategically embedded sustainable packaging practices into our fulfilment and logistics operations to advance resource efficiency and circularity.

We prioritize the use of recyclable, unprinted paper boxes and packaging materials containing recycled content, which help reduce reliance on virgin materials and improve post-consumer recyclability. These efforts are aligned with our broader environmental objectives to minimize upstream and downstream waste, reduce carbon intensity per shipment, and reinforce sustainable consumption across the customer journey.

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Key initiatives include:

- Use of recyclable plain paper boxes: Adopted unprinted kraft paper boxes that are more easily recyclable and contain fewer dyes and chemicals
- Progressive transition to recycled packaging materials: Gradually replaced standard packaging with materials containing recycled content for customer shipments
- Reuse of supplier packaging: Assessed the condition of incoming paper boxes from suppliers and reused those in good condition for outbound deliveries
- Implemented smart packing practices, including:
  - Right-sizing packaging to fit products better
  - Reducing excess filler material
  - Streamlining material use to reduce total consumption
  - Switch from single-use paper bags to reusable eco-friendly bags
  - Eliminated paper bags in favour of reusable alternatives, reducing demand for virgin packaging resources

During FY25/26, total packaging material consumption amounted to 4.64 tonnes (FY24/25: 1.28), including cartons and wrapping paper. The year-on-year increase was mainly attributable to the enhancement of data collection coverage, as paper boxes associated with the Group's logistics operations were included in the FY25/26 reporting scope. As a result, the year-on-year increase primarily reflects the expanded reporting boundary and improved data completeness, rather than a direct increase in internally procured paper box consumption.

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Climate Change

During the Reporting Period, the Group further enhanced its climate-related disclosure under the four pillars of Governance, Strategy, Risk Management, and Metrics & Targets, in alignment with the latest HKEX requirements. The Group has embedded comprehensive governance and strategic oversight to address climate-related risks and opportunities, ensuring that climate considerations are integrated into decision-making processes at both the Board and management levels. This approach reinforces long-term business resilience, supports value creation, and strengthens the foundation for meeting evolving disclosure standards while advancing sustainable business practices.

Climate-related Governance

Board Responsibilities

The Board has ultimate responsibility for overseeing ESG and sustainability matters, including climate-related risks and opportunities relevant to the Group's e-commerce and retail operations. Oversight covers climate-related policies, objectives, risk management processes, and disclosures, ensuring integration of climate-related considerations into corporate governance, business strategy, and long-term sustainability planning.

Board Skills and Competencies

The Board collectively possesses expertise in corporate management, finance, operations, risk management, retail business, and governance. These competencies support oversight of strategies addressing climate-related risks such as extreme weather, supply chain disruption, regulatory changes, resource efficiency, and low-carbon transition trends. Senior Management and the ESG Working Group provide climate-related information to support Board decision-making.

Identification and Review

Climate-related risks and opportunities are identified through ESG assessments, stakeholder engagement, operational data review, supplier evaluation, and regulatory monitoring. Key areas include logistics resilience, energy use, packaging, supplier practices, waste management, and customer expectations for sustainable products. Matters are reviewed by the Board at least annually, with significant events escalated promptly.

Integration into Strategy and Risk Management

The Board considers climate-related risks and opportunities in strategy, major transactions, and risk management policies. Focus areas include warehouse resilience, packaging optimization, energy efficiency, sustainable procurement, and product lifecycle initiatives. Trade-offs among cost efficiency, operational effectiveness, environmental impact, and customer needs are evaluated to balance climate considerations with commercial feasibility.

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Role of Management

Senior Management, led by the CEO and COO, is responsible for implementing climate strategies overseen by the Board. They ensure climate considerations are embedded into business functions and operations. The ESG Working Group, comprising representatives from relevant departments, supports Senior Management in identifying climate-related matters, coordinating environmental data collection, monitoring relevant initiatives and consolidating information for management review. The ESG Working Group reports relevant findings and updates to Senior Management, with significant matters escalated to the Board where appropriate.

Controls and Procedures

The Group maintains internal procedures to support the monitoring and reporting of climate-related and environmental matters. These include the collection and review of electricity consumption data, compilation of greenhouse gas emissions, monitoring of resource and packaging material consumption, review of supplier-related information, and tracking of waste management and product lifecycle initiatives.

Relevant information is consolidated by the ESG Working Group and reviewed by Senior Management periodically. Where material issues or significant changes are identified, they are escalated for further consideration. These procedures support the completeness and consistency of the Group's climate-related disclosures and provide a basis for monitoring environmental performance over time.

Climate-related Strategy

Climate-related risks and opportunities

In line with our commitment to long-term resilience and sustainable value creation, the Group continuously assesses the potential impacts of climate change on our operations and value chain. Recognising that climate-related risks can pose both physical and transitional challenges, we have identified key risk areas that could influence our business strategy, operational continuity, and financial performance. The Group also identifies and leverages climate-related opportunities to strengthen operational resilience, capture market advantages, and support sustainable growth.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Category	Risks	Time horizon	Possible Financial Impacts	Mitigation Strategies
Physical Risks	• Increased frequency of typhoons, storms, flooding, and other severe weather conditions	• Long-term	• Significant damage to our retail stores, warehouse, office and other physical assets, potentially leading to substantial repair and replacement costs • Interruptions to business operations and supply chain can lead to loss of productivity, delayed deliveries, and shutdowns, impacting revenue streams and increasing operational costs • Inadequate preparation and response to severe weather events can harm a company's reputation, affecting customer trust and long-term profitability • Safety hazards for employees may lead to additional expenses, including medical treatments, compensation, and legal fees	• Invest in strengthening physical assets to withstand severe weather conditions, such as reinforcing buildings, elevating critical infrastructure, and installing flood defenses • Develop and regularly update a comprehensive business continuity plan that includes strategies for ensuring safe operations during and after severe weather event • Diversify supply chain and logistics options to reduce dependency on single routes or suppliers • Implement a robust communication strategy to keep stakeholders informed during and after severe weather events, helping to maintain trust and manage reputational risk • Regularly review insurance coverage to ensure it is adequate to cover potential damages from severe weather and consider options for additional coverage for extreme events

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Category	Risks	Time horizon	Possible Financial Impacts	Mitigation Strategies
Transition Risks 	• Shifts in consumer preferences towards more sustainable lifestyles • Regulatory changes requiring increased disclosure on energy consumption levels • Implementation of schemes like the Mandatory Energy Efficiency Labelling Scheme by the Hong Kong Government	• Medium-term • Medium-term • Long-term	• Potential decrease in demand for less eco-friendly products, affecting sales and revenue • Adapting product lines and services to meet eco-friendly standards might involve higher production and operational costs • Significant growth opportunities in markets for sustainable products and services • Increased operational costs associated with gathering, monitoring, and reporting energy data as required by new disclosure requirements • Potential fines or penalties for non-compliance	• Research and invest in more energy-efficient product lines • Enhancing sustainability practices within company operations • Leverage marketing to highlight the environmental benefits of products, appealing to eco-conscious consumers • Stay ahead of potential regulations by voluntarily adopting higher standards of energy disclosure • Train staff to be compliant with new regulatory requirements and to understand the importance of energy efficiency • Allocate budget for compliance costs in financial planning

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Category	Opportunities	Time horizon	Possible Financial Impacts	Operations Strategies
Opportunities	• Improving resource efficiency and emission reduction through energy saving technologies	• Long-term	• Potential reduction in electricity and utility expenses through lower energy consumption in offices, retail touchpoints, warehouses and logistics operations • Possible decrease in operating costs through the use of energy-efficient equipment, lighting, cooling systems and digital tools • Initial costs may be incurred for adopting energy-saving technologies, replacing equipment, system upgrades or staff training • Over time, improved resource efficiency may support better cost control, lower emissions-related exposure and enhanced operational resilience • The overall financial impact is expected to be reflected mainly in ordinary operating expenses and gradual cost savings, rather than significant capital expenditure	• Gradually adopt energy-efficient alternatives, such as LED lighting, energy-saving office equipment and more efficient cooling or electrical systems where appropriate • Monitor electricity and energy usage across offices, retail touchpoints, warehouses and logistics-related operations • Promote internal energy-saving practices, including switching off unnecessary lighting, air-conditioning and electronic equipment outside operating hours • Optimise warehouse, fulfilment and logistics processes to reduce unnecessary handling, repeated deliveries and energy use • Consider energy efficiency as part of future procurement, office setup, retail operations and logistics partner selection • Review the effectiveness of energy-saving initiatives periodically and explore further improvements where commercially feasible

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Category	Opportunities	Time horizon	Possible Financial Impacts	Operations Strategies
Opportunities 	• Capturing market demand with energy efficient products and sustainable services	• Medium-term	• Potential revenue growth from increasing customer demand for energy-efficient equipment and sustainable products/services • Opportunity to expand product mix and improve sales conversion by offering more energy-efficient, eco-friendly or resource-efficient product lines • Potential improvement in brand positioning and customer loyalty by aligning with sustainability preferences • Possible additional costs for product sourcing, supplier assessment, marketing, product labelling and customer education • The financial impact is expected to be reflected mainly in revenue opportunities and ordinary operating expenses, with no material capital expenditure expected at this stage	• Expand energy-efficient and sustainable product offerings where commercially feasible • Work with suppliers to identify products with energy-saving, eco-friendly or resource-efficient features • Strengthen product information disclosure, such as energy efficiency features, usage benefits and sustainability attributes • Monitor customer demand and sales performance to refine product selection and inventory planning • Promote relevant product lines through online and offline OMO channels to improve customer awareness and market competitiveness • Review supplier reliability and product quality to avoid reputational or customer service risks

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Category	Opportunities	Time horizon	Possible Financial Impacts	Operations Strategies
Opportunities 	• Building a sustainable value chain through collaboration and standardisation in supply chain management	• Medium-term	• Improved delivery certainty may help reduce costs arising from shipment delays, last-mile delivery failures, order rescheduling and customer complaints • Stronger supplier coordination may support more stable inventory planning, lower stock-out risks and reduced overstock or slow-moving inventory • Standardised supply chain practices may improve operational efficiency and reduce unnecessary handling, repeated deliveries and logistics waste • Initial costs may be incurred for supplier engagement, process alignment, system enhancement, logistics coordination and monitoring • Over time, a more stable and sustainable supply chain may improve customer satisfaction, sales conversion, cash flow predictability and overall business resilience	• Strengthen communication and collaboration with suppliers and logistics partners to improve delivery visibility and lead-time accuracy • Establish more standardised procurement, fulfilment and delivery procedures to reduce operational inconsistency • Monitor supplier performance, delivery timeliness and service quality on a regular basis • Maintain diversified suppliers and logistics partners to reduce reliance on a single source or delivery channel • Improve inventory planning and replenishment forecasting to reduce stock shortages and excess inventory • Enhance OMO fulfilment arrangements, including store-based fulfilment, customer pick-up and flexible delivery options where appropriate • Work with suppliers and logistics partners to promote more efficient and resource-conscious practices across the value chain

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

To counteract the significant risks that climate change posed to the value of the Group's investments, we have established a robust climate change policy. This policy ensures the prompt detection and efficient management of climate-related risks by conducting regular climate risk assessments and embedding climate considerations into our strategic planning. It details mitigation strategies aimed at shielding our assets from both immediate and long-term environmental effects. Additionally, the policy enhances management's ability to adapt, thereby increasing the resilience of our operations and safeguarding shareholder interests.

In addition, the Group has implemented contingency plans to manage the impacts of extreme weather events effectively. Climate change risks are an integral part of our risk management framework, influencing critical business decisions. We also keep abreast of and comply with regulatory changes related to climate change, ensuring that all pertinent departments are informed and adhere to new legal mandates. This comprehensive approach not only prepares us for current environmental challenges but also positions us to navigate future regulatory landscapes.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Business model and value chain

During the Reporting Period, the Group assessed the potential impacts of climate-related risks and opportunities on its business model and overall value chain. The assessment concluded that, these impacts are not currently material, as existing mitigation measures and operational controls are effectively managing the associated risks. To further strengthen climate risk management capabilities, the Group intends to conduct climate-related scenario analysis in the future. This will enhance our understanding of the potential future impacts of climate-related risks and opportunities and highlight where such effects may be most significant across the business model and value chain.

Strategy and decision-making

The assessment of climate-related risks and opportunities is integrated into the Group's business strategy and decision-making by embedding low-carbon and climate-resilient considerations across product and service development, operational management, and supply chain planning.

As at the end of the Reporting Period, the Group had not established a formal climate-related transition plan or net-zero roadmap. Given that the Group's current business model is primarily e-commerce and retail-based, and its direct greenhouse gas emissions profile is relatively limited compared with heavy manufacturing or asset-intensive industries, the Group considers that a phased and practical approach is more appropriate at this stage. The Group is focusing first on strengthening climate-related governance, data collection, risk identification and operational initiatives before considering the development of a more structured transition roadmap.

Nevertheless, the Group has implemented practical initiatives to reduce environmental impact and enhance operational resilience, including resource efficiency measures, packaging optimisation, green procurement, waste reduction, recycling, refurbishment and donation programmes, and product lifecycle extension initiatives. The Group will continue to monitor regulatory developments, stakeholder expectations, operational data and the maturity of its climate-related assessment process, and will progressively review the need and feasibility of developing a formal transition plan, taking into account business scale, operational practicability, data availability, cost implications and potential environmental benefits.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Financial position, financial performance and cash flows

- ***Current financial effect***

  During the reporting period, climate-related events such as heavy rain and typhoons caused minor supply chain and logistics disruptions, leading to additional operating costs for delivery rescheduling, expedited shipping, temporary warehousing and customer service support. While the Group recognises that climate-related factors may continue to pose potential supply chain risks to e-commerce operations, these impacts were not material to capital expenditure or cash flows.

  Leveraging the OMO model, the Group is pursuing opportunities in inventory visibility, store-based fulfilment, order consolidation, demand forecasting, packaging efficiency and sustainable product offerings. The expected financial impacts are limited to ordinary operating expenses, with potential long-term benefits including improved cost efficiency and customer retention.

  Energy efficiency initiatives, including enhanced office practices to reduce unnecessary electricity use, adoption and optimisation of efficient equipment, workflow digitalisation and improved OMO operational coordination, are expected to reduce electricity and operating costs. Specific savings have not yet been separately quantified.

  Overall, climate-related risks and opportunities have not resulted in material current financial impact on the Group's financial statements, financial performance and cash flows. No significant adjustments to the carrying amounts of assets or liabilities are anticipated within the next reporting period as a result of the identified climate-related factors.

- ***Anticipated financial effect and Climate resilience***

  The Group recognises the importance of assessing the resilience of its business strategy, business model and value chain in the face of climate-related changes, developments, and uncertainties. As the Group continues to strengthen its capabilities in the management of climate-related risks and opportunities, we plan to conduct climate-related scenario analysis in the future to enhance our understanding of anticipated financial effects of climate-related risks and opportunities over the short, medium, and long term. The Group will also utilise this analysis to assess potential changes to its financial position, financial performance and cash flows, as well as to consider future investments in sustainable innovations. We will continue monitor market developments and refines the methodologies for quantifying anticipated financial effects and prepare for disclosure in the future.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Climate-related Risk Management

Risk Management Framework and Procedures

The Group has established a structured risk management framework to identify, assess, mitigate, monitor and report key risks, including ESG and climate-related risks. The framework is integrated into the Group's ESG governance and internal control processes, with oversight by the Board, implementation by Senior Management and operational support from the ESG Working Group and relevant departments.

Risks are identified through ESG assessments, stakeholder engagement, departmental reporting, operational and platform data review, supplier and procurement reviews, customer feedback, complaint records, regulatory updates and internal policy reviews. Given the Group's e-commerce and retail business model, key risk areas include product quality and safety, customer data privacy and cybersecurity, website and system reliability, supplier performance, inventory availability, logistics and delivery, warehouse operations, packaging, waste management and climate-related operational impacts.

Identified risks are assessed based on their potential impact on operations, compliance, financial performance, supply chain stability, customer experience, reputation and long-term sustainability. Where material risks are identified, relevant departments implement mitigation measures under the coordination of Senior Management and the ESG Working Group. These may include policy updates, staff training, supplier engagement, operational controls, cybersecurity measures, complaint handling, product quality follow-up, environmental initiatives, business continuity arrangements and service recovery actions.

The framework is monitored through internal reviews, ESG data tracking, departmental updates and management review meetings. Senior Management reviews ESG policies, climate-related risks and implementation progress at least quarterly. Material findings and follow-up actions are recorded in the Group's internal governance documentation portal and communicated to relevant departments. Significant risks are escalated to the Board where appropriate.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Metrics and Targets

During the Reporting Period, the total GHG emissions from the Group amounted to 398.26 tonnes of CO_2e, with primary source of our GHG emissions in indirect emissions associated with electricity consumption across our operations. No Scope 1 emissions are attributable to our operations, as the Group does not own vehicles or production assets.

During this Reporting Period, the Group initiated its first data collection exercise for Scope 3 greenhouse gas emissions, where Scope 3 emissions in Category 6: Business Travel has been disclosed. The total Scope 3 emissions amounted to 0.04 tonnes of CO_2e.

Item	Unit	Total amount in FY25/26	Total amount in FY24/25
Scope 1: Direct greenhouse gas emissions	Tonnes CO_2e	0	0
Scope 2: Energy indirect greenhouse gas emissions		398.24	425.32
Scope 3: Other indirect greenhouse gas emissions – Category 6: Business Travel		0.04	–
Total greenhouse gas emissions		398.28	425.32

Note: These carbon emissions are calculated with reference to Appendix 2: Reporting Guidance on Environmental KPIs published by the Stock Exchange.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

SOCIAL

EMPLOYMENT

People are the cornerstone of our success. Our human capital strategy is designed not only to ensure compliance with labour laws and international standards, but to foster a diverse, inclusive, high-performance culture that supports long-term business resilience and sustainable growth.

Compliance and Ethical Employment

We uphold full compliance with all applicable labour laws and employment regulations, including but not limited to the Employment Ordinance (Cap. 57 of the laws of Hong Kong), anti-discrimination laws administered by the Equal Opportunities Commission and international labour standards, with a zero-tolerance policy toward child labour, forced labour, and any form of unfair or unethical employment practices.

To institutionalize the best employment practices, we regularly review and update our HR policies and internal social responsibility management framework, to ensure alignment with regulatory changes and evolving workforce expectations.

During the Reporting Period, the Group did not identify any material non-compliance with employment and labour-related laws and regulations in Hong Kong, including but not limited to the Employment Ordinance (Cap. 57 of the laws of Hong Kong), Employees' Compensation Ordinance (Cap. 282 of the laws of Hong Kong), Sex Discrimination Ordinance (Cap. 480 of the laws of Hong Kong), Disability Discrimination Ordinance (Cap. 487 of the laws of Hong Kong), Family Status Discrimination Ordinance (Cap. 527 of the laws of Hong Kong) and Mandatory Provident Fund Schemes Ordinance (Cap. 485 of the laws of Hong Kong).

Robust Prohibition of Child and Forced Labor

Enforced policies ensure all employees meet statutory age requirements and provide valid identification prior to employment

Ensure employment contracts are executed voluntarily and free from coercion

Robust Prohibition of Child and Forced Labor

Conduct rigorous identity verification during recruitment to prevent illegal employment

Initiate immediate internal investigations and referring violations to authorities upon detection

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Anti-Discrimination and Harassment Policies

- Implement comprehensive anti-discrimination and anti-harassment policies across all operations to create a workplace where diversity is valued and employees feel safe and empowered, thereby enhancing team cohesion and innovation

Grievance and Whistleblowing Mechanisms

- Provide secure, confidential channels to raise concerns and protect whistleblowers, we ensure early detection and resolution of workplace issues, reducing legal risks and fostering a culture of trust and ethical responsibility

Work-Hour Monitoring System

- Leverage digital attendance systems, we maintain precise oversight of working hours to prevent burnout, improve productivity, and ensure compliance with labor laws – balancing operational efficiency with employee well-being

Overtime Compensation

- Guarantee fair and timely compensation or equivalent time off for overtime work to meet legal standards, demonstrate respect for employees' time, boost morale, and reduce turnover

Employee Engagement and Communication

- Prioritize active listening and open dialogue with employees through structured feedback mechanisms, enabling rapid response to concerns and ideas, which strengthens organizational agility and drives continuous cultural and operational improvements

Talent Management and Employee Development

Talent Acquisition, Diversity, and Inclusion

We adopt a merit-based and non-discriminatory approach to recruitment, emphasizing fairness and equal opportunity at all stages of the employment lifecycle – from hiring to promotion and compensation. During FY25/26, we enhanced our recruitment framework by integrating AI-enabled assessment tools, such as automated CV screening and skills-based evaluations, to reduce human bias and ensure consistent, objective, and data-driven decision-making. Standardized assessments and structured interview checklists further uphold our commitment to fair and ethical employment practices, supplemented by human oversight to maintain contextual judgment and transparency.

Our steadfast dedication to equal opportunity has enabled us to cultivate a diverse workforce, attracting talent across a broad spectrum, from recent graduates to experienced professionals.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

As at 31 March 2026, the Group employed 97 employees (FY24/25: 104) in Hong Kong. Our employee profile was as follows:

Number of Employees

By Gender

	Male	Female
FY25/26	56	41
FY24/25	60	44

By Age

	Below 30	30 – 49	50 or above
FY25/26	22	69	6
FY24/25	28	69	7

By Employment Type

	Full Time	Part Time
FY25/26	95	2
FY24/25	102	2

By Position Type

	Director Level	Manager Level	General Level
FY25/26	6	30	61
FY24/25	8	32	64

By Geographical Region

	Hong Kong
FY25/26	97
FY24/25	104

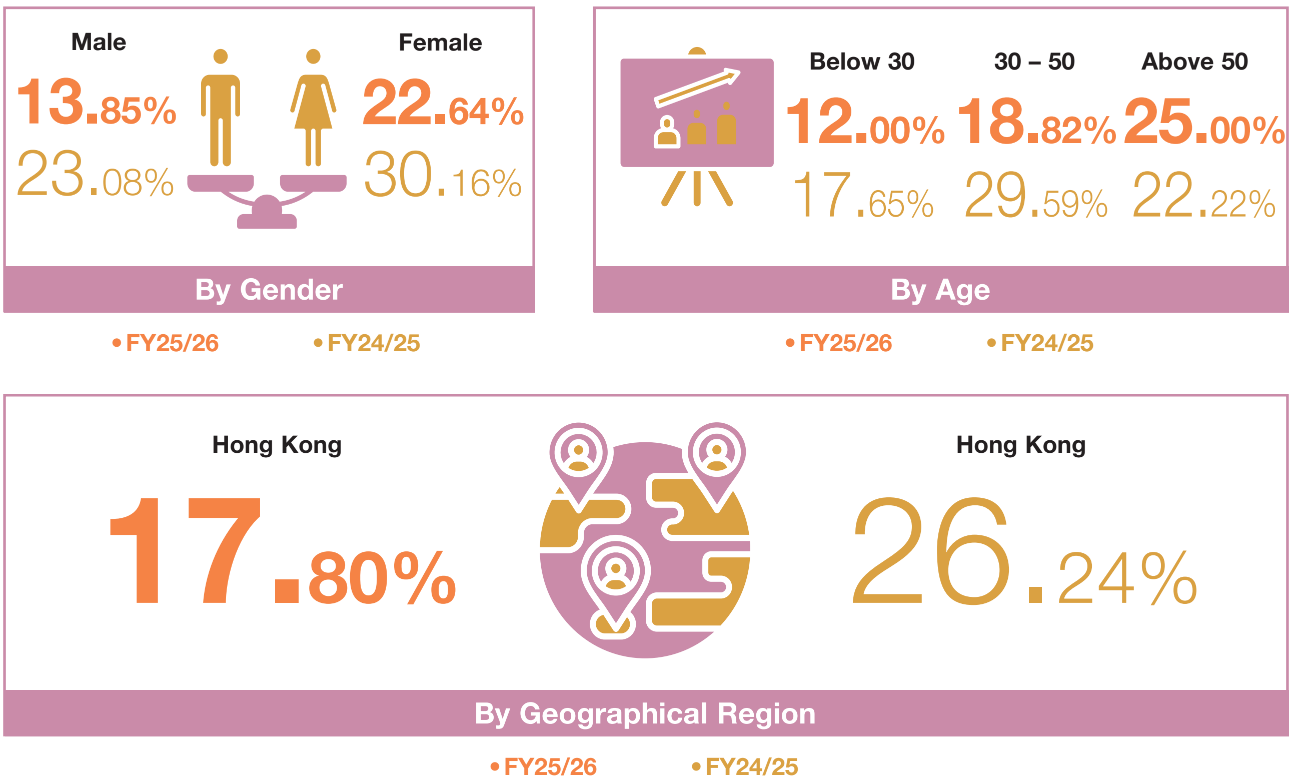
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Employee Turnover Rate[(1)]

In accordance with the calculation methodology for employee turnover rate defined in the Guide published by the Stock Exchange, during the Reporting Period, the Group's male employee turnover rate was 18.84% (FY24/25: 34.07%), while the female employee turnover rate was 29.31% (FY24/25: 36.23%). The employee turnover rate by age group was 21.43% for those under the age of 30 (FY24/25: 33.33%), 24.18% for those aged between 30 and 50 (FY24/25: 36.70%), and 25.00% for those aged above 50 (FY24/25: 22.22%). As for the employee turnover rate by geographical region, the rate in Hong Kong was 23.62% (FY24/25: 35.00%).

To provide a clearer and more meaningful insight into our workforce stability and employee retention beyond the initial onboarding phase, we also report the post-probation employee turnover rate. This metric excludes early departures during the probation period and therefore better reflects the engagement, satisfaction, and long-term commitment of employees who have successfully integrated into the Company.

Post-Probation Employee Turnover Rate[(2,3)]



Notes:

(1) Employee Turnover Rate per category = Number of employees in the category leaving employment during the Reporting Period/(Number of employees in the category as at year-end + Number of employees in the category leaving employment during the Reporting Period). The calculation method is in accordance with Appendix 3: Reporting Guidance on Social KPIs published by the Stock Exchange.

(2) All employee resignations are voluntary.

(3) Post-Probation Employee Turnover Rate = Number of employees in the category leaving employment after probation period/(Number of employees in the category as at year-end + Number of employees in the category leaving employment after probation period).

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Employee Training and Career Development

Recognizing that continuous learning and skill enhancement are critical to sustaining competitive advantage and fostering leadership, our training and development framework is strategically designed to support employees at every stage of their career journey, from onboarding to leadership development. We achieved 100% employee participation in training programmes by offering flexible training formats, including in-person sessions, online modules, and on-the-job learning, ensuring equal development opportunities for all employees regardless of role or location.

Training natures include:

Onboarding training for all new recruits, introducing the Group's culture, mission, values, and operational framework to facilitate smooth integration

Role-specific training and targeted workshops designed to enhance both current job performance and future career readiness, covering topics such as customer service, technical skills, and business systems

Regular in-house training sessions to keep employees updated on evolving business operations and to build advanced professional capabilities

On-the-job training for front-line and operational staff, including:

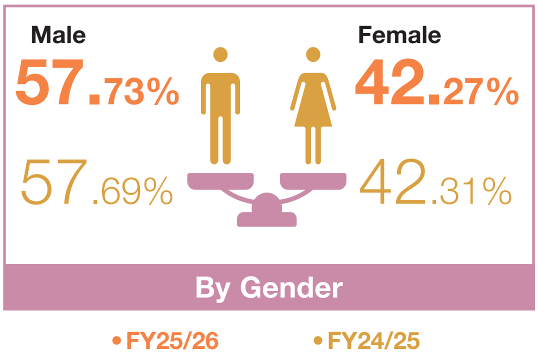
- Job shadowing with experienced colleagues
- One-on-one coaching and mentoring
- Real-time support to strengthen workplace confidence and skills

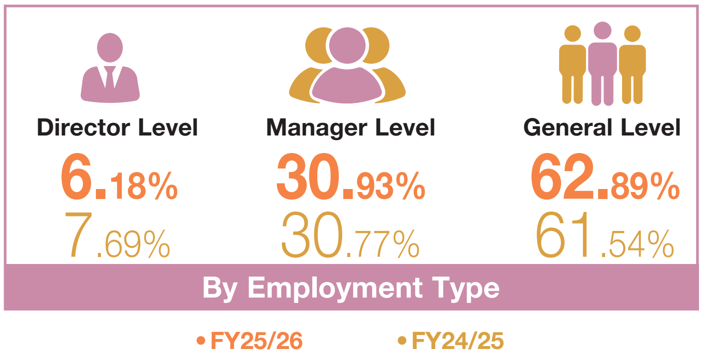
Performance-driven development which assesses training needs through performance appraisals and talent reviews. Identified skill gaps are addressed through targeted development plans, mentorship, and coaching initiatives.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

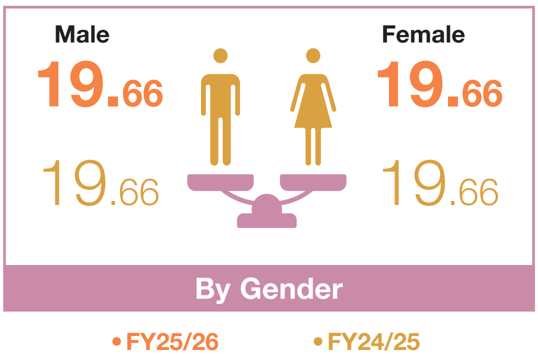
The breakdown of employees trained, and average training hours completed per employee by gender and position type during the Reporting Period are as follows:

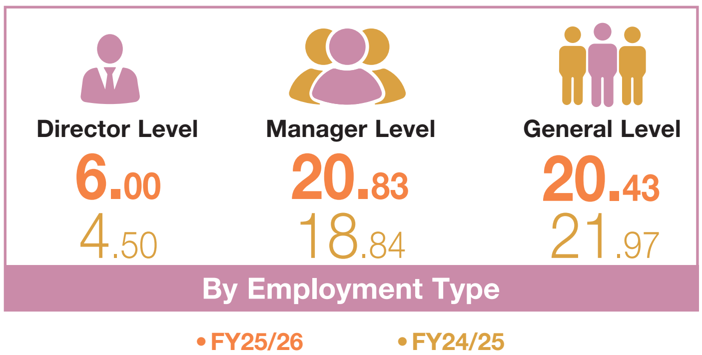
Employees Trained





Average Training Hours Completed per Employee





Remark: Percentage of employees trained by category = Employees in the category who took part in training/Employees who took part in the training. Average training hours for employees by category = Total number of training hours for employees in the category/Number of employees in the category. The calculation method is in accordance with Appendix 3: Reporting Guidance on Social KPIs published by the Stock Exchange.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

A structured performance feedback mechanism is also in place to support employee development. Supervisors regularly engage in one-on-one reviews to provide constructive feedback, recognize achievements, and set clear performance expectations. These conversations help identify areas for improvement and guide individual development plans.

Performance and Internal Mobility

Our employee development strategy is anchored in a performance-based and future-focused framework. We conduct quarterly performance evaluations against quantitative, role-specific KPIs to guide career progression, succession planning, and leadership pipeline development. High performers are fast-tracked for promotion, enrolled in targeted skill-building programmes, and offered strategic career opportunities. Meanwhile, for those requiring additional support, a structured Performance Improvement Plan (PIP) reinforces our commitment to continuous learning, inclusivity, and personal growth.

In parallel, we also encourage internal mobility through transparent job postings and cross-functional opportunities, optimizing workforce utilization and empowering employees to pursue their career aspirations.

Workforce Stability and Termination Protocols

To uphold fairness and consistency in employee relations, the Group maintains well-defined disciplinary and termination procedures. These protocols clearly articulate the grounds and processes for dismissal, safeguarding employees against arbitrary treatment and ensuring alignment with ethical and legal standards.

Employee Welfare and Workplace Environment

Competitive Compensation and Benefits

We strive to maintain a fair and motivating rewards system that reflects both market practices and our commitment to internal equity. Our approach combines core salary, performance-based incentives, and a range of supportive benefits to help employees balance work and personal life.

Market-Competitive Pay	– Regularly benchmarked salaries against industry norms – Discretionary bonuses based on individual and team performance
Paid-Leave Entitlements	– Annual, birthday, marriage, maternity, paternity, sick, and compassionate leave – Flexible working hours to accommodate personal needs
Recognition Programs	– Monthly attendance bonus to acknowledge consistent reliability – Performance bonuses for retail teams meeting sales and customer satisfaction goals
Additional Perks	– Employee-exclusive shopping discounts – Share-option scheme designed to align long-term interests with company success

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

This balanced package is intended to reward dedication, support well-being, and foster a collaborative culture.

Occupational Health and Safety

We place a strong emphasis on maintaining a safe and healthy working environment for all employees. Our occupational health and safety (**OHS**) practices are fully aligned with all relevant statutory requirements in Hong Kong, including the Occupational Safety and Health Ordinance and the Employees' Compensation Ordinance. We strive to foster a safety-first workplace culture.

Health and Safety Measures Implemented

To protect employees from occupational hazards and ensure operational safety, we have adopted the following measures:

Mandatory Safety Training:	All new warehouse employees must complete a rigorous safety training programme upon onboarding. This training equips them with the necessary skills and knowledge to identify hazards and respond appropriately to ensure workplace safety.
Ongoing Refresher Courses:	Regular refresher training is mandated to maintain awareness and update employees on the latest workplace safety procedures and regulatory developments.
Emergency Preparedness:	We have implemented a comprehensive business continuity plan that outlines response procedures in the event of service disruptions caused by extreme weather, fire, or man-made incidents. The plan includes proactive risk reduction measures to minimize injury, fatalities, and operational disruption, with a focus on rapid recovery once employee safety is assured.
Fire Safety Protocols:	In the event of fire hazards, evacuation procedures are clearly established. Trained personnel are assigned to manage evacuation processes and conduct roll calls at designated assembly points.
No Smoking Policy:	A total smoking ban is enforced across all company premises. Smoking is strictly prohibited in enclosed areas, including private offices, meeting rooms, warehouses, common areas, pantries, washrooms, and reception areas.

Monitoring and Compliance

We strictly comply with all applicable OHS laws and regulations as well as the Employees' Compensation Ordinance. Our occupational health and safety measures are monitored through regular internal inspections, safety audits, incident reporting mechanisms, and periodic reviews of emergency preparedness plans. Designated safety officers are responsible for ensuring adherence to safety standards and reporting any potential risks for timely mitigation.

During the Reporting Period, the Group did not encounter any significant incidents or accidents in relation to workers' safety. There were no fatalities recorded for our employees in the past three years, including the Reporting Period, and there were no lost days due to work injuries during the Reporting Period.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

We strictly adhere to all relevant legal requirements, such as the Occupational Safety and Health Ordinance (Cap. 509 of laws of Hong Kong). Specifically, under the Employee's Compensation Ordinance (Cap. 282 of the laws of Hong Kong), the employer is obligated to compensate for injuries or fatalities that employees suffer during accidents that occur in the course of their employment. During the Reporting Period, we have not identified any significant non-compliance issues with occupational health and safety regulations in Hong Kong.

RESPONSIBLE PROCUREMENT AND QUALITY MANAGEMENT

Supply Chain Monitoring

The Group collaborates with a diverse array of global and local suppliers to support our extensive product range, while rigorously managing the environmental, social, and ethical risks inherent in our supply chain. Our sustainable sourcing framework includes rigorous supplier evaluation continuous monitoring, and decisive corrective measures to ensure resilience and integrity at every stage.

Pre-Engagement Due Diligence	–	Comprehensive vetting of prospective suppliers, including background checks, business-practice reviews, and validation of compliance with local laws and international standards
Ethical & Responsible Business Conduct	–	Preference for partners demonstrate clear environmental stewardship, adherence to labor and human-rights standards, and transparent governance
	–	Risk-based assessment of anti-corruption policies and environmental management systems to identify values-aligned suppliers and mitigate ESG exposures
Certification & Regulatory Compliance	–	Requirement for valid product-safety certifications and evidence of conformity with applicable industry regulations
Ongoing Monitoring & Performance Review	–	Regular audits and performance assessments
	–	Prompt corrective-action plans for non-compliance, with escalation – up to contract termination – for repeated or material breaches

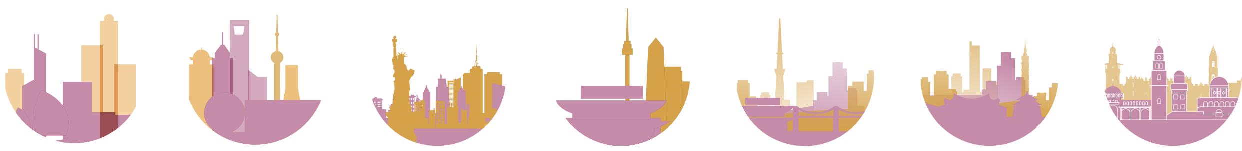
By enforcing these rigorous standards, we minimize risks from supply-chain disruptions, uphold our commitment to environmental and social responsibility, and cultivate partnerships with suppliers who share our values. This approach underpins a responsible, resilient, and sustainable supply chain.

For more details on our supplier quality protocols, please refer to the "Quality Management" section below.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The distribution of our suppliers by geographical regions during the Reporting Period is as follows, all of whom are subject to the environmental and social management procedures outlined above.

Geographical Regions



Hong Kong	Chinese mainland	USA	Korea	Japan	Taiwan	Others (Israel and Italy)
944	56	15	13	9	7	2

Quality Management

Supplier Pre-Approval & Governance

To guarantee the authenticity and quality of all procured products, we source exclusively from suppliers on our pre-approved list. This list is maintained by the procurement department and reviewed semi-annually by the CEO, which includes only partners vetted for reputation, brand integrity, and proven product performance. We give priority to direct procurement from brand owners or their authorized distributors, and all new suppliers must pass comprehensive due diligence, including verification of business registration, incorporation documents, and distribution credentials. Any partner that falls short of our authenticity or quality standards is immediately removed.

Sustainable and Responsible Procurement

We prioritize goods and services that satisfy one or more of the following environmental and social criteria.

Sustainable materials: Recycled, organic, or biodegradable inputs	Energy efficiency: Products certified to government or international standards
End-of-life considerations: Easily disassembled or recyclable, with clear disposal guidelines	Packaging reduction: Minimal, recyclable, or biodegradable packaging solutions
Green transportation: Preference for suppliers using electric/ hybrid vehicles or local sourcing to reduce emissions	Waste reduction: Suppliers with mature recycling and reuse programmes
Warranty and maintenance: Products designed for easy repair and backed by robust warranty coverage	

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Inbound Inspection

Upon receipt of products at our warehouse or retail stores, all products undergo a comprehensive inbound inspection by our warehousing and logistics team. We verify shipment quantities, authenticate items through anti-counterfeit labels or warranty cards provided by brand owners or authorized distributors, and assess packaging integrity. Suppliers may also be required to submit safety-compliance certificates to further validate product quality and authenticity. Any discrepancies or quality concerns are immediately escalated to procurement department, which coordinates with the supplier to arrange refunds or returns. Suppliers with repeated non-compliance are promptly removed from our pre-approved list.

Marketing & Label Verification

Prior to any product launch or promotional campaign, we rigorously verify all product labels, marketing collateral, website information, and advertisements, to ensure that every claim accurately reflects the product's actual features and maintain legal compliance in marketing practices.

Customer Complaint Management & Product Recall Framework

To ensure prompt and effective resolution of product or service-related issues, we have established a multi-channel complaint handling system. Customers can reach our Customer Service (**CS**) team through various accessible communication channels. Once a complaint is received, it is promptly logged and assigned to a designated CS specialist for initial assessment and resolution.

Complaints are categorized based on a structured severity and recurrence scale, allowing us to prioritize and allocate resources accordingly. For complex or high-risk cases, the matter is escalated to the Head of CS, who directly engages with the customer to understand the issue in depth, oversees a formal internal investigation, and coordinates resolution actions across departments.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Complaint resolution process

1 Issue Assessment and Categorisation:

Complaints are triaged based on severity, potential business impact, and repetition. This enables efficient case routing and ensures serious matters are escalated immediately

2 Customer Communication and Follow-Up:

A dedicated CS representative maintains timely and transparent communication with the customer, updating them on progress and resolution timelines

3 Root Cause Analysis and Internal Review:

An internal investigation is conducted to identify root causes. For supplier-related issues, we engage the external party for further clarification or remediation

4 Corrective Measures and Compensation Review:

We prioritize resolving the customer's unmet needs and, where applicable, initiate a compensation review in line with our service recovery policies

5 Supplier Accountability:

In cases involving third-party suppliers, especially where product quality or safety is compromised, we enforce contractual accountability measures. This may include formal warnings, financial penalties, or blacklisting repeat offenders

In case of any product recalls due to safety and health reason, we immediately investigate the issue and hold the relevant supplier accountable, which may include imposing penalties or blacklisting repeat offenders.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Product Recall Procedures

In the event of a health or safety-related product recall, we activate a rapid response protocol:

1. Immediate investigation and internal notification
2. Direct support for affected customers to minimize inconvenience
3. Full coordination with suppliers to resolve the issue
4. Transparent public communication

Transparent and Proactive Disclosure

On a quarterly basis, we publish a consolidated Customer Feedback Report on our platform, outlining the types and nature of complaints received, the corresponding handling procedures, and the resolution outcomes.

We also monitor complaint trends and conduct regular reviews of our handling procedures to identify opportunities for service enhancement and risk prevention.

During the Reporting Period, the Group did not receive any complaints due to poor quality and safety that materially impacted the Group's business operations and financial position, nor were there any product labels or products sold or shipped subject to recalls for safety and health reasons.

Proactive Social Media Monitoring and Public Clarification

During the Reporting Period, we enhanced our customer feedback management by proactively monitoring relevant social media posts and public comments. As some customers may express concerns online rather than contacting our CS team directly, this approach allows us to identify potential product or service-related issues earlier and take appropriate follow-up actions. For feedback or enquiries concerning general product features or service procedures that do not involve customer confidential information, we may provide public clarifications through appropriate channels to enhance transparency, address common concerns, and support a clearer understanding of our products and services.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

COMMUNITY INVESTMENT

Guided by our "Business to Community" (B2C) ethos, the Group has established a comprehensive community engagement policy to identify local needs and ensure our initiatives deliver meaningful, sustainable impact. Embracing an ESG mindset, we focus our efforts on key areas such as environmental stewardship, social inclusion, and fostering innovation. Highlights of our initiatives during the Reporting Period are presented below.

Community Partnership with Kowloon City Football Club

During FY2024/25, we sponsored Kowloon City FC, a local football club in Hong Kong, as part of our broader commitment to supporting community development and promoting local sports culture. Beyond financial sponsorship, we sought to create practical and long-term value by leveraging our own e-commerce capabilities and platform resources to support the club's outreach and fan engagement.

Recognising that local sports teams may have limited access to established retail and promotional channels, we set up a dedicated e-shop for Kowloon City FC on our website and procured the club's jerseys for sale through our online platform. This initiative provides supporters with a more accessible way to purchase official merchandise, while helping the club strengthen its visibility, brand presence and connection with the local community.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Refurbished Appliances Donation Program

Building on our sustainability and social-responsibility objectives, we have launched a Refurbished Appliances Donation Program that partners with selected NGOs to extend the useful life of returned or lightly used products. Eligible appliances undergo a standardized refurbishment process – conducted by certified technicians – covering safety inspections, parts replacement, and cosmetic restoration. Once certified, these appliances are donated to under-resourced households and community centers. During the Reporting Period, the scope of program was expanded beyond small household appliances to include televisions with minor defects. Looking forward, we aim to further broaden the programme's coverage to extend product lifecycles, reduce potential e-waste and support more underserved communities.

Make A Wish Campaign

Over the past ten years, we have been supporting Hong Kong Christian Service's "Make-A-Wish" program by providing brand-new electronic and electrical appliances tailored to each beneficiary's wish list. From washers for single-parent households to refrigerators for low-income families and assistive devices for children with special educational needs (SEN), every donation is designed to address specific, practical requirements. By granting these wishes, we aim to enhance daily living standards while fostering hope, dignity, and social inclusion among underprivileged families, seniors, persons with disabilities, and ethnic minority communities – demonstrating our ongoing commitment to responsible stewardship and community well-being.

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Community Support for Tai Po Wang Fuk Court Fire Incident

In response to the Tai Po Wang Fuk Court fire incident, YOHO sought to provide timely and practical support to affected residents during this difficult period. We donated small household appliances and essential daily supplies, to residents staying at the transitional housing site, with the aim of helping to address their immediate daily needs and bringing some comfort to those impacted by the incident.

To further extend our support, we joined hands with Kowloon City FC to organise a charity jersey sale, with all proceeds, without any deduction of costs, donated in full to the "Tung Wah Group of Hospitals – Tai Po Wang Fuk Court Incident Relief Fund". Through these actions, we hope to stand alongside the affected families, express our care and solidarity, and encourage the wider community to come together to share warmth, strength and support with those in need.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Y Incubator Programme

Fueling Hong Kong's next wave of innovators, our Y Incubator initiative welcomes qualifying start-ups onto the Yoho E-commerce Platform with zero listing fees, annual fees, or commissions. By lifting these financial barriers, we empower entrepreneurs to channel their resources into product development, marketing, and sustainable growth – sparking fresh ideas and driving the city's startup ecosystem forward.

Y Charity Programme

Through Y Charity, we open our platform doors to over 10,000 Section 88-registered charities and trusts at no cost. With all administrative and transaction fees waived, every dollar raised goes straight to life-changing causes. This initiative amplifies the reach of fundraising campaigns, mobilizes community support, and underlines our belief that collective generosity can transform lives – uplifting communities and creating lasting social impact.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

PROTECTION OF CUSTOMER INFORMATION AND INTELLECTUAL PROPERTY RIGHTS

Consumer Data Protection and Privacy Policies

Our policies adhere to six core principles of data protection – collection, accuracy, use, security, openness, and access and correction – to ensure that personal data is handled responsibly and transparently at every stage of the data lifecycle.

All personal information is stored securely within our enterprise management systems, with access permissions tightly governed by role-based access control protocols. Only designated employees with relevant job responsibilities are granted access to customer data, and access rights are periodically reviewed to prevent privilege creep.

Implementation and Risk Controls

To operationalize these policies, we have embedded comprehensive risk management and internal control procedures into our data governance framework. This includes:

- Advanced encryption technologies to protect data in transit and at rest
- Regular security audits and penetration testing to proactively identify vulnerabilities
- 24/7 monitoring systems to detect, respond to, and contain any suspicious activity
- Data retention and disposal protocols aligned with statutory and operational requirements

These controls are reinforced through well-defined incident response procedures, ensuring swift remediation in the event of a data breach or attempted compromise.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Employee Compliance and Training

Employees play a critical role in safeguarding data privacy. All staff are bound by stringent confidentiality clauses outlined in the employee handbook and are prohibited from removing data – whether physically or via network transfer – without explicit authorization.

To maintain high standards of awareness and accountability, employees undergo regular training on information security covering topics such as “Information Security Awareness,” “Anti-Virus Education,” and “Emergency Response Training”, helping employees understand common information security risks and the appropriate protective measures.

For new hires, our HR department provides onboarding guidance on the use of office software and essential information security practices. This ensures that new employees develop a strong sense of security responsibility from the outset.

Monitoring and Continuous Improvement

Our compliance with data protection policies is monitored through a combination of automated access logs, compliance audits, and management reviews. Findings from these monitoring activities inform continuous improvement efforts, enabling us to proactively update our systems, procedures, and training materials in response to regulatory changes or identified risks.

Cybersecurity Awareness and Ethical Phishing Campaign

During the Reporting Period, we participated in the Ethical Phishing Email Campaign 2025 organised by the Cyber Security and Technology Crime Bureau of the Hong Kong Police Force, in collaboration with the Hong Kong Internet Registration Corporation Limited and the Office of the Privacy Commissioner for Personal Data. Through simulated phishing emails, the campaign helps assess employees’ ability to identify suspicious emails and strengthens their awareness of cybersecurity risks.

Upon completion of the campaign, the Company has reviewed the performance report provided by the organiser and implemented follow-up actions, including staff reminders, targeted internal communications and reinforcement of safe email-handling practices. The findings were also reviewed internally to assess the effectiveness of our cybersecurity controls and incident reporting procedures. These actions helped enhance staff vigilance, reduce human-factor cybersecurity risks and support the continuous improvement of our cyber risk management framework.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Intellectual Property Rights

The Group is committed to the comprehensive protection and responsible management of intellectual property (IP) rights, recognizing their strategic importance in safeguarding brand value, fostering innovation, and sustaining long-term competitiveness.

We operate our core businesses – including the e-commerce platforms and physical retail stores – under the registered brand names “Yoho”, “友和” and “J SELECT”, and have secured the domain names yohohongkong.com and jselect.com, key digital assets supporting our online operations. These assets are actively protected through formal IP registrations in relevant jurisdictions and governed by a robust internal framework that oversees the creation, usage, and enforcement of trademarks, copyrights, and other proprietary rights.

To prevent unauthorized access or disclosure, we implement non-disclosure agreements with employees, service providers, and business partners, and continuously monitor potential infringements across all platforms. Where violations are identified, we take prompt and appropriate legal action to safeguard our intellectual property.

In parallel, the Group places equal emphasis on respecting the intellectual property rights of third parties. We have established stringent due diligence and compliance protocols to ensure that all externally sourced content, software, and materials used in our operations are properly licensed or authorized. Our procurement and marketing teams are trained to verify usage rights and adhere to relevant legal requirements, thereby reducing the risk of unintentional infringement.

During the Reporting Period, we were not aware of any case of material non-compliance regarding quality management and data privacy-related laws and regulations in Hong Kong, including the Personal Data (Privacy) Ordinance (Cap. 486 of the laws of Hong Kong), and the Trade Description Ordinance (Cap. 362 of the laws of Hong Kong).

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

PREVENTING BRIBERY AND CORRUPTION

As a socially responsible company, we employ a zero-tolerance approach towards bribery, extortion, fraud, money laundering and any other form of corruption as a means to uphold business ethics, in order to minimize the business risks that our stakeholders may be exposed to and avoid any detrimental effect that may be poised on society.

Ethics and Anti-Corruption Framework

We have instituted a comprehensive "Code of Ethics and Anti-Fraud and Anti-Bribery Policy" specifically tailored to the Group's operations and risk profile, to ensure the highest standards of integrity and ethical conduct. Under this framework, robust risk-management and internal-control protocols such as mandatory due-diligence checks on new business partners, centralized approval gates for high-risk transactions, and periodic independent audits, operate in concert to prevent and detect corruption. In addition, our clear guidelines on gifts, hospitality, and conflicts of interest require employees to self-declare any received items or potential conflicts and to obtain management sign-off, thereby reinforcing individual accountability.

Moreover, third-party engagements are subject to a tiered screening process that assesses compliance credentials, ownership structures, and reputational risk, with non-compliant vendors subject to termination to safeguard our supply chain. Complementing these measures, all staff complete anti-corruption training at onboarding and annual refreshers, while high-risk functions undertake additional role-specific modules with mandatory certification, ensuring sustained awareness across the organization.

Finally, our senior management and department heads maintain continuous oversight of anti-corruption and anti-bribery compliance in daily operations through real-time monitoring of key risk indicators such as unusually large payments or vendors with elevated risk profiles. When thresholds are breached, issues are promptly escalated to senior management and, where warranted, to the Board's Audit Committee. Each incident is then reviewed during our periodic risk assessments to validate the effectiveness of existing controls and guide targeted policy enhancements, fostering continuous improvement in our governance framework.

Ongoing Anti Bribery and Corruption Training and Awareness

The Group's training efforts are anchored by a centralized documentation portal, that houses all relevant policies, guidelines, and training materials. New employees must complete a thorough review of these resources before onboarding, and all staff revisit refresher materials on the Yoho portal to stay aligned with evolving legal, regulatory, and industry standards.

Building on this foundation, we implement a multi-tiered training strategy to ensure both breadth and depth of anti-corruption knowledge. All employees participate in regular, role-agnostic in-house workshops that reinforce our core principles, while directors and senior management attend specialized webinars that focus on their unique ethical and governance responsibilities. During the Reporting Period, we organize a webinar hosted by the Hong Kong Business Ethics Development Centre for our directors and senior management. This session covered their ethical and governance duties, assessment of common ethical risks, and the legal and regulatory controls that govern our operations. Through practical case studies, they examined the board's ethical responsibilities, fiduciary duties of directors, scenarios involving bribery and other legal violations, and best practices for managing conflicts of interest and connected transactions. The webinar also explored strategies for cultivating an ethical corporate culture and provided an overview of ICAC support services, thereby reinforcing our commitment to the highest standards of corporate governance and integrity.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

To evaluate training effectiveness and embed continuous improvement, we track key performance indicators, including completion rates, post-training assessment scores, and incident-reporting volumes. These metrics are integrated into departmental performance reviews, ensuring accountability at all organizational levels.

During the Reporting Period, we continued to strengthen our integrity and anti-corruption culture through training and refresher learning. Two ICAC training sessions were conducted during the year, covering integrity management, ethical conduct and anti-corruption practices for both managerial and frontline staff in commercial organisations. The sessions reinforced employees' awareness of conflict of interest management, anti-bribery principles and proper workplace conduct. Staff were also encouraged to review refresher materials available on the YOHO internal documentation portal to support continuous awareness of integrity and anti-corruption requirements.

Whistleblowing and Reporting Procedures

To facilitate early detection and resolution of potential issues, we maintain robust reporting channels for serious concerns that may affect our operations or reputation. Employees are encouraged to raise matters promptly so that the Group can respond swiftly and effectively.

Our whistleblowing framework ensures confidentiality and protection from retaliation. Upon receipt of a whistleblowing report, our senior management will conduct a thorough review to determine the necessary course of action, ranging from an internal inquiry to a formal investigation, and may engage the reporting employee for additional information as needed. The Group will make every effort to preserve the whistleblower's anonymity wherever possible, disclosing their identity only when legally mandated.

During the Reporting Period, the Group was not aware of any case of material non-compliance with corruption-related laws and regulations in Hong Kong, including the Prevention of Bribery Ordinance (Cap. 201 of the laws of Hong Kong), nor any corrupt practices against the Group or its employees.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

APPENDIX C2 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE CONTENT INDEX

Reporting Guide Requirements	Description	Relevant Section
Overall Approach	The board has overall responsibility for an issuer's ESG strategy and reporting.	ESG GOVERNANCE
Governance Structure	(a) A disclosure of the board's oversight of ESG issues; (b) The board's ESG management approach and strategy, including the process used to evaluate, prioritize and manage material ESG-related issues (including risks to the issuer's businesses); (c) How the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.	ESG GOVERNANCE
Reporting Principles	(a) Materiality (b) Quantitative (c) Consistency (d) Balance	Reporting Principles
Reporting Boundary	A narrative explaining the reporting boundaries of the ESG report, and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.	Reporting Boundary
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issue relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	ENVIRONMENTAL
KPI A1.1	The types of emissions and respective emissions data.	Air and Greenhouse Gas (GHG) Emissions
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Air and Greenhouse Gas (GHG) Emissions
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Not Applicable

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Reporting Guide Requirements	Description	Relevant Section
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Waste Management and Circular Economy Practices
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	ESG GOVERNANCE, Air and Greenhouse Gas (GHG) Emissions
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set, and steps taken to achieve them.	ESG GOVERNANCE, Waste Management and Circular Economy Practices
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Energy Consumption and Efficiency
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Energy Consumption and Efficiency
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Not Applicable
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	ESG GOVERNANCE, Energy Consumption and Efficiency
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	ESG GOVERNANCE
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Packaging Materials
General Disclosure	Policies on minimizing the issuer's significant impacts on the environment and natural resources.	Environmental Management System (EMS)
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environmental Management System (EMS)
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Climate Change
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Climate Change

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Reporting Guide Requirements	Description	Relevant Section
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	EMPLOYMENT, RESPONSIBLE PROCUREMENT AND QUALITY MANAGEMENT, COMMUNITY INVESTMENT, PROTECTION OF CUSTOMER INFORMATION AND INTELLECTUAL PROPERTY RIGHTS, PREVENTING BRIBERY AND CORRUPTION
KPI B1.1	Total workforce by gender, employment type (for example, full – or part-time), age group and geographical region.	Compliance and Ethical Employment
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Compliance and Ethical Employment
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Talent Management and Employee Development
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Talent Management and Employee Development
KPI B2.2	Lost days due to work injury.	Talent Management and Employee Development
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Talent Management and Employee Development
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Talent Management and Employee Development
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Talent Management and Employee Development
KPI B3.2	The average training hours completed per employee by gender and employee category.	Talent Management and Employee Development

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Reporting Guide Requirements	Description	Relevant Section
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Compliance and Ethical Employment
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Compliance and Ethical Employment
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Compliance and Ethical Employment
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supply Chain Monitoring
KPI B5.1	Number of suppliers by geographical region.	Supply Chain Monitoring
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supply Chain Monitoring
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Monitoring
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain Monitoring
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Quality Management
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not Applicable
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Quality Management

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Reporting Guide Requirements	Description	Relevant Section
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	PROTECTION OF CUSTOMER INFORMATION AND INTELLECTUAL PROPERTY RIGHTS
KPI B6.4	Description of quality assurance process and recall procedures.	Quality Management
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	PROTECTION OF CUSTOMER INFORMATION AND INTELLECTUAL PROPERTY RIGHTS
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	PREVENTING BRIBERY AND CORRUPTION
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	PREVENTING BRIBERY AND CORRUPTION
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	PREVENTING BRIBERY AND CORRUPTION
KPI B7.3	Description of anti-corruption training provided to directors and staff.	PREVENTING BRIBERY AND CORRUPTION
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	COMMUNITY INVESTMENT
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	COMMUNITY INVESTMENT
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	COMMUNITY INVESTMENT

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Climate-related Disclosures HKEX ESG Reporting Code Requirements	Relevant Section
(I) Governance	
19. An issuer shall disclose information about:	
(a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the issuer shall identify that body(s) or individual(s) and disclose information about: (i) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities; (ii) how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities; (iii) how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the issuer's strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities; (iv) how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities (see paragraphs 37 to 40), including whether and how related performance metrics are included in remuneration policies (see paragraph 35); and (b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about: (i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and (ii) whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	Climate Change – Climate-related Governance

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Climate-related Disclosures HKEX ESG Reporting Code Requirements	Relevant Section
(II) Strategy	
Climate-related risks and opportunities	
20. An issuer shall disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term. Specifically, the issuer shall:	
(a) describe climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term;	Climate Change – Climate-related Strategy
(b) explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk;	
(c) specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur; and	
(d) explain how the issuer defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making.	
Business model and value chain	
21. An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain. Specifically, the issuer shall disclose:	
(a) a description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain; and	Climate Change – Climate-related Strategy
(b) a description of where in the issuer's business model and value chain climate related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Climate-related Disclosures HKEX ESG Reporting Code Requirements	Relevant Section
Strategy and decision-making	
22. An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose:	
(a) information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the issuer shall disclose information about:	
(i) current and anticipated changes to the issuer's business model, including its resource allocation, to address climate-related risks and opportunities; (ii) current and anticipated adaptation and mitigation efforts (whether direct or indirect); (iii) any climate-related transition plan the issuer has (including information about key assumptions used in developing its transition plan, and dependencies on which the issuer's transition plan relies), or an appropriate negative statement where the issuer does not have a climate-related transition plan; and (iv) how the issuer plans to achieve any climate-related targets (including any greenhouse gas emissions targets (if any)), described in accordance with paragraphs 37 to 40; and	The Group has not yet developed a climate-related transition plan or set quantitative climate-related targets.
(b) information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a).	
23. An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).	The Group has not yet developed a climate-related transition plan or set quantitative climate-related targets.
Financial position, financial performance and cash flows **Current financial effect**	
24. An issuer shall disclose qualitative and quantitative information about:	
(a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and (b) the climate-related risks and opportunities identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	Climate Change – Climate-related Strategy

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Climate-related Disclosures

HKEX ESG Reporting Code Requirements	Relevant Section
Anticipated financial effect	
25. The issuer shall provide qualitative and quantitative disclosures about:	
(a) how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration:	
(i) its investment and disposal plans; and (ii) its planned sources of funding to implement its strategy; and (b) how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	Climate Change – Climate-related Strategy
Climate resilience	
26. An issuer shall disclose information that enables an understanding of the resilience of the issuer's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the issuer's identified climate-related risks and opportunities. An issuer shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with an issuer's circumstances. In providing quantitative information, the issuer may disclose a single amount or a range. Specifically, the issuer shall disclose:	
(a) the issuer's assessment of its climate resilience as at the reporting date, which shall enable an understanding of:	
(i) the implications, if any, of the issuer's assessment for its strategy and business model, including how the issuer would need to respond to the effects identified in the climate-related scenario analysis; (ii) the significant areas of uncertainty considered in the issuer's assessment of its climate resilience; and (iii) the issuer's capacity to adjust, or adapt its strategy and business model to climate change over the short, medium or long term;	The Group has not yet conducted scenario analysis during the reporting period. Looking ahead, the Group is planning to build the necessary capabilities to conduct such analysis in the future.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Climate-related Disclosures HKEX ESG Reporting Code Requirements	Relevant Section
(b) how and when the climate-related scenario analysis was carried out, including: (i) information about the inputs used, including: (1) which climate-related scenarios the issuer used for the analysis and the sources of such scenarios; (2) whether the analysis included a diverse range of climate-related scenarios; (3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks; (4) whether the issuer used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change; (5) why the issuer decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties; (6) time horizons the issuer used in the analysis; and (7) what scope of operations the issuer used in the analysis (for example, the operation, locations and business units used in the analysis); (ii) the key assumptions the issuer made in the analysis; and (iii) the reporting period in which the climate-related scenario analysis was carried out.	The Group has not yet conducted scenario analysis during the reporting period. Looking ahead, the Group is planning to build the necessary capabilities to conduct such analysis in the future.
(III) Risk Management	
27. An issuer shall disclose information about: (a) the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks, including information about: (i) the inputs and parameters the issuer uses (for example, information about data sources and the scope of operations covered in the processes); (ii) whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related risks; (iii) how the issuer assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the issuer considers qualitative factors, quantitative thresholds or other criteria); (iv) whether and how the issuer prioritises climate-related risks relative to other types of risks; (v) how the issuer monitors climate-related risks; and (vi) whether and how the issuer has changed the processes it uses compared with the previous reporting period;	Climate Change – Climate-related Risk Management

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Climate-related Disclosures HKEX ESG Reporting Code Requirements	Relevant Section
(b) the processes the issuer uses to identify, assess, prioritise and monitor climate related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and	
(c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process.	
(IV) Metrics and Targets	
Greenhouse gas emissions	
28. An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO2 equivalent, classified as:	
(a) Scope 1 greenhouse gas emissions; (b) Scope 2 greenhouse gas emissions; and (c) Scope 3 greenhouse gas emissions.	Climate Change – Metrics and Targets
29. An issuer shall:	
(a) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions;	Climate Change Action – Metrics and Targets
(b) disclose the approach it uses to measure its greenhouse gas emissions including:	
(i) the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions; (ii) the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and (iii) any changes the issuer made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes;	Climate Change Action – Metrics and Targets
(c) for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 28(b), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's Scope 2 greenhouse gas emissions; and	
(d) for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 28(c), disclose the categories included within the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).	

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Climate-related Disclosures HKEX ESG Reporting Code Requirements	Relevant Section
Climate-related transition risks	
30. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	Although the Group has identified climate-related transition risks during the reporting period, assessment results show that the Group's current mitigation measures are sufficient to respond to these transition risks. Consequently, no assets or business activities have been identified as being significantly affected by transition risks. The Group will continue to monitor these transition risks and prepare to disclose relevant quantitative data in the future where appropriate.
Climate-related physical risks	
31. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	Although the Group has identified extreme weather events as its main climate-related physical risk during the reporting period, assessment results show that the Group's current mitigation measures are sufficient, and consequently, no assets or business activities have been identified as being significantly affected by physical risks. The Group will continue to monitor these physical risks and prepare to disclose relevant quantitative data in the future where appropriate.

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Climate-related Disclosures HKEX ESG Reporting Code Requirements	Relevant Section
Climate-related opportunities	
32. An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	The Group has identified climate-related opportunities during the reporting year and have also implemented relevant initiatives in its operations. Since these opportunities have not generated material benefits yet, no assets or business activities have been identified to be significantly affected by climate-related opportunities. The Group will continuously monitor these opportunities and prepare to disclose relevant quantitative data in the future where appropriate.
Capital deployment	
33. An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	Currently, the Group has not yet applied capital deployment.
Internal carbon prices	
34. An issuer shall disclose: (a) an explanation of whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis); and (b) the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions; or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.	Currently, the Group has not yet applied internal carbon prices.
Remuneration	
35. An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement. This may form part of the disclosure under paragraph 19(a)(iv).	Currently, the Group as not yet linked the remuneration policy with climate-related issues. We will explore the potential for adopting in the future.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Climate-related Disclosures HKEX ESG Reporting Code Requirements	Relevant Section
Industry-based metrics	
36. An issuer is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry. In determining the industry-based metrics that the issuer discloses, an issuer is encouraged to refer to and consider the applicability of the industry-based metrics associated with disclosure topics described in the IFRS S2 Industry-based Guidance on implementing Climate-related Disclosures and other industry-based disclosure requirements prescribed under other international ESG reporting frameworks.	The Group will explore the potential for setting industry-based metrics in the future.
Climate-related targets	
37. An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the issuer shall disclose:	
(a) the metric used to set the target; (b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives); (c) the part of the issuer to which the target applies (for example, whether the target applies to the issuer in its entirety or only a part of the issuer, such as a specific business unit or geographic region); (d) the period over which the target applies; (e) the base period from which progress is measured; (f) milestones or interim targets (if any); (g) if the target is quantitative, whether the target is an absolute target or an intensity target; and (h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	The Group will explore the potential for setting qualitative and quantitative climate-related targets in the future.
38. An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:	
(a) whether the target and the methodology for setting the target has been validated by a third party; (b) the issuer's processes for reviewing the target; (c) the metrics used to monitor progress towards reaching the target; and (d) any revisions to the target and an explanation for those revisions.	The Group will explore the potential for setting qualitative and quantitative climate-related targets in the future.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Climate-related Disclosures

HKEX ESG Reporting Code Requirements	Relevant Section
39. An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance.	The Group will explore the potential for setting qualitative and quantitative climate-related targets in the future.
40. For each greenhouse gas emissions target disclosed in accordance with paragraphs 37 to 39, an issuer shall disclose:	
(a) which greenhouse gases are covered by the target; (b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target; (c) whether the target is a gross greenhouse gas emissions target or a net greenhouse gas emissions target. If the issuer discloses a net greenhouse gas emissions target, the issuer is also required to separately disclose its associated gross greenhouse gas emissions target; (d) whether the target was derived using a sectoral decarbonisation approach; and	The Group will explore the potential for setting qualitative and quantitative climate-related targets in the future.
(e) the issuer's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits, the issuer shall disclose:	
(i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits; (ii) which third-party scheme(s) will verify or certify the carbon credits; (iii) the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and (iv) any other factors necessary to enable an understanding of the credibility and integrity of the carbon credits the issuer plans to use (for example, assumptions regarding the permanence of the carbon offset).	The Group will explore the potential for setting qualitative and quantitative climate-related targets in the future.
Applicability of cross-industry metrics and industry-based metrics	
41. In preparing disclosures to meet the requirements in paragraphs 21 to 26 and 37 to 38, an issuer shall refer to and consider the applicability of cross-industry metrics (see paragraphs 28 to 35) and (ii) industry-based metrics (see paragraph 36).	The Group will consider applying the cross-industry metrics in the future.

PROFILE OF DIRECTORS

EXECUTIVE DIRECTORS

Mr. Wu Faat Chi (胡發枝)

Chief Executive Officer

Mr. Wu Faat Chi ("**Mr. Wu**"), aged 40, co-founded our Yoho OMO Business in 2013, is an executive Director and Chairman of our Board. Mr. Wu is responsible for formulating the strategic development plans of the Group and overall management of the Group. Mr. Wu has more than 18 years of experience in the consumer electronics and home appliances industry in Hong Kong and Chinese mainland. Prior to commencing the Group's e-commerce business in 2013, he was involved in the trading and distribution of consumer electronics through offline channels in Hong Kong from 2008 to 2013. He was also engaged in the trading of consumer electronics in Chinese mainland from 2011 to 2013. Mr. Wu holds a degree of Bachelor of Business Administration with a major in Economics and a minor in Humanities and China Studies from the Hong Kong University of Science and Technology. Mr. Wu is also one of the directors of each of our subsidiaries. Mr. Wu is the spouse of Ms. Tsui Ka Wing.

Ms. Tsui Ka Wing (徐嘉穎)

Chief Operating Officer

Ms. Tsui Ka Wing ("**Ms. Tsui**"), aged 42, co-founded our Yoho OMO Business in 2013, is an executive Director. Ms. Tsui is responsible for designing and implementing business strategies, overseeing regulatory compliance, and managing the daily operations of the Group. With over 13 years of experience in the Hong Kong e-commerce industry, Ms. Tsui has a diverse background. Prior to joining the Group, she co-founded Usamimi International Limited, an O2O fashion e-commerce business, in 2012 and worked as an audit associate at Deloitte Touche Tohmatsu in 2009. Ms. Tsui holds a Bachelor of Economics and Finance degree from the University of Hong Kong. She is also one of the directors of each of our subsidiaries. Ms. Tsui is the spouse of Mr. Wu.

NON-EXECUTIVE DIRECTOR

Mr. Man Lap (文立)

Mr. Man Lap ("**Mr. Man**"), aged 52, has been appointed as our non-executive Director. He was appointed as a Director in May 2021, and was re-designated as a non-executive Director in June 2021. As confirmed by Mr. Man, he is a Director nominated by Beyond Ventures. Mr. Man is the Co-founder & Managing Partner of Beyond Ventures, a Hong Kong-based venture capital firm founded in 2017. With the slogan "From Hong Kong, For Hong Kong", Beyond Ventures aims to revitalize and transform the city's innovation ecosystem by being Hong Kong's most impactful venture capital firm. He is primarily responsible for identifying potential start-ups and driving the investment decisions. Beyond Ventures portfolio companies include SenseTime (stock code: 20.HK), Smartsens (stock code: 688213.SH), Prenetics (Nasdaq: PRE), Yoho (stock code: 2347.HK), HKTaxi (acquired by Uber in 2021) and many more. Since 2018, Beyond Ventures has been appointed as a Co – investment Partner of HKSAR Government's Innovation and Technology Venture Fund (ITVF).

PROFILE OF DIRECTORS

Mr. Man founded DYXnet Group in 1999 and he was the CEO from September 1999 to September 2018. Under Mr. Man's leadership, the company became the leading corporate virtual private network (VPN) service provider in Greater China and was acquired by 21Vianet Group (Nasdaq: VNET), the largest carrier-neutral Internet and data center service provider in Chinese mainland in 2014. Prior to founding DYXnet Group, Mr. Man was one of the brains behind LinkAGE Online from June 1995 to August 1999, which became the largest corporate Internet service provider in Hong Kong before being acquired by PSINet in 1998. Mr. Man obtained a degree of Bachelor of Arts from the Chinese University of Hong Kong in December 1997.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. Qian, Sam Zhongshan (錢中山)

Dr. Qian, Sam Zhongshan ("**Dr. Qian**"), aged 62, is our independent non-executive Director and joined the Group in May 2022. Dr. Qian has been the chief executive officer of Star Plus Development Limited since October 2020. Dr. Qian was appointed as the chief executive officer and executive Director of Star Plus Legend Holdings Limited (a company listed on the Stock Exchange with stock code: 6683) in September 2021, where he is responsible for formulating overall business strategy and corporate finance strategy. From March 2000 to March 2004, he was a vice president in Sohu.com Limited, which was formerly known as Sohu.com Inc. (a company listed on the NASDAQ with stock code: SOHU), where he was responsible for overseeing the finance, real estate and automobile channels. From April 2004 to June 2006, Dr. Qian was the president and chief financial officer of China Finance Online Co., Ltd (a company listed on the NASDAQ with stock code: JRJC), where he was responsible for the overall management and financial affairs of the company. From June 2013 to October 2019, he was a responsible officer of ExaByte Capital Management (HK) Limited to carry on Type 9 (Asset Management) regulated activities under the Securities and Futures Ordinance (Ch. 571 of the laws of Hong Kong) (the "**SFO**"). Dr. Qian obtained a degree of Doctor of Philosophy from Columbia University in the United States in February 1991 and a degree of bachelor in Physics from the University of Science and Technology of China in Chinese mainland in July 1985.

PROFILE OF DIRECTORS

Dr. Leung Shek Ling Olivia (梁碩玲)

Leung Shek Ling Olivia (formerly known as Leung Wai Fong Olivia, "**Dr. Leung**"), aged 54, appointed as an independent non-executive Director in July 2023, is a Canadian Chartered Accountant, PhD and associate professor of teaching in Accounting. Dr. Leung has been the principal lecturer of the Faculty of Business and Economics of The University of Hong Kong since July 2011 and the associate dean of the Faculty of Business and Economics of The University of Hong Kong since January 2020. Her primary working experience includes assistant professor and principal lecturer of accounting at The City University of Hong Kong from August 2004 to June 2011, director of the International Business and Global Management Program of The University of Hong Kong from June 2016 to October 2018 and assistant dean of the Faculty of Business and Economics of The University of Hong Kong from June 2016 to December 2019. Dr. Leung obtained a bachelor's degree from The University of British Columbia in Canada and a doctorate degree from The Chinese University of Hong Kong in June 1994 and June 2004, respectively. Since June 2020, Dr. Leung has been an independent non-executive director of GF Securities Co., Ltd. (廣發証券股份有限公司) a company listed on the Main Board of the Stock Exchange (stock code: 1776) and the Shenzhen Stock Exchange (stock code: 000776).

Mr. Ho Yun Tat (何潤達)

Mr. Ho Yun Tat ("**Mr. Ho**"), aged 40, is an independent non-executive Director and joined the Group in May 2022. Mr. Ho has been serving as the Senior Director, Finance of Klook Travel Technology Limited, an experiences platform which connects users from all over the world with local merchants providing a vast array of activities, tours, attractions and destination services, since April 2020, where he is responsible for managing and leading the finance functions of the company. From October 2009 to July 2015, Mr. Ho worked at PricewaterhouseCoopers, starting as an associate in the tax department and later serving as a manager in the assurance department in the financial services practice. From September 2015 to January 2016, Mr. Ho was an associate in the internal audit division of Morgan Stanley Asia Limited in Hong Kong. From January 2016 to November 2019, Mr. Ho served as a financial director at GOGOX (formerly known as GOGO Tech Limited), a technology platform offering logistics solutions. Mr. Ho obtained a degree of Bachelor of Business Administration in Professional Accounting from the Hong Kong University of Science and Technology in November 2009. Mr. Ho has been a member of the Hong Kong Institute of Certified Public Accountants since March 2013.

CORPORATE GOVERNANCE REPORT

The Board is pleased to report to the Shareholders on the corporate governance of the Company for the Reporting Period.

CORPORATE GOVERNANCE CULTURE

The Company is committed to ensuring that its affairs are conducted in accordance with high ethical standards. This reflects its belief that, in the achievement of its long-term objectives, it is imperative to act with probity, transparency and accountability. By so acting, the Company believes that Shareholder wealth will be maximised in the long term and that its employees, those with whom it does business and the communities in which it operates will all benefit.

Corporate governance is the process by which the Board instructs management of the Group to conduct its affairs with a view to ensuring that its objectives are met. The Board is committed to maintaining and developing robust corporate governance practices that are intended to ensure:

- satisfactory and sustainable returns to Shareholders;
- that the interests of those who deal with the Company are safeguarded;
- that overall business risk is understood and managed appropriately;
- the delivery of high-quality products and services to the satisfaction of customers; and
- that high standards of ethics are maintained.

CORPORATE GOVERNANCE PRACTICES

The Board is committed to achieving high corporate governance standards. The Board believes that high corporate governance standards are essential in providing a framework for the Company to safeguard the interests of Shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company has adopted the principles and code provisions of the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 of the Listing Rules as the basis of the Company's corporate governance practices throughout the Reporting Period.

In the opinion of the Directors, save for the deviation from the code provision C.2.1 disclosed in the subsection headed "Chairman and Chief Executive Officer" below, the Company has complied with all applicable code provisions set out in the CG Code throughout the Reporting Period.

CORPORATE GOVERNANCE REPORT

DIRECTORS' AND EMPLOYEES' SECURITIES TRANSACTIONS

The Company has adopted its own securities dealing code regarding the code of conduct of Directors and employees (who are likely to be in possession of inside information of the Company) on dealings in the Company's securities (the "**Securities Handling Policy**") on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules.

Specific enquiry has been made of all the Directors and the Directors have confirmed that they have complied with the Securities Handling Policy throughout the Reporting Period.

BOARD OF DIRECTORS

The Company is headed by an effective Board which oversees the Group's businesses, strategic decisions and performance and takes decisions objectively in the best interests of the Company.

The Board should regularly review the contribution required from a Director to perform his/her responsibilities to the Company, and whether the Director is spending sufficient time performing them. The Board includes a balanced composition of executive Directors and non-executive Directors (including independent non-executive Directors) so that there is a strong independent element on the Board, which can effectively exercise independent judgement.

BOARD COMPOSITION

The composition of the Board as at the date of this annual report is as follows:

Executive Directors
Mr. Wu Faat Chi *(Chairman and Chief Executive Officer)*
Ms. Tsui Ka Wing *(Chief Operating Officer)*

Non-Executive Director
Mr. Man Lap

Independent Non-Executive Directors
Dr. Qian Sam Zhongshan
Mr. Ho Yun Tat
Dr. Leung Shek Ling Olivia

The biographical information of the Directors is set out in the section headed "Profile of Directors" on pages 96 to 98 of this annual report.

Mr. Wu is the spouse of Ms. Tsui. Save as disclosed in this annual report, there is no financial, business, family or other relationships between the members of the Board.

CORPORATE GOVERNANCE REPORT

BOARD MEETINGS AND DIRECTORS' ATTENDANCE RECORDS

Regular Board meetings should be held at least four times a year involving active participation, either in person or through electronic means of communication, of a majority of Directors. During the Reporting Period, the Board held 4 Board meetings for the purposes of, among others, approving the (i) final results, and (ii) interim results of the Group for the Reporting Period.

A summary of the attendance records of the Directors at the Board meetings, the Board Committee meetings and the general meetings of the Company held during the Reporting Period is set out below:

Directors	Board	Audit Committee	Remuneration Committee	Nomination Committee	Strategy and Investment Committee	Annual General Meeting
Mr. Wu Faat Chi	4/4			1/1	1/1	1/1
Ms. Tsui Ka Wing	4/4		1/1		1/1	1/1
Mr. Man Lap	4/4	2/2			1/1	1/1
Dr. Qian Sam Zhongshan	4/4			1/1		1/1
Mr. Ho Yun Tat	4/4	2/2	1/1			1/1
Dr. Leung Shek Ling Olivia	4/4	2/2	1/1	1/1		1/1

Apart from regular Board meetings, the Chairman also held one meeting with the independent non-executive Directors without the presence of other Directors during the year.

The independent non-executive Directors and non-executive Director have attended the annual general meeting of the Company to gain and develop a balanced understanding of the view of the Shareholders.

CORPORATE GOVERNANCE REPORT

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Pursuant to code provision C.2.1 of the CG Code, companies listed on the Stock Exchange are expected to comply with, but may choose to deviate from, the requirement that the responsibilities between the chairman and the chief executive officer should be segregated and should not be performed by the same individual.

The positions of chairman and chief executive officer are held by Mr. Wu. While this will constitute a deviation from code provision C.2.1, the Board believes that this structure will not impair the balance of power and authority between the Board and the management of the Company, given that: (i) decisions to be made by the Board requires approval by at least a majority of the Directors and that the Board comprises three independent non-executive Directors out of six Directors, and the Company believes there is sufficient check and balance on the Board; (ii) Mr. Wu and the other Directors are aware of and undertake to fulfil their fiduciary duties as Directors, which require, among other things, that he/she acts for the benefit and in the best interests of the Company and will make decisions of our Group accordingly; and (iii) the balance of power and authority is ensured by the operations of the Board which comprises experienced and high calibre individuals who meet regularly to discuss issues affecting the operations of our Group.

Moreover, the overall strategic and other key business, financial and operational policies of our Group are made collectively after thorough discussion at both the Board and senior management levels.

Finally, as Mr. Wu is one of the founders of the Yoho OMO Business, the Board believes that vesting the roles of both chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership within our Group and enables more effective and efficient overall strategic planning for our Group. The Board will continue to review the effectiveness of the corporate governance structure of our Group in order to assess whether separation of the roles of chairman and chief executive officer is necessary.

CORPORATE GOVERNANCE REPORT

INDEPENDENT NON-EXECUTIVE DIRECTORS

During the Reporting Period, the Board at all times met the requirements of Rules 3.10(1), 3.10(2) and 3.10A of the Listing Rules relating to the appointment of at least three independent non-executive Directors representing at least one-third of the Board with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise.

The Company has received written annual confirmation from each of the independent non-executive Directors in respect of his independence in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules. The Company is of the view that all independent non-executive Directors are independent.

BOARD INDEPENDENCE EVALUATION

The Company has established a Board Independence Evaluation Mechanism which sets out the processes and procedures to ensure a strong independent element on the Board, which allows the Board to effectively exercise independent judgment to better safeguard Shareholders' interests.

The objectives of the evaluation are to improve Board effectiveness, maximise strengths, and identify the areas that need improvement or further development. The evaluation process also clarifies what actions the Company needs to take to maintain and improve the Board's performance, for instance, addressing individual training and development needs of each Director.

Pursuant to the Board Independence Evaluation Mechanism, the Board will conduct an annual review on its independence. The Board Independence Evaluation Report will be presented to the Board which will collectively discuss the results and the action plan for improvement, if appropriate.

During the Reporting Period, all Directors have completed the independence evaluation in the form of a questionnaire individually and supplemented by individual interviews. The Board Independence Evaluation Report was presented to the Board and the evaluation results were satisfactory.

During the Reporting Period, the Board reviewed the implementation and effectiveness of the Board Independence Evaluation Mechanism and the results were satisfactory.

CORPORATE GOVERNANCE REPORT

RE-ELECTION OF DIRECTORS

Under the Articles of Association, at each annual general meeting, one-third of the Directors for the time being, or if their number is not three or a multiple of three, the number nearest to but not less than one-third shall retire from office by rotation provided that every Director shall be subject to retirement by rotation at least once every three years. The Articles of Association also provides that all Directors appointed to fill a casual vacancy or as an addition to the Board, shall hold office only until the first annual general meeting of the Company after appointment. The retiring Directors shall be eligible for re-election.

Each of the executive Directors, Mr. Wu and Ms. Tsui, has entered into a service agreement with the Company for an initial term of three years commencing from the Listing Date and shall thereafter continue on a month to month basis, which may be terminated by not less than three months' notice in writing served by either the executive Director or the Company.

The non-executive Director, Mr. Man, has entered into a letter of appointment with the Company for a term of one year commencing from the Listing Date and entered into a letter of renewal with the Company for a term of one year commencing from 10 June 2023, which may be terminated by not less than one month's notice in writing served by either the non-executive Director or the Company. The term shall thereafter continue on a month to month basis unless otherwise agreed by the Directors and the Company.

Each of the independent non-executive Directors, Dr. Qian, and Mr. Ho, has entered into a letter of appointment with the Company for a term of one year commencing from the Listing Date and entered into a letter of renewal with the Company for a term of one year commencing from 10 June 2023 and Dr. Leung has entered into a letter of appointment with the Company for a term of one year commencing from 31 July 2023, which may be terminated by not less than one month's notice in writing served by either the independent non-executive Director or the Company. The term shall thereafter continue on a month to month basis unless otherwise agreed by the Directors and the Company.

RESPONSIBILITIES, ACCOUNTABILITIES AND CONTRIBUTIONS OF THE BOARD AND MANAGEMENT

The Board should assume responsibility for leadership and control of the Company, and is collectively responsible for directing and supervising the Company's affairs.

The Board directly, and indirectly through its committees, leads and provides direction to management by laying down strategies and overseeing their implementation, monitors the Group's operational and financial performance, and ensures that sound internal control and risk management systems are in place.

CORPORATE GOVERNANCE REPORT

All Directors, including non-executive Director and independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. The independent non-executive Directors are responsible for ensuring a high standard of regulatory reporting of the Company and providing a balance in the Board for bringing effective independent judgement on corporate actions and operations.

All Directors have full and timely access to all the information of the Company and may, upon request, seek independent professional advice in appropriate circumstances, at the Company's expenses for discharging their duties to the Company.

The Directors shall disclose to the Company details of other offices held by them.

The Board reserves for its decision all major matters relating to policy matters, strategies and budgets, internal control and risk management, material transactions (in particular those that may involve conflict of interests), financial information, appointment of directors and other significant operational matters of the Company. Responsibilities relating to implementing decisions of the Board, directing and co-ordinating the daily operation and management of the Company are delegated to the management.

The Company has arranged appropriate insurance coverage on Directors' and officers' liabilities in respect of any legal actions taken against Directors and senior management arising out of corporate activities. The insurance coverage would be reviewed on an annual basis.

CONTINUOUS PROFESSIONAL DEVELOPMENT OF DIRECTORS

The Directors shall keep abreast of regulatory developments and changes in order to effectively perform their responsibilities and to ensure that their contribution to the Board remains informed and relevant.

Every newly appointed Director has received a formal and comprehensive induction on the first occasion of his/her appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of Director's responsibilities and obligations under the Listing Rules and relevant statutory requirements.

Directors should participate in appropriate continuous professional development to develop and refresh their knowledge and skills. Internally-facilitated briefings for Directors would be arranged and reading material on relevant topics would be provided to Directors where appropriate.

All Directors are encouraged to attend relevant training courses at the Company's expenses.

During the Reporting Period, the Directors attended a training organised by the Company and conducted by the Hong Kong legal advisers of the Company for all Directors on ongoing obligations and Directors' duties and responsibilities of a publicly listed company under certain applicable Hong Kong laws and regulations, including the Listing Rules.

CORPORATE GOVERNANCE REPORT

The training records of the Directors for the Reporting Period have been provided to the Company and are summarised as follows:

Directors	Type of training attended [Note]
Executive Directors	
Mr. Wu Faat Chi	A and B
Ms. Tsui Ka Wing	A and B
Non-Executive Director	
Mr. Man Lap	A and B
Independent Non-Executive Directors	
Dr. Qian Sam Zhongshan	A and B
Mr. Ho Yun Tat	A and B
Dr. Leung Shek Ling Olivia	A and B

Notes:

A Attending training sessions, including but not limited to, briefings, seminars, conferences and workshops

B Reading relevant news alerts, newspapers, journals, magazines and relevant publications

BOARD COMMITTEES

The Board has established four committees, namely, the audit committee (the "**Audit Committee**"), the remuneration committee (the "**Remuneration Committee**"), the nomination committee (the "**Nomination Committee**") and the strategy and investment committee (the "**Strategy and Investment Committee**"), for overseeing particular aspects of the Company's affairs. All Board committees of the Company are established with specific written terms of reference which deal clearly with their authority and duties. The terms of reference of the Board committees are posted on the Company's website and the Stock Exchange's website and are available to Shareholders upon request.

The list of the chairman and members of each Board committee is set out under "Corporate Information" on page 2 of this annual report.

CORPORATE GOVERNANCE REPORT

AUDIT COMMITTEE

The Audit Committee consists of three members, namely Mr. Man (non-executive Director), Mr. Ho and Dr. Leung (independent non-executive Directors). Mr. Ho is the chairman of the Audit Committee. At least one of the committee members possesses appropriate professional qualifications or accounting or related financial management expertise as required by the Listing Rules and none of the committee members is a former partner of or has any financial interest in the Company's existing external auditors within two years before his appointment as a member of the Audit Committee.

The terms of reference of the Audit Committee are of no less exacting terms than those set out in the CG Code. The main duties of the Audit Committee are to assist the Board in reviewing the financial information and reporting process, risk management and internal control systems, effectiveness of the internal audit function, arrangements to enable employees of the Company to raise concerns about possible improprieties in financial reporting, internal control or other matters of the Company and managing the relationship with the external auditors, including but not limited to making recommendation to the Board on the appointment, reappointment and removal of external auditors, receiving and monitoring the external auditors' independence and objectivity and the effectiveness of the audit process, discussing with the auditors the nature and scope of the audit and reporting obligations, and developing and implementing policy on engaging an external auditor to provide non-audit services.

The Audit Committee held two meetings during the Reporting Period to review the interim and annual financial results and reports and significant issues on the financial reporting, operational and compliance controls, the effectiveness of the risk management and internal control systems and internal audit function, appointment of external auditors and engagement of non-audit services and relevant scope of works.

The Audit Committee also met the external auditors twice without the presence of the executive Directors.

REMUNERATION COMMITTEE

The Remuneration Committee consists of three members, namely Ms. Tsui (executive Director), Dr. Leung and Mr. Ho (independent non-executive Directors). Dr. Leung is the chairwoman of the Remuneration Committee.

The terms of reference of the Remuneration Committee are of no less exacting terms than those set out in the CG Code. The Remuneration Committee adopted the approach under code provision E.1.2(c)(ii) of the CG Code to make recommendations to the Board on the remuneration packages of the individual executive Directors and senior management. The primary functions of the Remuneration Committee include reviewing and making recommendations to the Board on the remuneration packages of individual executive Directors and senior management, the remuneration policy and structure for all Directors and senior management, reviewing matters relating to the share schemes under Chapter 17 of the Listing Rules, and establishing transparent procedures for developing such remuneration policy and structure to ensure that no Director or any of his/her associates will participate in deciding his/her own remuneration.

The Remuneration Committee held one meeting during the Reporting Period to review and make recommendation to the Board on the remuneration policy and the remuneration packages of the executive Directors.

CORPORATE GOVERNANCE REPORT

The Company's remuneration policy is to ensure that the remuneration offered to employees, including Directors and senior management, is based on skill, knowledge, responsibilities and involvement in the Company's affairs. The remuneration packages of executive Directors are also determined with reference to the Company's performance and profitability, the prevailing market conditions and the performance or contribution of each executive Director. The remuneration for the executive Directors comprises basic salary. The remuneration policy for non-executive Directors and independent non-executive Directors is to ensure that non-executive Directors and independent non-executive Directors are adequately compensated for their efforts and time dedicated to the Company's affairs, including their participation in Board committees. The remuneration for the non-executive Directors and independent non-executive Directors mainly comprises Director's fee which is determined with reference to their duties and responsibilities by the Board.

NOMINATION COMMITTEE

The Nomination Committee consists of three members, namely Mr. Wu (executive Director), Dr. Qian and Dr. Leung (independent non-executive Directors). Mr. Wu is the chairman of the Nomination Committee.

The terms of reference of the Nomination Committee are of no less exacting terms than those set out in the CG Code. The principal duties of the Nomination Committee include reviewing the Board composition, developing and formulating relevant procedures for the nomination and appointment of Directors, making recommendations to the Board on the appointment and succession planning of Directors, and assessing the independence of independent non-executive Directors.

In assessing the Board composition, the Nomination Committee would take into account various aspects as well as factors concerning Board diversity as set out in the Company's Board Diversity Policy. The Nomination Committee would discuss and agree on measurable objectives for achieving diversity on the Board, where necessary, and recommend them to the Board for adoption.

In identifying and selecting suitable candidates for directorships, the Nomination Committee would consider the candidate's relevant criteria as set out in the Director Nomination Policy that are necessary to complement the corporate strategy and achieve Board diversity, where appropriate, before making recommendation to the Board.

The Nomination Committee held one meeting during the Reporting Period to review the structure, size and composition of the Board and the independence of the independent non-executive Directors and to consider the qualifications of the retiring Directors standing for re-election at the Annual General Meeting, to review the Board Diversity Policy and Director Nomination Policy. The Nomination Committee considered an appropriate balance of diversity perspectives of the Board is maintained.

CORPORATE GOVERNANCE REPORT

STRATEGY AND INVESTMENT COMMITTEE

The Strategy and Investment Committee consists of three members, namely Mr. Wu and Ms. Tsui (executive Directors), as well as Mr. Man (non-executive Director). Mr. Man is the chairman of the Strategy and Investment Committee.

According to the terms of reference of the Strategy and Investment Committee, its principal duties include, without limitation, reviewing and evaluating investment projects for the long-term development of the Group (including mergers and acquisition, joint venture and equity investments), studying and making recommendations to the Board on major investments, financial solutions and capital investments and supervising the implementation of the investments approved by the Board.

The Strategy and Investment Committee held one meeting during the Reporting Period to discuss the investment projects for the long-term development of our Group as well as other related matters.

GENDER DIVERSITY

The Company values gender diversity across all levels of the Group. The following table sets out the gender ratio in the workforce of the Group, including the Board and senior management as at 31 March 2026:

	Female	Male
Board	33.3% (2)	66.7% (4)
Other employees	42.9% (39)	57.1% (52)
Overall workforce	42.3% (41)	57.7% (56)

The Board had targeted to achieve and had achieved at least 33.3% (2) of female Directors, and 42.9% (39) of female employees of the Group and considers that the above current gender diversity is satisfactory. The Company will implement policy to ensure gender diversity when recruiting staff to develop a pipeline of female senior management and potential successors to the Board, and continue to embrace gender diversity aimed at identifying and training our female staff who display leadership and potential, with the goal of promoting them to the senior management or the Board. The Board will continue to review the gender diversity of the Group from time to time to ensure their appropriateness.

Details on the gender ratio of staff of the Group together with relevant data can be found in the Environmental, Social and Governance Report on pages 30 to 95 of this annual report.

BOARD DIVERSITY POLICY

The Company has adopted a Board Diversity Policy which sets out the approach to achieve diversity of the Board. The Company recognises and embraces the benefits of having a diverse Board to enhance the quality of its performance.

CORPORATE GOVERNANCE REPORT

Pursuant to the Board Diversity Policy, the Nomination Committee will review annually the structure, size and composition of the Board and where appropriate, make recommendations on changes to the Board to complement the Company's corporate strategy and to ensure that the Board maintains a balanced diverse profile. In relation to reviewing and assessing the Board composition, the Nomination Committee is committed to diversity at all levels and will consider a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, qualification, skills, experience, knowledge, length of service and any other factors that the Board would consider relevant and applicable from time to time taking into account the Company's business model and specific needs.

The Board will continue to adopt measurable objectives to implement the Board Diversity Policy and review such objectives from time to time to ensure their appropriateness and ascertain the progress made towards achieving those objectives. The Nomination Committee will review the Board Diversity Policy, as appropriate, to ensure its effectiveness.

As at the date of this annual report, the Board's composition based on the measurable objectives can be summarised by the following main diversity perspectives:

	Number of Directors
By Gender	
Female	2
Male	4
By Ethnicity	
Chinese	6
By Age	
40-49	3
50 or above	3
By Length of Service	
Over 2 years	6

Our Directors also have a balanced mix of knowledge and skills and obtained degrees in various majors. We have three independent non-executive Directors with different industry backgrounds. Taking into account our existing business model and specific needs as well as the different backgrounds of our Directors, the Nomination committee and the Board are of the view that the composition of our Board satisfies the Board Diversity Policy.

The Company aims to maintain an appropriate balance of diversity perspectives that are relevant to the Company's business growth and is also committed to ensuring that recruitment and selection practices at all levels (from the Board downwards) are appropriately structured so that a diverse range of candidates are considered.

CORPORATE GOVERNANCE REPORT

DIRECTOR NOMINATION POLICY

The Board has delegated its responsibilities and authority for selection and appointment of Directors to the Nomination Committee of the Company.

The Company has adopted a Director Nomination Policy which sets out the selection criteria and process and the Board succession planning considerations in relation to nomination and appointment of Directors and aims to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the Company and the continuity of the Board and appropriate leadership at Board level.

The Director Nomination Policy sets out the following factors for assessing the suitability and the potential contribution to the Board of a proposed candidate:

- whether the individual's educational background and qualification, skills and experience are relevant to the Company's business model and specific needs;
- individual's character and reputation for integrity;
- whether the individual would be able to devote sufficient time to the Board;
- (in respect of appointment and reappointment of independent non-executive Directors) Independence of the individual with reference to the independence criteria set out in Rule 3.13 of the Listing Rules;
- how the individual would be able to contribute to the diversity of the Board with reference to the factors set out in the Board Diversity Policy of the Company from time to time in force; and
- Board succession planning considerations.

The Director Nomination Policy also sets out the procedures for the selection and appointment of new Directors and re-election of Directors at general meetings as follows:

APPOINTMENT OF NEW DIRECTOR

(i) The Nomination Committee and/or the Board may select candidates for directorship from various channels, including but not limited to internal promotion, re-designation, referral by other member of the management and external recruitment agents.

(ii) The Nomination Committee and/or the Board should, upon receipt of the proposal on appointment of new Director and the biographical information (or relevant details) of the candidate, evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship.

(iii) If the process yields one or more desirable candidates, the Nomination Committee and/or the Board should rank them by order of preference based on the needs of the Company and reference check of each candidate (where applicable).

CORPORATE GOVERNANCE REPORT

(iv) The Nomination Committee should then recommend to the Board to appoint the appropriate candidate for directorship, as applicable.

(v) For any person that is nominated by a Shareholder for election as a Director at the general meeting of the Company, the Nomination Committee and/or the Board should evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship.

Where appropriate, the Nomination Committee and/or the Board should make recommendation to Shareholders in respect of the proposed election of Director at the general meeting.

RE-ELECTION OF DIRECTOR AT GENERAL MEETING

(i) The Nomination Committee and/or the Board should review the overall contribution and service to the Company of the retiring Director and the level of participation and performance on the Board.

(ii) The Nomination Committee and/or the Board should also review and determine whether the retiring Director continues to meet the criteria as set out above.

(iii) The Nomination Committee and/or the Board should then make recommendation to Shareholders in respect of the proposed re-election of Director at the general meeting.

Where the Board proposes a resolution to elect or re-elect a candidate as Director at the general meeting, the relevant information of the candidate will be disclosed in the circular to Shareholders and/or explanatory statement accompanying the notice of the relevant general meeting in accordance with the Listing Rules and/or applicable laws and regulations.

The Nomination Committee will review the Director Nomination Policy regularly to ensure its effectiveness. The Nomination Committee will also conduct annual review on the structure, size and composition of the Board and where appropriate, make recommendations on changes to the Board to complement the Company's corporate strategy and business needs, comply with all applicable laws and regulations from time to time and maintain good corporate governance practice.

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for determining corporate governance policy of the Company and performing the functions set out in the code provision A.2.1 of the CG Code.

During the Reporting Period, the Board has reviewed the Company's corporate governance policies and practices, training and continuous professional development of Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the Model Code, and the Company's compliance with the CG Code and disclosure in this Corporate Governance Report. A Corporate Governance Policy setting out various corporate governance policies and procedures has been adopted by the Company, which applies to assist the Board and the top management to better perform their corporate governance duties to the Group and delegate the responsibilities to the Board committees.

CORPORATE GOVERNANCE REPORT

RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges its responsibility for the risk management and internal control systems and reviewing their effectiveness. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

During the Reporting Period, the Company engaged an independent internal control consulting firm to perform an overall assessment on certain of our procedures, systems and internal controls. During the course of the internal control review, the consulting firm has provided some recommendations for our Group to enhance its internal control measures.

The Board has the overall responsibility for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Company's strategic objectives, and establishing and maintaining appropriate and effective risk management and internal control systems.

The Audit Committee assists the Board in leading the management and overseeing their design, implementation and monitoring of the risk management and internal control systems.

The Company has developed and adopted various risk management procedures and guidelines with defined authority for implementation by key business processes and office functions.

The Company's risk management and internal control systems have been developed with the following principles, features and processes:

The management of our Group is responsible for designing, maintaining, implementing and monitoring of the risk management and internal control system and ensuring that our Group establish and maintain appropriate and effective systems. The management also assists the Board in the implementation of our Group's policies, procedures and controls by identifying and assessing the risks faced, and in the design, operation and monitoring of suitable internal controls to mitigate and control these risks.

Risk management process involves operation management input to the risk identification, evaluation and management of significant risks. Operation management team makes decisions regarding which risks are acceptable and how to address those that are not. The Group periodically reviews our policies and procedures, code of business conduct, the Anti-corruption Policy and the Whistleblowing Policy.

All divisions/departments conducted internal control assessment regularly to identify risks that potentially impact the business of the Group and various aspects including key operational and financial processes, regulatory compliance and information security. Self-evaluation has been conducted annually to confirm that control policies are properly complied with by each division/department.

The management, in coordination with division/department heads, assessed the likelihood of risk occurrence, provide treatment plans, and monitor the risk management progress, and reported to the Audit Committee and the Board on all findings and the effectiveness of the systems.

CORPORATE GOVERNANCE REPORT

The Company has adopted a Whistleblowing Policy to facilitate employees of our Group and other stakeholders who deal with our Group to raise, in confidence, concerns about possible improprieties in the practices and procedures, including financial reporting, internal control and other matters. It enables employees and stakeholders to report matters that may constitute (i) non-compliance to laws or regulations; (ii) malpractice, impropriety or fraud relating to internal controls, accounting, auditing and financial matter; (iii) endangerment of the health and safety of an individual; (iv) damage caused to the environment; (v) improper conduct or unethical behaviour likely to prejudice the standing of the Company; and (vi) deliberate concealment of any of the above.

The Company has developed the Information & Communication Policy which provides a general guide to the Company's Directors, senior management and relevant employees in handling confidential information, monitoring information disclosure and responding to enquiries. Control procedures have been implemented to ensure that unauthorised access and use of inside information are strictly prohibited.

The Company has engaged an external professional firm which assists the Board and the Audit Committee in their review of the adequacy and effectiveness of the risk management and internal control systems. The Company has also established its internal audit function to examine key issues in relation to the accounting practices and all material controls.

The management has confirmed to the Board and the Audit Committee on the effectiveness of the risk management and internal control systems throughout the Reporting Period.

The Board, as supported by the Audit Committee as well as the management report, has conducted its annual review of the effectiveness of the Group's risk management and internal control systems. The annual review also covered the financial reporting, internal audit function and staff qualifications, experiences and relevant resources. The Board considered that, throughout the Reporting Period, the risk management and internal control system and procedures of our Group were reasonably effective and adequate, and that no material deficiencies had been identified.

NON-COMPETITION UNDERTAKING BY THE CONTROLLING SHAREHOLDERS

Our controlling Shareholders, namely The Mearas Venture Limited ("**The Mearas Venture**"), The Wings Venture, Yo Cheers (BVI) Limited ("**Yo Cheers (BVI)**"), Mr. Wu and Ms. Tsui, have entered into a deed of non-competition in favour of the Company on 18 May 2022 (the "**Deed**"), details of which have been set out in the section headed "Relationship with Our Controlling Shareholders" in the Prospectus.

The Company has received written declarations from each controlling Shareholder in respect of his/her/its and/or his/her/its close associates' compliance with the terms of the Deed during the Reporting Period up to the date of this annual report. The independent non-executive Directors have also reviewed the compliance with the Deed and enforcement of the terms of the Deed by the controlling Shareholders, and they confirmed that the controlling Shareholders have been in compliance with the Deed throughout the Reporting Period up to the date of this annual report.

CORPORATE GOVERNANCE REPORT

DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements of the Company for the Reporting Period. The Board is responsible for presenting a balanced, clear and understandable assessment of annual and interim reports, announcements relating to disclosure of inside information and other disclosures required under the Listing Rules and other statutory and regulatory requirements. The management has provided to the Board such explanation and information as are necessary to enable the Board to carry out an informed assessment of the Company's financial statements, which are put to the Board for approval.

The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The statement of the independent auditor of the Company about their reporting responsibilities on the consolidated financial statements is set out in the Independent Auditor's Report on pages 143 to 146 in this annual report.

There is no disagreement between the Board and the Audit Committee on the selection, appointment, resignation or dismissal of external auditor.

AUDITORS' REMUNERATION

An analysis of the total remuneration to the external auditor of the Company, Deloitte Touche Tohmatsu, in respect of audit services and non-audit services for the Reporting Period is set out below:

Service Category	**Total Fees**
Audit Services	HK$1,600,000
Non-audit Services	
– Hong Kong profit tax for filing services	HK$73,500
– Review services in relation to the interim report	HK$350,000
– Others	HK$268,000
	HK$2,291,500

CORPORATE GOVERNANCE REPORT

COMPANY SECRETARY

Ms. Chan Sau Ling ("**Ms. Chan**") has been appointed as the company secretary and an authorised representative of the Company under Rule 3.05 of the Listing Rules with effect from 31 July 2023. Ms. Chan is currently a Director of Tricor Services Limited, a global professional services provider specializing in integrated business, corporate and investor services. During the Reporting Period, Ms. Chan has undertaken no less than 15 hours of relevant professional training in compliance with Rule 3.29 of the Listing Rules. The primary contact person of Ms. Chan at the Company is Mr. Wu Faat Chi, executive Director of the Company.

SHAREHOLDERS' RIGHTS

The Company engages with its Shareholders through various communication channels.

To safeguard Shareholders' interests and rights, separate resolution should be proposed for each substantially separate issue at general meetings, including the election of individual Director. All resolutions put forward at general meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and of the Stock Exchange after each general meeting.

CONVENING AN EXTRAORDINARY GENERAL MEETING

Pursuant to Article 12.3 of the Articles of Association, the Board may, whenever it thinks fit, convene an extraordinary general meeting. General meetings shall also be convened on the written requisition of any one or more members holding together, as at the date of deposit of the requisition, shares representing not less than one-tenth of the voting rights, on a one vote per share basis, of the Company which carry the right of voting at general meetings of the Company. The written requisition shall be deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office of the Company, specifying the objects of the meeting and the resolutions to be added to the meeting agenda, and signed by the requisitionist(s).

If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting to be held within a further 21 days, the requisitionist(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to them by the Company.

PUTTING FORWARD PROPOSALS AT GENERAL MEETINGS

Any Shareholder who wishes to put forward proposals at a general meeting of the Company shall submit such proposals to the Board in writing for the Board's consideration either via mail to the Company's principal place of business in Hong Kong or via email not less than 15 business days prior to the date of the general meeting. The mail address and email address are set out in the subsection headed "Contact Details" below.

CORPORATE GOVERNANCE REPORT

PUTTING FORWARD ENQUIRIES TO THE BOARD

For enquiries about shareholdings, share registration and related matters, Shareholders shall direct their enquiries to the Company's Hong Kong branch share registrar and the contact details are set out as follows:

Tricor Investor Services Limited	
Address:	17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
Email:	is-enquiries@vistra.com
Telephone:	(852) 2980 1333
Fax:	(852) 2810 8185

For any other enquiries to be brought to the attention of the Board, Shareholders shall send their written enquiries to the Company either via mail to the Company's principal office in Hong Kong or via email. The mail address and email address are set out in the subsection headed "Contact Details" below.

CONTACT DETAILS

Shareholders can send their proposals and enquiries as mentioned above to the Company as follows:

Address:	Unit 602, 6/F, Pioneer Place, 33 Hoi Yuen Road, Kwun Tong, Kowloon, Hong Kong (For the attention of the Board of Directors)
Email:	info@yohohongkong.com
Telephone:	(852) 3001 1077
Fax:	(852) 3011 3130

For the avoidance of doubt, Shareholder(s) must deposit and send the duly signed written requisition, notice or statement, or enquiry (as the case may be) to the above address and provide their full name, contact details and identification in order to give effect thereto. Shareholders' information may be disclosed as required by law.

The Company will not normally deal with verbal or anonymous enquiries.

CORPORATE GOVERNANCE REPORT

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

The Company considers that effective communication with Shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company endeavours to maintain an on-going dialogue with Shareholders and in particular, through annual general meetings and other general meetings. At the annual general meeting, Directors (or their delegates as appropriate) will be available to meet Shareholders and answer their enquiries.

The general meetings of the Company provide a forum for communication between the Board and the Shareholders. The Chairman of the Board and the chairmen of the Nomination Committee, the Remuneration Committee, the Audit Committee and the Strategy and Investment Committee (or their delegates) will make themselves available at the annual general meetings to meet Shareholders and answer their enquiries. The annual general meeting of the Company for the Reporting Period (the "**AGM**") will be held on Wednesday, 26 August 2026 and the notice of AGM will be sent to Shareholders of the Company at least 21 days before the AGM.

To promote effective communication, the Company maintains a website at www.yohohongkong.com where up-to-date information and updates on the Company's financial information, corporate governance practices and other information are posted.

SHAREHOLDERS' COMMUNICATION POLICY

The Company has in place a Shareholders' Communication Policy to ensure that Shareholders' views and concerns are appropriately addressed. The policy is regularly reviewed to ensure its effectiveness. The Board reviewed the implementation and effectiveness of the Shareholders' Communication Policy and the results were satisfactory.

The Company has established a number of channels for maintaining an on-going dialogue with its Shareholders as follows:

(a) Corporate Communication

The Company has adopted and issued a new arrangement for Corporate Communications, which took effect on 28 March 2024. Pursuant to the amended Rule 2.07A of the Listing Rules and the Company's Articles of Association, the Company will disseminate its Corporate Communications to Shareholders electronically and only send Corporate Communications in printed form to Shareholders upon request. "Corporate Communication" as defined under the Listing Rules refers to any document issued or to be issued by the Company for the information or action of holders of any of its securities, including but not limited to the following documents of the Company: (a) the Directors' report, annual accounts together with a copy of the auditor's report and, where applicable, its summary financial report; (b) the interim report and, where applicable, its summary interim report; (c) a notice of meeting; (d) a listing document; (e) a circular; and (f) a proxy form. The Corporate Communication of the Company will be published on the Stock Exchange's website (www.hkex.com.hk) and the Company's website (www.yohohongkong.com) in a timely manner as required by the Listing Rules. Details of the arrangements (i) for dissemination of Corporate Communications and (ii) for requesting printed copy of Corporate Communications and Actionable Corporate Communications are published under sub-section titled "Promotion Offers (Corporate News)" in the Company's website (www.yohohongkong.com).

CORPORATE GOVERNANCE REPORT

(b) Announcements and Other Documents pursuant to the Listing Rules

The Company shall publish announcements (on inside information, corporate actions and transactions etc.) and other documents (e.g. Memorandum and Articles of Association) on the Stock Exchange's website and the Company's website in a timely manner in accordance with the Listing Rules.

(c) Corporate Website

Any information or documents of the Company posted on the Stock Exchange's website will also be published on the Company's website.

(d) Shareholders' Meetings

The AGM and other general meetings of the Company are primary forum for communication between the Company and its Shareholders. The Company shall provide Shareholders with relevant information on the resolutions(s) proposed at a general meeting in a timely manner in accordance with the Listing Rules. The information provided shall be reasonably necessary to enable Shareholders to make an informed decision on the proposed resolution(s). Shareholders are encouraged to participate in general meetings or to appoint proxies to attend and vote at the meetings for and on their behalf if they are unable to attend the meetings. Where appropriate or required, the Chairman of the Board and other Board members, the chairmen of board committees or their delegates, and the external auditors should attend general meetings of the Company to answer Shareholders' questions (if any). The chairman of the independent board committee (if any) should also be available to answer questions at any general meeting to approve a connected transaction or any other transaction that is subject to independent Shareholders' approval.

(e) Shareholders Enquiries

Enquiries about Corporate Governance or Other Matters to be put to the Board and the Company

The Company will not normally deal with verbal or anonymous enquiries. Shareholders may send any enquiries to the Board by email: info@yohohongkong.com or by post to Unit 602, 6/F, Pioneer Place, 33 Hoi Yuen Road, Kwun Tong, Kowloon, Hong Kong (For the attention of the Board of Directors).

(f) Other Investor Relations Communication Platforms

Investor/analysts briefings, roadshows (both domestic and international), media interviews, marketing activities for investors and specialist industry forums etc. will be launched on a required basis.

CORPORATE GOVERNANCE REPORT

CHANGE IN CONSTITUTIONAL DOCUMENTS

The Company has adopted an amended and restated Memorandum and Articles of Association by a special resolution passed on 29 August 2025 and which became effective on 29 August 2025. An up-to-date version of the Company's Memorandum and Articles of Association is also available on the Company's website and the Stock Exchange's website. Save as disclosed above, there was no change in the constitutional documents of the Company during the Reporting Period and up to the date of this annual report.

DIVIDEND POLICY

The Company has adopted a Dividend Policy on payment of dividends. Depending on the financial conditions of the Company and the Group and the conditions and factors as set out in the Dividend Policy, dividends may be proposed and/or declared by the Board during a financial year and any final dividend for a financial year will be subject to the Shareholders' approval.

The Board shall review the Dividend Policy as and when necessary.

Declaration and payment of any dividends would require the recommendation of our Board and will be at their discretion. In addition, any final dividend for a financial year will be subject to the Shareholders' approval, but no dividend shall be declared in excess of the amount recommended by the Board. A decision to declare or to pay any dividend in the future, and the amount of any dividend, depend on a number of factors, including the actual and expected results of operations, financial condition, the payment of cash dividends by our subsidiaries to us, general business conditions and business strategies, expected working capital requirements and future expansion plans, legal, regulatory and other contractual restrictions of the Company, and other factors which our Board deems to be relevant. There is no assurance that our Company will be able to declare or distribute any dividend in the amount set out in any plan of our Board or at all. The dividend distribution record in the past may not be used as a reference or basis to determine the level of dividends that may be declared or paid by our Company in the future.

During the Reporting Period, all dividend decisions made by the Board were made in accordance with the Dividend Policy. The levels of dividends (both interim and final) declared during the year remain the same as those for the previous corresponding periods.

REPORT OF THE DIRECTORS

The Board is pleased to present their annual report together with the audited consolidated financial statements for the Reporting Period.

REGISTERED OFFICE

The Company is a company incorporated registered as an exempted company with limited liability in the Cayman Islands under the Companies Law Chapter 22 of the Cayman Islands and has its registered office at PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

PRINCIPAL ACTIVITIES

The principal activities of our Group are (i) provision of both online and offline e-commerce retail services and (ii) offline wholesale and trading of consumer electronics and home appliances. The principal activities of its major subsidiaries are detailed in note 33 to the consolidated financial statements.

BUSINESS REVIEW

The business review of our Group for the Period is set out in the sections headed "Chairman's Statement" and "Management Discussion and Analysis" from pages 5 to 7 and pages 13 to 29 of this annual report, respectively. Description of the principal risks and uncertainties that our Group faces is set out in the section headed "Principal Risks and Uncertainties" on page 25 of this annual report.

RELATIONSHIPS WITH STAKEHOLDERS

Our Group understands that it is important to maintain a good relationship with its business partners, customers, suppliers and merchants to achieve its long-term goals. Accordingly, our management maintains a solid communication channel and shares business updates with them when appropriate. This communication provides valuable feedback for our business and assists us to understand stakeholders' needs and assess the best way to leverage our resources and expertise to contribute to future business and community development.

An account of the Company's relationships with its talents is set out in the sections headed "Management Discussion and Analysis" from pages 13 to 29 and "Environmental, Social and Governance Report" from pages 30 to 95 of this annual report.

REPORT OF THE DIRECTORS

COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS

As far as the Board and management are aware, our Group has complied in all material aspects with the relevant laws and regulations that have a significant impact on the business and operation of the Group. During the Reporting Period, there was no material breach of, or non-compliance with, applicable laws and regulations by our Group.

CHANGES TO DIRECTORS' INFORMATION

During the Reporting Period and up to the date of this annual report, save as disclosed in this annual report, there had been no change to the information of the Directors which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

DIRECTORS' EMOLUMENT

Details of the emoluments of the Directors and five highest paid individuals for the Reporting Period are set out in note 11 to the consolidated financial statements in this annual report.

ENVIRONMENTAL AND SOCIAL SUSTAINABILITY

Our Group recognises its corporate responsibility to promote environmental and social sustainability and has therefore taken up various initiatives with a view to reducing energy consumption, food and paper waste. Through the initiatives taken to control electricity consumption by using energy-efficient retrofits and air-conditioning and lighting control measures in workplaces, we have seen continued improvement in reducing the use of electricity.

Going forward, our Group will review its environmental practices from time to time and will consider implementing further eco-friendly measures and practices in our Group's daily operation of our Group's business and also continue to promote environmental practices and social sustainability through various initiatives consistent with its policies and relevant laws and regulations.

In addition, discussion on our Group's environmental policies and performance are contained in the section headed "Environmental, Social and Governance Report" on pages 30 to 95 of this annual report.

REPORT OF THE DIRECTORS

CONSOLIDATED FINANCIAL STATEMENTS

The financial performance of our Group for the Reporting Period and the financial position of our Group as at that date are set out in the consolidated financial statements from pages 147 to 199 of this annual report.

ANALYSIS ON FINANCIAL PERFORMANCE

An analysis of the Group's performance during the Reporting Period is set out in the sections headed "Financial Highlights", "Operational Highlights" and "Management Discussion and Analysis" on page 4, page 3 and from pages 13 to 29 of this annual report, respectively.

DIVIDENDS

The Board has recommended the declaration of a final dividend of HK$0.015 per Share for FY25/26 (FY24/25: HK$0.015) representing a total amount of approximately HK$7,261,000 (2025: HK$7,392,000), subject to the approval of shareholders of the Company at the forthcoming annual general meeting to be held on Wednesday, 26 August 2026. The proposed final dividend will be paid to the Shareholders on or about Thursday, 24 September 2026 whose names appear on the Company's register of members on Wednesday, 9 September 2026.

REPORT OF THE DIRECTORS

CLOSURE OF REGISTER OF MEMBERS

For the purposes of determining the eligibility of the Shareholders to attend and vote at the 2026 AGM, and the eligible Shareholders' entitlement to the proposed final dividend, the Register of Members will be closed as appropriate as set out below:

(i) For determining the Shareholders' eligibility to attend and vote at the 2026 AGM:

Latest time to lodge transfer documents for registration with the Company's branch share registrar and transfer office in Hong Kong	At 4:30 p.m. on Wednesday, 19 August 2026
Closure of the Register of Members	Thursday, 20 August 2026 to Wednesday, 26 August 2026 (both days inclusive)
Record Date	Wednesday, 26 August 2026

(ii) Subject to the passing of the final dividend proposal agenda at the 2026 AGM, for determining the eligible Shareholders' entitlement to the proposed final dividend:

Latest time to lodge transfer documents for registration with the Company's branch share registrar and transfer office in Hong Kong	At 4:30 p.m. on Wednesday, 2 September 2026
Closure of the Register of Members	Thursday, 3 September 2026 to Wednesday, 9 September 2026 (both days inclusive)
Record Date	Wednesday, 9 September 2026

For purposes mentioned above, all properly completed transfer form(s) accompanied by the relevant share certificate(s) must be lodged for registration with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than the aforementioned latest time.

REPORT OF THE DIRECTORS

SHARE CAPITAL

Details of the movements in share capital of the Company during the Reporting Period are set out in note 25 to the consolidated financial statements.

EQUITY-LINKED AGREEMENTS

Save as disclosed under the section headed “Share Option Scheme” as set out on pages 132 to 139 of this annual report, no equity-linked agreement was entered into by our Group during the Reporting Period or subsisted at the end of the Reporting Period.

DISTRIBUTABLE RESERVES

Distributable reserves of the Company as at 31 March 2026, calculated in accordance with the provision of Part 6 of Companies Ordinances (Cap. 622 of the laws of Hong Kong), amounted to approximately HK$46.2 million (2025: approximately HK$44.2 million).

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year ended 31 March 2026 are set out in note 14 to the consolidated financial statements.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

The Group has repurchased 9,368,000 shares on the Share Exchange, amounted to HK$6,441,000, during the Reporting Period. The Directors believe that the repurchase of shares boosted market confidence and was in the best interests of the Company and its Shareholders as a whole.

As of 31 March 2026, 6,514,000 repurchased shares have been canceled as at 22 August 2025, while 8,736,000 repurchased shares have been held as treasury shares, which are intended to be used in accordance with the applicable rules and regulations, including but not limited to sale for cash, transfer, cancellation, and for the Company’s Share Option Scheme. Further details regarding of repurchase of shares of the Company are set out in note 25 to the consolidated financial statements in this annual report.

Save as disclosed in this annual report, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities during the Reporting Period.

BORROWINGS

The Group had no outstanding borrowings as at 31 March 2026.

REPORT OF THE DIRECTORS

LOAN AND GUARANTEE

During the year ended 31 March 2026, the Group had not made any loan or provided any guarantee for loan, directly or indirectly, to the Directors, senior management of the Company, the controlling Shareholders or their respective connected persons.

NO CHARGE ON ASSETS

Save as disclosed in this report, there has not been any other charges on the assets of the Group during the Reporting Period.

SUFFICIENCY OF PUBLIC FLOAT

As at the date of this annual report and based on the information publicly available to the Company and to the best knowledge of the Directors, the Company has maintained the minimum public float of 25% as required under the Listing Rules.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles of Association or the laws of the Cayman Islands that would oblige the Company to offer new Shares on a pro rata basis to existing Shareholders.

TAX RELIEF AND EXEMPTION

The Directors are not aware of any tax relief or exemption available to the Shareholders by reason of their holding of the Company's securities.

DIRECTORS

The Directors during the Reporting Period and up to the date of this annual report were:

EXECUTIVE DIRECTORS

Mr. Wu Faat Chi *(Chairman and Chief Executive Officer)*
Ms. Tsui Ka Wing *(Chief Operating Officer)*

NON-EXECUTIVE DIRECTOR

Mr. Man Lap

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. Qian Sam Zhongshan
Mr. Ho Yun Tat
Dr. Leung Shek Ling Olivia

REPORT OF THE DIRECTORS

In accordance with Article 16.19 of the Articles of Association, Ms. Tsui Ka Wing and Mr. Man Lap will retire from office by rotation at the forthcoming annual general meeting of the Company and, being eligible, have offered themselves for re-election.

DIRECTORS' SERVICE CONTRACTS AND LETTERS OF APPOINTMENT

Each of the executive Directors has entered into a service agreement with the Company for an initial term of three years commencing from the Listing Date, which may be terminated by not less than three months' notice in writing served by either the executive Director or the Company. Each of Mr. Man Lap, Dr. Qian Sam Zhongshan and Mr. Ho Yun Tat has entered into a letter of appointment with the Company for a term of one year commencing from the Listing Date and entered into a letter of renewal with the Company for a term of one year commencing from 10 June 2023, which may be terminated by not less than one month's notice in writing served by either party on the other. The term shall thereafter continue on a month to month basis unless otherwise agreed by the Director and the Company. Dr. Leung Shek Ling Olivia has entered into a letter of appointment with the Company for a term of one year commencing from 31 July 2023, which may be terminated by not less than one month's notice in writing served by either party on the other. The term shall thereafter continue on a month to month basis unless otherwise agreed by Dr. Leung and the Company.

Save as disclosed above, none of the Directors has a service contract with the Company or any of its subsidiaries which is not determinable by the employing company within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed under note 26 to the consolidated financial statements, no transaction, arrangement nor contract of significance in relation to our Group's business to which the Company or any of its subsidiaries was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the Reporting Period or at any time during the Reporting Period.

CONTRACTS WITH CONTROLLING SHAREHOLDERS

No contract of significance was entered into between the Company or any of its subsidiaries and the controlling Shareholders of the Company or any of its subsidiaries during the Reporting Period or subsisted at the end of the Reporting Period and up to the date of this annual report, and no contract of significance for the provision of services to the Company or any of its subsidiaries by a controlling Shareholder of the Company or any of its subsidiaries was entered into during the Reporting Period or subsisted at the end of the Reporting Period and up to the date of this annual report.

BIOGRAPHICAL DETAILS OF DIRECTORS

Brief biographical details of the Directors are set out on pages 96 to 98 of this annual report.

REPORT OF THE DIRECTORS

PERMITTED INDEMNITY PROVISION

The Articles of Association provides that every Director may be indemnified out of the assets of the Company against all losses or liabilities incurred or sustained by him/her as a director in defending any proceedings whether civil or criminal, in which judgment is given in his favour, or in which he is acquitted. The Company had arranged appropriate directors' liability insurance coverage for the Directors as at the date of this annual report.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 March 2026, the interests and short positions of the Directors and chief executives of the Company in the Shares, underlying Shares and debentures of the Company and/or any of its associated corporations (within the meaning of Part XV of the SFO) which had been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interests or short positions which they were taken or deemed to have under such provisions of the SFO); or as recorded in the register required to be kept under Section 352 of the SFO; or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

Name of Director/chief executive of the Company	Nature of interest	Number of Shares	Approximate percentage of shareholding[Note 7]
Mr. Wu[Notes 1,3]	Interest in a controlled corporation	168,003,522 (Long position)	34.09%
	Interest of spouse	145,938,186 (Long position)	29.61%
	Beneficial interest	8,014,000 (Long position)	1.63%
Ms. Tsui[Notes 2,3]	Interest in a controlled corporation	140,938,186 (Long position)	28.60%
	Interest of spouse	176,017,522 (Long position)	35.72%
	Beneficial interest	5,000,000 (Long position)	1.01%

REPORT OF THE DIRECTORS

Name of Director/chief executive of the Company	Nature of interest	Number of Shares	Approximate percentage of shareholding(Note 7)
Mr. Man(Note 4)	Beneficial Interest	4,454,160 (Long position)	0.90%
Mr. Ho Yun Tat(Note 5)	Beneficial interest	560,000 (Long position)	0.11%
Dr. Qian Sam Zhongshan(Note 5)	Beneficial interest	560,000 (Long position)	0.11%
Dr. Leung Shek Ling Olivia(Note 5)	Beneficial interest	448,000 (Long position)	0.09%

Notes:

1. The Mearas Venture Limited (the "**Mearas Venture**"), which is wholly-owned by Mr. Wu, is interested in 168,003,522 Shares. Under the SFO, Mr. Wu is deemed to be interested in the 168,003,522 Shares held by the Mearas Venture. Mr. Wu is also beneficially interested in 8,014,000 Shares (including the 5,000,000 share options granted to Mr. Wu by the Company on 21 July 2023).

2. The Wings Venture Limited (the "**Wings Venture**"), which is wholly-owned by Ms. Tsui, is interested in 140,938,186 Shares. Under the SFO, Ms. Tsui is deemed to be interested in the 140,938,186 Shares held by the Wings Venture. Ms. Tsui is also beneficially interested in 5,000,000 Shares (representing the share options granted to Mr. Tsui by the Company on 21 July 2023).

3. Mr. Wu is the spouse of Ms. Tsui, and therefore Mr. Wu is deemed to be interested in 145,938,186 Shares held by Ms. Tsui, representing the aggregate of Ms. Tsui' interests via the Wings Venture (i.e. 140,938,186 Shares) and her personal beneficial interests (i.e. 5,000,000 Shares) in the Company.

   Similarly, Ms. Tsui is deemed to be interested in 176,017,522 Shares held by Mr. Wu, representing the aggregate of Mr. Wu's interests via the Mearas Venture (i.e. 168,003,522 Shares) and his personal beneficial interests (i.e. 8,014,000 Shares) in the Company. As a result, each of Mr. Wu and Ms. Tsui is deemed to be interested in a total of 321,955,708 Shares, representing approximately 65.33% interest of the total issued share capital of our Company as at 31 March 2026.

REPORT OF THE DIRECTORS

4. In addition to his direct interests in our Company, Mr. Man is indirectly interested in the issued share capital of our Company via Beyond Ventures Vehicle, which is interested in 35,676,935 Shares. 3 Musketeers Limited, which is owned by Mr. Man and his spouse, Ms. Ma Siu Yan Sandra, as to 50% and 50%, respectively, is (i) one of the shareholders of Beyond I Capital Limited (being the general partner of Beyond Ventures) as to approximately 14.3%, (ii) one of the limited partners and strategic partners of Beyond Ventures which directly owned a total of approximately 8.34% partnership interest (comprising approximately 3.69% partnership interest as limited partner and approximately 4.65% partnership interest as strategic partner, among which approximately 2.18% strategic partnership interest was in respect of our Group and approximately 2.47% strategic partnership interest was in respect of other investment projects invested by Beyond Ventures), and (iii) one of the shareholders of Beyond I Special Capital Limited (being a limited partner of Beyond Ventures which owned approximately 5.35% of limited partnership interest of Beyond Ventures) as to 14.29%. For further details, please see the section headed "History, Reorganisation and Corporate Structure – Pre-IPO Investment – Public Float" in the Prospectus. Mr. Man's beneficial interests include 560,000 share options granted under the Share Option Scheme.

5. These personal interests represented the share options granted to the respective directors under the Share Option Scheme.

6. For details of the share options granted to the Directors, please refer to the section headed "Other information – Share Option Scheme" of this report.

7. The total number of 492,824,000 shares of the Company in issue (including the treasury shares) as at 31 March 2026 was used for the calculation of the approximate percentage of shareholding.

Save as disclosed above, as at 31 March 2026, none of the Directors or chief executives of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which had been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interests or short positions which they were taken or deemed to have under such provisions of the SFO); or as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

REPORT OF THE DIRECTORS

INTERESTS AND SHORT POSITIONS OF THE SUBSTANTIAL SHAREHOLDERS IN SHARES AND UNDERLYING SHARES

To the best knowledge and information of the Directors after having made all reasonable enquiries, as at 31 March 2026, the following persons (other than the Directors and chief executives of the Company) had interests in 5% or more of the Shares and underlying Shares as recorded in the register required to be kept by the Company under Section 336 of the SFO or which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO:

Name of substantial Shareholder	Nature of interest	Number of Shares	Approximate percentage of shareholding*(Note 2)*
The Mearas Venture	Beneficial Interest	168,003,522 (Long position)	34.09%
The Wings Venture	Beneficial Interest	140,938,186 (Long position)	28.60%
Beyond Ventures Vehicle*(Note 1)*	Beneficial Interest	35,676,935 (Long position)	7.24%
Beyond Ventures I Fund L.P. ("**Beyond Ventures**")*(Note 1)*	Interest in controlled corporation	35,676,935 (Long position)	7.24%
Beyond I Capital Limited*(Note 1)*	Interest in controlled corporation	35,676,935 (Long position)	7.24%

Note:

1. Beyond Ventures Vehicle is wholly-owned by Beyond Ventures, which is an exempted limited partnership registered in the Cayman Islands with (i) Beyond I Capital Limited as its general partner, which is in turn owned by Expand Ocean Limited as to approximately 28.6%, Mr. Fang Yan Zau Alexander as to approximately 28.6%, 3 Musketeers Limited as to approximately 14.3%, Billion Eggs Limited as to approximately 14.2% and Decent Global Limited as to approximately 14.3%, and (ii) various high net worth individuals and institutional and corporate investors as its limited partners and strategic partners. No limited partner or strategic partner has contributed more than one third of the capital to Beyond Ventures. Under the SFO, Beyond Ventures (as the sole shareholder of Beyond Ventures Vehicle) and Beyond I Capital Limited (as the general partner of Beyond Ventures) are deemed to be interested in the 35,676,935 Shares held by Beyond Ventures Vehicle.

2. The total number of 492,824,000 shares of the Company in issue (including the treasury shares) as at 31 March 2026 was used for the calculation of the approximate percentage of shareholding.

Save as disclosed above, as at 31 March 2026, the Directors and chief executives of the Company were not aware of any other persons (other than the Directors and chief executives of the Company) who had any interests or short positions in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which would be recorded in the register required to be kept under Section 336 of the SFO, and/or who are directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

REPORT OF THE DIRECTORS

SHARE OPTION SCHEME

On 20 May 2022, the Company conditionally adopted the Share Option Scheme, the principal terms of which are set out below:

(A) PURPOSE

The purpose of the Share Option Scheme is to enable our Group to (1) recognise and acknowledge the contributions that eligible participants have (or may have) made or may make to our Group (whether directly or indirectly); (2) attract and retain and appropriately remunerate the best possible quality of employees and other eligible participants; (3) motivate the eligible participants to optimise their performance and efficiency for the benefit of our Group; (4) enhance its business, employee and other relations; and/or (5) retain maximum flexibility as to the range and nature of rewards and incentives which our Group can offer to eligible participants.

(B) ELIGIBLE PARTICIPANTS

Eligible participants mean (1) any employee or officer employed by any member of our Group or an affiliate (whether full time or part time) and any of his/her close associates; (2) any director or proposed director of any member of our Group or any company which is an affiliate and their respective close associates; and (3) any consultant, professional, customer, supplier, agent, franchisee, partner, advisor or contractor of any member of our Group or any of the affiliates and their respective close associates, who the Board in its absolute discretion determines to be qualified to be (or, where applicable, to continue to be qualified to be) an eligible participant.

(C) TOTAL NUMBER OF SHARES AVAILABLE FOR ISSUE UNDER THE SHARE OPTION SCHEME

The maximum number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and other schemes shall not, in aggregate, exceed 10% of the Shares in issue as at the Listing Date (i.e. 50,000,000 Shares) (the "**Scheme Mandate Limit**") and representing approximately 10% of the total issued shares of the Company as at the date of this annual report. Options lapsed in accordance with the terms of the Share Option Scheme will not be counted for the purpose of calculating the Scheme Mandate Limit.

The Scheme Mandate Limit may be refreshed if so approved by our Shareholders at general meeting from time to time provided always that the Scheme Mandate Limit so refreshed must not exceed 10% of the Shares in issue as at the date of approval of such renewal by our Shareholders at general meeting. The maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and other schemes must not, in aggregate, exceed 30% of the Shares in issue from time to time.

As of 1 April 2025, the number of options available for grant under the Share Option Scheme was 27,288,000. After the lapse of options of an aggregate of 1,008,000 during the Reporting Period, the number of options available for grant as of 31 March 2026 was 28,296,000. No option was exercised during the Reporting Period and up to the date of this annual report and there was 21,704,000 outstanding option as at 31 March 2026.

REPORT OF THE DIRECTORS

(D) MAXIMUM ENTITLEMENT OF EACH PARTICIPANT

The total number of Shares issued and to be issued upon exercise of options already granted or to be granted to any grantee (including exercised, cancelled and outstanding options) under the Share Option Scheme, in any 12-month period up to and including the date of such grant shall not exceed 1% of the Shares in issue.

(E) PERIOD WITHIN WHICH THE SHARES MUST BE TAKEN UP UNDER AN OPTION

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as the Board may determine which shall not exceed ten years from the commencement date subject to the provisions of early termination thereof.

(F) MINIMUM PERIOD FOR WHICH AN OPTION MUST BE HELD BEFORE IT CAN BE EXERCISED

The Board may in its absolute discretion and in accordance with the Listing Rules set a minimum period for which an option must be held and performance targets that must be achieved before an option can be exercised.

(G) TIME OF ACCEPTANCE AND THE AMOUNT PAYABLE ON ACCEPTANCE OF THE OPTION

An offer shall be deemed to have been accepted when the Company receives a duplicate offer letter duly signed from the grantee together with a remittance of HK$1.00 (or such other nominal sum in any currency as the Board may determine) in favour of the Company as consideration for the grant thereof.

(H) BASIS OF DETERMINING THE EXERCISE PRICE

The exercise price in respect of any particular option shall be a price determined by the Board and stated in the offer letter, and shall not be less than the highest of: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of the offer, which must be a business day; (ii) the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of the offer; and (iii) the nominal value of a Share prevailing on the date of the offer.

(I) LIFE OF THE SHARE OPTION SCHEME

The Share Option Scheme became unconditional on the Listing Date and shall be valid and effective for a period of ten years commencing therefrom, subject to the early termination provisions contained in the Share Option Scheme. All options granted and accepted and remaining unexercised immediately prior to the expiry of the Share Option Scheme shall continue to be valid and exercisable in accordance with the terms of the Share Option Scheme.

REPORT OF THE DIRECTORS

On 21 July 2023, the Company granted share options under the Share Option Scheme under which the option holders are entitled to acquire an aggregate of 12,800,000 shares of the Company. Pursuant to the terms of the Share Option Scheme, the options granted are not subject to performance targets nor clawback mechanism. Among the total 12,800,000 share options, 12,800,000 share options are subject to shareholders' approval. For details, please see the Company's announcement dated 21 July 2023 and circular dated 9 August 2023.

On 22 September 2023, the Company granted share options under the Share Option Scheme under which the option holders are entitled to acquire an aggregate of 14,504,000 shares of the Company. Pursuant to the terms of the Share Option Scheme, the options granted are not subject to performance targets nor clawback mechanism. For details, please see the Company's announcement dated 22 September 2023.

The remuneration committee of the Board (the "**Remuneration Committee**") considered that the performance targets are not necessary for the options previously granted as (i) the value of the options is subject to the future market price of the shares of the Company, which, in turn, depends on the business performance of the Group, to which the grantees would directly contribute, and the grantees will benefit more from the options if the share price increases; and (ii) the options are subject to the vesting periods as stated below and may lapse where the grantee ceases to qualify as an eligible participant under the Share Option Scheme, and that such mechanisms would motivate the grantees to be retained for continued contribution to the Group's development.

In addition, the Remuneration Committee considered that a clawback mechanism is not necessary for the options previously granted, having considered that the lapse and cancellation of options under various scenarios has already been provided for under the Share Option Scheme, which could adequately safeguard the Company's interests. The Remuneration Committee believed that, even without additional performance target and clawback mechanism, the grant of the options could align the interests of the grantees with that of the Company and its Shareholders as a whole (in particular, it would serve to incentivise and reinforce the long-term commitment and devotion of the grantees towards the future development, results of operation and growth of the Group) which is in line with the purpose of the Share Option Scheme.

No share options were granted nor exercised pursuant to the Share Option Scheme during the Reporting Period.

Save as disclosed above, there were no other material matters relating to the Share Option Scheme that were required to be reviewed for approval by the Remuneration Committee during the Reporting Period in accordance with Rule 17.07A of the Listing Rules.

REPORT OF THE DIRECTORS

The following table discloses movements in the share options under the Share Option Scheme of the Company during the Reporting Period.

Type of grantees/ Name of grantee	Date of grant of the options	Number of outstanding options as at beginning of Reporting Period (i.e. 1 April 2025)	Number of options granted during the Reporting Period	Closing price of the securities immediately before the date on which the options were granted (HK$)	Value of the options granted[(5)] (HK$)	Number of options exercised during the Reporting Period	Number of options expired/ lapsed/ cancelled during the Reporting Period[(6)]	Number of outstanding options as at end of Reporting Period (i.e. 31 March 2026)	Vesting period of the options	Exercise period of the options	Exercise price of the options per Share (HK$)
Mr. Wu Faat Chi (Chairman, Chief Executive Officer, Executive Director and Substantial Shareholder of the Company)	31 August 2023	1,000,000	–	0.77	180,830	–	–	1,000,000	21 July 2023 to 21 July 2027	21 July 2024 to 20 July 2033	2.00
	31 August 2023	1,000,000	–	0.77	180,830	–	–	1,000,000	21 July 2023 to 21 July 2027	21 July 2024 to 20 July 2033	2.50
	31 August 2023	1,000,000	–	0.77	180,830	–	–	1,000,000	21 July 2023 to 21 July 2027	21 July 2024 to 20 July 2033	3.00
	31 August 2023	1,000,000	–	0.77	180,830	–	–	1,000,000	21 July 2023 to 21 July 2027	21 July 2024 to 20 July 2033	3.50
	31 August 2023	1,000,000	–	0.77	180,830	–	–	1,000,000	21 July 2023 to 21 July 2027	21 July 2024 to 20 July 2033	4.00
Ms. Tsui Ka Wing (Executive Director, Chief Operating Officer and Substantial Shareholder of the Company)	31 August 2023	1,000,000	–	0.77	180,830	–	–	1,000,000	21 July 2023 to 21 July 2027	21 July 2024 to 20 July 2033	2.00
	31 August 2023	1,000,000	–	0.77	180,830	–	–	1,000,000	21 July 2023 to 21 July 2027	21 July 2024 to 20 July 2033	2.50
	31 August 2023	1,000,000	–	0.77	180,830	–	–	1,000,000	21 July 2023 to 21 July 2027	21 July 2024 to 20 July 2033	3.00
	31 August 2023	1,000,000	–	0.77	180,830	–	–	1,000,000	21 July 2023 to 21 July 2027	21 July 2024 to 20 July 2033	3.50
	31 August 2023	1,000,000	–	0.77	180,830	–	–	1,000,000	21 July 2023 to 21 July 2027	21 July 2024 to 20 July 2033	4.00
Mr. Man Lap (Non-executive Director of the Company)	31 August 2023	80,000	–	0.77	11,154	–	–	80,000	21 July 2023 to 21 July 2027	21 July 2024 to 20 July 2033	1.00
	31 August 2023	80,000	–	0.77	11,154	–	–	80,000	21 July 2023 to 21 July 2027	21 July 2024 to 20 July 2033	1.50
	31 August 2023	80,000	–	0.77	11,154	–	–	80,000	21 July 2023 to 21 July 2027	21 July 2024 to 20 July 2033	2.00
	31 August 2023	80,000	–	0.77	11,154	–	–	80,000	21 July 2023 to 21 July 2027	21 July 2024 to 20 July 2033	2.50
	31 August 2023	80,000	–	0.77	11,154	–	–	80,000	21 July 2023 to 21 July 2027	21 July 2024 to 20 July 2033	3.00
	31 August 2023	80,000	–	0.77	11,154	–	–	80,000	21 July 2023 to 21 July 2027	21 July 2024 to 20 July 2033	3.50
	31 August 2023	80,000	–	0.77	11,154	–	–	80,000	21 July 2023 to 21 July 2027	21 July 2024 to 20 July 2033	4.00

REPORT OF THE DIRECTORS

Type of grantees/ Name of grantee	Date of grant of the options	Number of outstanding options as at beginning of Reporting Period (i.e. 1 April 2025)	Number of options granted during the Reporting Period	Closing price of the securities immediately before the date on which the options were granted (HK$)	Value of the options granted[3] (HK$)	Number of options exercised during the Reporting Period	Number of options expired/ lapsed/ cancelled during the Reporting Period[6]	Number of outstanding options as at end of Reporting Period (i.e. 31 March 2026)	Vesting period of the options	Exercise period of the options	Exercise price of the options per Share (HK$)
Dr. Qian Sam Zhongshan (Independent Non-executive Director of the Company)	31 August 2023	80,000	–	0.77	11,154	–	–	80,000	21 July 2023 to 21 July 2027	21 July 2024 to 20 July 2033	1.00
	31 August 2023	80,000	–	0.77	11,154	–	–	80,000	21 July 2023 to 21 July 2027	21 July 2024 to 20 July 2033	1.50
	31 August 2023	80,000	–	0.77	11,154	–	–	80,000	21 July 2023 to 21 July 2027	21 July 2024 to 20 July 2033	2.00
	31 August 2023	80,000	–	0.77	11,154	–	–	80,000	21 July 2023 to 21 July 2027	21 July 2024 to 20 July 2033	2.50
	31 August 2023	80,000	–	0.77	11,154	–	–	80,000	21 July 2023 to 21 July 2027	21 July 2024 to 20 July 2033	3.00
	31 August 2023	80,000	–	0.77	11,154	–	–	80,000	21 July 2023 to 21 July 2027	21 July 2024 to 20 July 2033	3.50
	31 August 2023	80,000	–	0.77	11,154	–	–	80,000	21 July 2023 to 21 July 2027	21 July 2024 to 20 July 2033	4.00

REPORT OF THE DIRECTORS

Type of grantees/ Name of grantee	Date of grant of the options	Number of outstanding options as at beginning of Reporting Period (i.e. 1 April 2025)	Number of options granted during the Reporting Period	Closing price of the securities immediately before the date on which the options were granted (HK$)	Value of the options granted[3] (HK$)	Number of options exercised during the Reporting Period	Number of options expired/ lapsed/ cancelled during the Reporting Period[6]	Number of outstanding options as at end of Reporting Period (i.e. 31 March 2026)	Vesting period of the options	Exercise period of the options	Exercise price of the options per Share (HK$)
Dr. Leung Shek Ling Olivia (Independent Non-executive Director of the Company)	22 September 2023	64,000	–	0.68	7,914	–	–	64,000	22 September 2023 to 22 September 2027	22 September 2024 to 21 September 2033	1.00
	22 September 2023	64,000	–	0.68	7,914	–	–	64,000	22 September 2023 to 22 September 2027	22 September 2024 to 21 September 2033	1.50
	22 September 2023	64,000	–	0.68	7,914	–	–	64,000	22 September 2023 to 22 September 2027	22 September 2024 to 21 September 2033	2.00
	22 September 2023	64,000	–	0.68	7,914	–	–	64,000	22 September 2023 to 22 September 2027	22 September 2024 to 21 September 2033	2.50
	22 September 2023	64,000	–	0.68	7,914	–	–	64,000	22 September 2023 to 22 September 2027	22 September 2024 to 21 September 2033	3.00
	22 September 2023	64,000	–	0.68	7,914	–	–	64,000	22 September 2023 to 22 September 2027	22 September 2024 to 21 September 2033	3.50
	22 September 2023	64,000	–	0.68	7,914	–	–	64,000	22 September 2023 to 22 September 2027	22 September 2024 to 21 September 2033	4.00

REPORT OF THE DIRECTORS

Type of grantees/ Name of grantee	Date of grant of the options	Number of outstanding options as at beginning of Reporting Period (i.e. 1 April 2025)	Number of options granted during the Reporting Period	Closing price of the securities immediately before the date on which the options were granted (HK$)	Value of the options granted[(3)] (HK$)	Number of options exercised during the Reporting Period	Number of options expired/ lapsed/ cancelled during the Reporting Period[(6)]	Number of outstanding options as at end of Reporting Period (i.e. 31 March 2026)	Vesting period of the options	Exercise period of the options	Exercise price of the options per Share (HK$)
Other grantees (being other employees of our Group)	22 September 2023	1,512,000	–	0.68	161,515	–	144,000	1,368,000	22 September 2023 to 22 September 2027	22 September 2024 to 21 September 2033	1.00
	22 September 2023	1,512,000	–	0.68	161,515	–	144,000	1,368,000	22 September 2023 to 22 September 2027	22 September 2024 to 21 September 2033	1.50
	22 September 2023	1,512,000	–	0.68	161,515	–	144,000	1,368,000	22 September 2023 to 22 September 2027	22 September 2024 to 21 September 2033	2.00
	22 September 2023	1,512,000	–	0.68	161,515	–	144,000	1,368,000	22 September 2023 to 22 September 2027	22 September 2024 to 21 September 2033	2.50
	22 September 2023	1,512,000	–	0.68	161,515	–	144,000	1,368,000	22 September 2023 to 22 September 2027	22 September 2024 to 21 September 2033	3.00
	22 September 2023	1,512,000	–	0.68	161,515	–	144,000	1,368,000	22 September 2023 to 22 September 2027	22 September 2024 to 21 September 2033	3.50
	22 September 2023	1,512,000	–	0.68	161,515	–	144,000	1,368,000	22 September 2023 to 22 September 2027	22 September 2024 to 21 September 2033	4.00
Total		**22,712,000**	–		**3,306,615**	**-**	**1,008,000**	**21,704,000**			

REPORT OF THE DIRECTORS

Notes:

1. Save as disclosed above, no share option was granted to (i) the associates of the directors, substantial shareholders and chief executives of the Group; (ii) participants with options granted and to be granted in excess of 1% of the ordinary shares of the Company in issue; (iii) directors and employees of the holding companies, fellow subsidiaries or associated companies of the Company; and (iv) service providers of the Group (including the suppliers of goods and services of the Group) under the Share Option Scheme. Save as disclosed above, there is no any other information required to be disclosed pursuant to Rule 17.07 of Listing Rules.

2. Except for the vesting period, there is no minimum holding period before exercise of the option.

3. 12,800,000 and 14,504,000 share options were offered to and accepted by directors and employees of the Group on 21 July and 22 September 2023, respectively. The share options offered on 21 July 2023 were approved by independent shareholders under specific mandate in the Company's annual general meeting on 31 August 2023. The dates of grant of the share options were 31 August and 22 September 2023. The closing prices of the Company's share options immediately before the dates of grant were HK$0.71 and HK$0.66, respectively. The fair values of the share options determined at the dates of grant were HK$2,199,000 and HK$1,186,000, respectively.

   The Binomial model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. Changes in variables and assumptions may result in changes in the fair value of the options.

   During the Reporting Period, the Group recognised the total expense of approximately HK$1,111,000 (2025: HK$1,075,000) in relation to share options granted by the Company.

   For the details, please refer to the note 27 of the consolidated financial statements in this report.

4. The share option, being granted to such grantee(s) on 31 August 2023 shall be vested according to the following schedule:

Percentage of Post-IPO Option to be vested	Vesting Date
25%	21 July 2024
25%	21 July 2025
25%	21 July 2026
25%	21 July 2027

5. The share option, being granted to such grantee(s) on 22 September 2023 shall be vested according to the following schedule:

Percentage of Post-IPO Option to be vested	Vesting Date
25%	22 September 2024
25%	22 September 2025
25%	22 September 2026
25%	22 September 2027

6. During the Reporting Period, a total of 3,304,000 (2025: 1,288,000) share option was lapsed.

7. As at the date of the annual report, the total number of shares of the Company available for issue under the Share Option Scheme (including the above options outstanding not yet exercised) was 50,000,000, representing approximately 10.0% of the issued share capital of the Company as of the date thereof.

As of 1 April 2025, the number of options available for grant under the Share Option Scheme was 27,288,000. After the lapse of options of an aggregate of 1,008,000 during the Reporting Period, the number of options available for grant as of 31 March 2026 was 28,296,000. The number of shares to be issued pursuant to the options granted (i.e. 21,704,000) under the Share Option Scheme of the Company during the Reporting Period divided by the weighted average number of shares issued during the Reporting Period is 4.3%.

REPORT OF THE DIRECTORS

DIRECTORS’ RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the paragraph headed “Share Option Scheme” above, at no time during the Reporting Period was the Company or any of its subsidiaries a party to any arrangements to enable the directors and/or the chief executive of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS’ INTERESTS IN COMPETING BUSINESSES

None of the Directors and their respecting close associates has any competing interests which need to be disclosed pursuant to Rule 8.10 of the Listing Rules.

EMOLUMENT POLICY AND DIRECTORS’ REMUNERATION

In compliance with Rule 3.25 of the Listing Rules and the CG Code, our Company has established the Remuneration Committee to formulate remuneration policies. Directors and senior management members who receive remuneration from our Company are paid in forms of salaries, allowances, discretionary bonuses and other benefits in kind. The remuneration of our Directors and senior management members is determined with reference to their experience, duties and performance and the salaries of comparable companies. Details of the emoluments of the Directors and five highest paid individuals for the Reporting Period are set out in note 11 to the consolidated financial statements in this annual report.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the Reporting Period.

MAJOR CUSTOMERS AND SUPPLIERS

The aggregate percentage of turnover and purchase for the Reporting Period attributable to the Group’s five largest customers and suppliers is less than 30% of total turnover and purchase for the Reporting Period, respectively, and therefore no disclosures with regard to major customers and suppliers are made.

CONNECTED AND RELATED PARTY TRANSACTIONS

The Group had not entered into any connected transaction or continued connected transactions during the Reporting Period and up to the date of this annual report, which is required to be disclosed under Chapter 14A of the Listing Rules.

The Group entered into a related party transaction during the Year which does not fall under the definition of “connected transaction” or “continuing connected transaction” (as the case may be) in Chapter 14A of the Listing Rules. For details, see note 26 to the consolidated financial statement.

To the best knowledge of the Directors, save as disclosed under note 26 to the consolidated financial statements, there was no other related party transaction during the Reporting Period.

REPORT OF THE DIRECTORS

CORPORATE GOVERNANCE

The Board has adopted the principles and code provisions of the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") throughout the Reporting Period.

In the opinion of the Directors, save for the deviation from the code provision C.2.1 disclosed in the subsection headed "Chairman and Chief Executive Officer" in the Corporate Governance Report of this annual report, the Company has complied with all applicable code provisions set out in the CG Code throughout the Reporting Period up to the date of this annual report.

The corporate governance practices adopted by the Company are set out in the Corporate Governance Report on pages 99 to 120 of this annual report.

RETIREMENT SCHEME

In compliance with the Hong Kong Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the laws of Hong Kong), employees of the Group in Hong Kong are required to participate in the Mandatory Provident Fund scheme of the Group ("**MPF Scheme**"). The MPF Scheme is a defined contribution plan administered by an independent corporate trustee. Under the MPF Scheme, each of the Group and the employees are required to make contributions to the MPF Scheme at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK$30,000. Contributions to the MPF Scheme vest immediately.

The Group's contributions under the MPF Scheme are expensed as incurred and will not be reduced by contributions forfeited by those employees who leave the defined contribution plans prior to vesting fully in the contributions.

Particulars of the MPF Scheme are set out in note 28 to the consolidated financial statements.

AUDITOR

The consolidated financial statements for the Reporting Period have been audited by Deloitte Touche Tohmatsu, who shall retire and, being eligible, offer themselves for re-appointment at the forthcoming AGM of the Company. There was no change in auditor of the Company during the past three years.

REPORT OF THE DIRECTORS

CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

The Company does not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

On behalf of the Board

Wu Faat Chi
Chairman and Executive Director

Hong Kong, 25 June 2026

INDEPENDENT AUDITOR'S REPORT

Deloitte. 德勤

To the Shareholders of Yoho Group Holdings Limited
(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Yoho Group Holdings Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") set out on pages 147 to 199, which comprise the consolidated statement of financial position as at 31 March 2026, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2026, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("**HKSAs**") as issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "**Code**"), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT

Key audit matter	How our audit addressed the key audit matter
Valuation of Inventories	
We identified valuation of inventories as a key audit matter due to the use of judgment and estimates by management in identifying slow-moving inventories and estimating the allowance for inventories. The Group makes allowance for inventories based on an assessment of the net realisable value of inventories after the consideration of the current market conditions, product life cycle, marketing and promotion plans, historical sales records, ageing analysis and subsequent sales of the inventories. As set out in note 17 to the consolidated financial statements, the Group had inventories of HK$72,674,000 (net of accumulated allowance of inventories of HK$3,822,000) as at 31 March 2026, which represents 21% of the Group's total assets. During the year, the Group recognised allowance for inventories of HK$218,000.	Our procedures in relation to the valuation of inventories included: • Understanding and assessing the reasonableness of the Group's inventory provision policy; • Obtaining an understanding of the key controls of the Group in relation to identification of slow-moving inventories and preparation of ageing analysis of inventories for estimation of allowance for inventories; • Testing the ageing analysis of the inventories, on a sample basis, to the source documents; • Discussing with the management on their basis and judgment in the assessment of slow-moving inventories; and • Assessing the reasonableness, on a sample basis of the estimation of the net realisable value of inventories with reference to the recent selling prices of inventories.

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

INDEPENDENT AUDITOR'S REPORT

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is LEUNG, Po Shan (practising certificate number: P07300).

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
25 June 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2026

	Notes	2026 HK$'000	2025 HK$'000
Revenue	5	736,771	753,795
Cost of goods sold		(619,462)	(635,674)
		117,309	118,121
Other income	6	7,172	8,201
Other losses	7	(130)	(6)
Selling and distribution expenses		(72,199)	(68,141)
Administrative expenses		(31,739)	(32,636)
Finance costs	8	(997)	(1,408)
Profit before taxation		19,416	24,131
Income tax expense	9	(2,664)	(3,665)
Profit and total comprehensive income for the year		16,752	20,466
Earnings per share –			
Basic (HK cents)	13	3.41	4.13
Diluted (HK cents)		3.41	4.13

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2026

	Notes	2026 HK$'000	2025 HK$'000
Non-current assets			
Property, plant and equipment	14	3,638	5,906
Right-of-use assets	15	9,795	23,446
Other intangible assets	16	4,239	3,189
Deposits	19	8,261	7,068
Deferred tax assets	9	554	345
		26,487	39,954
Current assets			
Inventories	17	72,674	110,199
Trade receivables	18	5,488	6,718
Other receivables, deposits and prepayments	19	15,084	7,380
Tax recoverable		8	130
Short-term bank deposits with over 3 months maturity	20	98,279	155,461
Pledged bank deposits	20	1,404	1,358
Cash and cash equivalents	20	128,562	34,696
		321,499	315,942
Current liabilities			
Trade payables	21	41,941	33,605
Other payables and accruals	22	11,967	11,768
Contract liabilities	23	14,088	11,336
Lease liabilities	24	9,704	15,511
		77,700	72,220
Net current assets		243,799	243,722
Total assets less current liabilities		270,286	283,676

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2026

	Notes	2026 HK$'000	2025 HK$'000
Non-current liability			
Lease liabilities	24	**2,939**	12,443
Net assets		**267,347**	271,233
Capital and reserves			
Share capital	25	**385**	385
Reserves		**266,962**	270,848
Total equity		**267,347**	271,233

The consolidated financial statements on pages 147 to 199 were approved and authorised to issue by the board of directors on 25 June 2026 and are signed on its behalf by:

WU Faat Chi
DIRECTOR

TSUI Ka Wing
DIRECTOR

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2026

	Share capital HK$'000	Share premium HK$'000	Treasury shares HK$'000	Other reserve HK$'000 (note)	Share-based payment reserve HK$'000	Retained profits HK$'000	Total HK$'000
At 1 April 2024	388	176,142	–	51,248	1,075	45,952	274,805
Profit and total comprehensive income for the year	–	–	–	–	–	20,466	20,466
Dividend declared (note 12)	–	–	–	–	–	(22,344)	(22,344)
Recognition of equity-settled share-based expenses (note 27)	–	–	–	–	1,111	–	1,111
Transfer upon lapse of share options	–	–	–	–	(78)	78	–
Repurchase of ordinary shares (note 25)	(5)	(3,710)	–	–	–	–	(3,715)
Issue of shares (note 25)	2	908	–	–	–	–	910
At 31 March 2025	385	173,340	–	51,248	2,108	44,152	271,233
Profit and total comprehensive income for the year	**–**	**–**	**–**	**–**	**–**	**16,752**	**16,752**
Dividend declared (note 12)	**–**	**–**	**–**	**–**	**–**	**(14,760)**	**(14,760)**
Recognition of equity-settled share-based expenses (note 27)	**–**	**–**	**–**	**–**	**563**	**–**	**563**
Transfer upon lapse of share options	**–**	**–**	**–**	**–**	**(54)**	**54**	**–**
Repurchase of ordinary shares (note 25)	**–**	**(439)**	**(6,002)**	**–**	**–**	**–**	**(6,441)**
At 31 March 2026	**385**	**172,901**	**(6,002)**	**51,248**	**2,617**	**46,198**	**267,347**

Note: Other reserve represents (i) the difference between the amount of share capital and share premium of the Company issued, and the combined share capital of certain subsidiaries of the Group in connection with the Group reorganisation completed in 2021 and (ii) the shareholder's contribution in the equity-settled share-based expenses in prior years.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2026

	2026 HK$'000	2025 HK$'000
OPERATING ACTIVITIES		
Profit before taxation	19,416	24,131
Adjustments for:		
Finance costs	997	1,408
Bank interest income	(7,172)	(7,949)
Depreciation of property, plant and equipment	2,482	2,757
Depreciation of right-of-use assets	14,240	12,223
Amortisation of other intangible assets	450	21
Provision of impairment loss on inventories, net of reversal	218	392
Equity-settled share-based expenses	563	1,111
Operating cash flows before movements in working capital	31,194	34,094
Decrease in trade receivables	1,230	3,067
(Increase) decrease in other receivables, deposits and prepayments	(8,897)	3,094
Decrease (increase) in inventories	37,307	(25,603)
Increase (decrease) in trade payables	8,336	(16,369)
Increase in other payables and accruals	313	2,201
Increase (decrease) in contract liabilities	2,752	(473)
Cash generated from operations	72,235	11
Income taxes paid	(2,751)	(4,395)
NET CASH FROM (USED IN) OPERATING ACTIVITIES	69,484	(4,384)
INVESTING ACTIVITIES		
Withdrawal of short-term bank deposits	553,698	170,678
Interest received	7,172	7,949
Withdrawal of pledged bank deposits	3,385	1,927
Placement of short-term bank deposits	(496,516)	(224,492)
Placement of pledged bank deposits	(3,431)	(1,985)
Addition to other intangible assets	(1,500)	(3,000)
Purchase of property, plant and equipment	(214)	(942)
NET CASH FROM (USED IN) INVESTING ACTIVITIES	62,594	(49,865)
FINANCING ACTIVITIES		
Repayments of leases liabilities and related finance cost	(16,897)	(13,583)
Dividend paid	(14,874)	(21,699)
Repurchase of ordinary shares	(6,441)	(3,715)
NET CASH USED IN FINANCING ACTIVITIES	(38,212)	(38,997)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	93,866	(93,246)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	34,696	127,942
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	128,562	34,696
Represented by:		
Cash and cash equivalents	128,562	34,696

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

1. GENERAL INFORMATION

Yoho Group Holdings Limited (the "**Company**") was incorporated and registered as an exempted company with limited liability in the Cayman Islands. The shares of the Company are listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). The addresses of the Company's registered office and the principal place of business are Po Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands and Unit 602, 6/F, Pioneer Place, 33 Hoi Yuen Road, Kowloon, Kwun Tong, Hong Kong, respectively.

The Company acts as an investment holding company and the operating subsidiaries, as disclosed in note 33, are principally engaged in sales of consumer electronics, home appliances and lifestyle products.

The ultimate controlling shareholders of the Company are Mr. Wu Faat Chi ("**Mr. Wu**") and Ms. Tsui Ka Wing ("**Ms. Tsui**"), spouse of Mr. Wu (collectively referred as "**Controlling Shareholders**") who owned a total of 63.0% equity interests in the Company through their respective wholly-owned investment holding companies incorporated in the British Virgin Islands (the "**BVI**"), namely The Mearas Venture Limited ("**The Mearas Venture**"), which is owned by Mr. Wu, and The Wings Venture Limited ("**The Wings Venture**"), which is owned by Ms. Tsui. The Controlling Shareholders are the founders of the group entities now comprising the Group and have been acting in concert on their ownerships and exercise their control collectively over the companies now comprising the Group.

The consolidated financial statements are presented in Hong Kong dollars ("**HK$**"), which is also the functional currency of the Company.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

AMENDMENTS TO HKFRS ACCOUNTING STANDARDS THAT ARE MANDATORILY EFFECTIVE FOR THE CURRENT YEAR

In the current year, the Group has applied the following amendments to an HKFRS Accounting Standard as issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") for the first time, which are mandatorily effective for the Group's annual period beginning on 1 April 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability

The application of the amendments to an HKFRS Accounting Standard in the current year has had 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS (CONTINUED)

NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS IN ISSUE BUT NOT YET EFFECTIVE

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

HKFRS 18	Presentation and Disclosure in Financial Statements[3]
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency[3]
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments[2]
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-Dependent Electricity[2]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11[2]

1 Effective for annual periods beginning on or after a date to be determined.

2 Effective for annual periods beginning on or after 1 January 2026.

3 Effective for annual periods beginning on or after 1 January 2027.

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

HKFRS 18 PRESENTATION AND DISCLOSURE IN FINANCIAL STATEMENTS

HKFRS 18 *Presentation and Disclosure in Financial Statements*, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 *Presentation of Financial Statements*. This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 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 HKAS 1 paragraphs have been moved to HKAS 8 and HKFRS 7. Minor amendments to HKAS 7 *Statement of Cash Flows* and HKAS 33 *Earnings per Share* are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. HKFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

3.1 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the HKICPA. 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 ("**Listing Rules**") and by the Hong Kong Companies Ordinance.

3.2 MATERIAL ACCOUNTING POLICY INFORMATION

Basis of consolidation

The consolidated financial statements incorporates the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;

- the Group's performance creates or enhances an asset that the customer controls as the Group performs; or

- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

Over time revenue recognition: measurement of progress towards complete satisfaction of a performance obligation

Output method

The progress towards complete satisfaction of a performance obligation is measured based on output method, which is to recognise revenue on the basis of direct measurements of the value of the goods or services transferred to the customer to date relative to the remaining goods or services promised under the contract, that best depict the Group's performance in transferring control of goods or services.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

REVENUE FROM CONTRACTS WITH CUSTOMERS (CONTINUED)

Contracts with multiple performance obligations (including allocation of transaction price)

For contracts that contain more than one performance obligations (sales of goods and award credits for customers under the Group's customer loyalty programme), the Group allocates the transaction price to each performance obligation on a relative stand-alone selling price basis.

The stand-alone selling price of the distinct good or service underlying each performance obligation is determined at contract inception. It represents the price at which the Group would sell a promised good or service separately to a customer. If a stand-alone selling price is not directly observable, the Group estimates it using appropriate techniques such that the transaction price ultimately allocated to any performance obligation reflects the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods or services to the customer.

Principal versus agent

When another party is involved in providing goods or services to a customer, the Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for those goods or services to be provided by the other party (i.e. the Group is an agent).

The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer.

The Group is an agent if its performance obligation is to arrange for the provision of the specified good or service by another party. In this case, the Group does not control the specified good or service provided by another party before that good or service is transferred to the customer. When the Group acts as an agent, it recognises revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the other party.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

LEASES

The Group as lessee

Short-term leases

The Group applies the short-term lease recognition exemption to leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. Lease payments on short-term leases are recognised as expense on a straight-line basis unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Right-of-use assets

The cost of right-of-use assets includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

Refundable rental deposits

Refundable rental deposits paid are accounted under HKFRS 9 "Financial Instruments" ("**HKFRS 9**") and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include fixed payments (including in-substance fixed payments).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

LEASES (CONTINUED)

The Group as lessee (Continued)

Lease liabilities (Continued)

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of assessment.

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and

- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability, less any lease incentives receivable, based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset.

RETIREMENT BENEFITS COSTS

Payments to the MPF Scheme are charged as an expense when employees have rendered service entitling them to the contributions.

SHORT-TERM EMPLOYEE BENEFITS

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTIONS SHARES/SHARE OPTIONS GRANTED TO EMPLOYEES

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share-based payments reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based payment reserve. For shares/share options that vest immediately at the date of grant, the fair value of the shares/share options granted is expensed immediately to profit or loss.

When share options are exercised, the amount previously recognised in share-based payment reserve will be transferred to share capital and share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share-based payment reserve will be transferred to retained profits.

When shares granted are vested, the amount previously recognised in share-based payments reserve will be transferred to share premium.

TAXATION

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before taxation' as reported in the consolidated statement of profit or loss and other comprehensive income because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of each reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

TAXATION (CONTINUED)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of each reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of each reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, or for administrative purposes. Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of items of assets over their estimated useful lives, using the straight-line method. The estimated useful lives and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

INTERNALLY-GENERATED INTANGIBLE ASSETS – RESEARCH AND DEVELOPMENT EXPENDITURE

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development activities (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses (if any), on the same basis as intangible assets that are acquired separately.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents presented on the consolidated statement of financial position include:

(a) cash, which comprises of cash on hand and demand deposits; and

(b) cash equivalents, which comprises of short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Costs necessary to make the sale include incremental costs directly attributable to the sale and non-incremental costs which the Group must incur to make the sale.

FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15 "Revenue from Contracts with Customers". Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and

- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

FINANCIAL INSTRUMENTS (CONTINUED)

Financial assets (Continued)

Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

Impairment of financial assets subject to impairment assessment under HKFRS 9

The Group performs impairment assessment under expected credit loss ("**ECL**") model on financial assets (including trade receivables, other receivables and deposits, short-term bank deposits with over 3 months maturity, pledged bank deposits and bank balances) which are subject to impairment assessment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessments are done based on the Group's historical credit loss experience, and factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always assesses lifetime ECL for trade receivables.

For all other financial instruments, the Group assesses the loss allowance equal to 12-month ECL, unless when there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

FINANCIAL INSTRUMENTS (CONTINUED)

Financial assets (Continued)

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of a group entity after deducting all of its liabilities. Equity instruments issued by the group entities are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at amortised cost

Financial liabilities (including trade payables and other payables) are subsequently measured at amortised cost, using the effective interest method.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revision to accounting estimate is recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following is the key assumption concerning the future, and other key sources of estimation uncertainty at the end of each reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

ESTIMATED ALLOWANCE FOR INVENTORIES

The identification of aged inventories requires the use of judgment and estimates on the conditions and marketability of the inventories. The Group makes allowance for inventories based on an assessment of the net realisable value of inventories after the consideration of the current market conditions, products life cycle, marketing and promotion plans, historical sales records, ageing analysis and subsequent sales of the inventories. Allowances are applied to inventories where events or changes in circumstances indicate that the net realisable value is lower than the cost of inventories. The carrying amount of inventories is HK$72,674,000 (2025: HK$110,199,000) (net of allowance of HK$3,822,000 (2025: HK$3,604,000)) as at 31 March 2026.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

5. REVENUE AND SEGMENT INFORMATION

REVENUE

Disaggregation of revenue from contracts with customers

	2026 HK$'000	2025 HK$'000
Direct merchant sales		
– Major appliances	188,125	191,759
– Kitchen appliances	96,172	81,282
– Mobile	33,832	102,071
– Digital entertainment	113,170	67,753
– Home appliances	120,931	130,950
– Beauty & care device	76,305	72,247
– Mother & Baby	9,743	5,186
– Household	6,714	3,311
– Computer	47,178	60,164
– Lifestyle	6,523	12,425
– Others	24,456	15,969
Revenue from direct merchandise sales	723,149	743,117
Provision of advertising services	10,390	8,697
Revenue from concessionaire sales	3,232	1,981
Total	736,771	753,795
Geographical markets:		
– Hong Kong	729,116	750,882
– Chinese mainland	6,378	2,069
– Others	1,277	844
	736,771	753,795
Timing of revenue recognition:		
– A point in time	726,381	745,098
– Over time	10,390	8,697
	736,771	753,795

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

REVENUE (CONTINUED)

Performance obligations for contracts with customers

Direct merchandise sales

The Group sells products directly to customers through its own retail outlets, internet sales and wholesale.

For sales of products to retail customers, revenue is recognised when control of the goods has transferred, being at the point the customer purchases the goods at the retail outlet. Payment of the transaction price is due immediately at the point the customer purchases the goods.

For internet sales, revenue is recognised when control of the goods has transferred to the customer, being at the point the goods are delivered to the customer's specific location. When the customer initially purchases the goods online, the payment for transaction is due immediately. The transaction price received by the Group is recognised as a contract liability until the goods have been delivered to the customer.

For sales of products through wholesale, revenue is recognised when control of the goods has transferred, being when the goods have been delivered to the wholesaler's specific location. Transaction price received by the Group is recognised as a contract liability until the goods have been delivered to the wholesalers. The normal credit term is generally 30 days upon delivery.

Provision of advertising services

Revenue from the provision of advertising services is recognised over time over the period of service as the customers simultaneously receive and consume the benefits provided by the Group when the Group renders the service. Revenue is recognised for the service based on the contract price. The normal credit term is generally 30 days from the date of issue of invoice.

Concessionaire sales

The Group receives income from concessionaire sales from its marketplace platform. For concessionaire sales, the Group acts as an agent and is not the primary obligor, is not subject to inventory risk, and does not have latitude in establishing prices and selecting customers. Concessionaire sales is recognised on a net basis which is based on a fixed percentage of the sales amount, when control of the goods has transferred to the customer, being at the point the goods are delivered to the customer's specific location.

Customer loyalty programme

The Group operates a customer loyalty programme for sales through the Group's retail stores and internet sales where customers are awarded points for purchases made to redeem as sales discounts in the future. The transaction price is allocated to the product and the award points on a relative stand-alone selling price basis. The customer loyalty award points are valid for three months and customers can redeem the award points any time before the specified expiration date. Revenue from the award points is recognised when the award points are redeemed or expired. Contract liabilities are recognised until the award points are redeemed by the award points holders or expired. The sales discounts is recognised and net to the revenue.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

TRANSACTION PRICE ALLOCATED TO THE REMAINING PERFORMANCE OBLIGATION FOR CONTRACTS WITH CUSTOMERS

Contracts with customers with unsatisfied performance obligations, including customer loyalty programme, have original expected durations of one year or less. As permitted under HKFRS 15, the transaction prices allocated to these unsatisfied contracts or customer loyalty programme are not disclosed.

SEGMENT INFORMATION

For the purposes of resources allocation and performance assessment, the chief operating decision maker (i.e. the executive directors of the Company) reviews the overall results and financial position of the Group as a whole. Accordingly, only entity-wide disclosures, major customers and geographic information are presented.

GEOGRAPHICAL INFORMATION

The geographical information of the Group's revenue based on the location of the goods delivered and services rendered is disclosed above. The Group's non-current assets are all located in Hong Kong.

INFORMATION ABOUT MAJOR CUSTOMERS

None of the Group's customers contributed over 10% of the Group's total revenue for both years.

6. OTHER INCOME

	2026 **HK$'000**	2025 HK$'000
Bank interest income	**7,172**	7,949
Government grants (Note)	**–**	252
	7,172	8,201

Note: During the year ended 31 March 2025, the Group recognised government grants of HK$252,000, in respect of the Branding, Upgrading and Domestic Sales Scheme launched by the Hong Kong government.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

7. OTHER LOSSES

	2026 HK$'000	2025 HK$'000
Net foreign exchange loss	**(130)**	(6)

8. FINANCE COSTS

	2026 HK$'000	2025 HK$'000
Interest on lease liabilities	**997**	1,408

9. INCOME TAX EXPENSE/DEFERRED TAX ASSETS

INCOME TAX EXPENSE

	2026 HK$'000	2025 HK$'000
Current tax:		
– Hong Kong Profits Tax	**2,908**	3,918
Overprovision in prior years – Hong Kong Profits Tax	**(35)**	–
Deferred tax	**(209)**	(253)
	2,664	3,665

Hong Kong Profits Tax for both years is calculated at 8.25% on the first HK$2,000,000 of the estimated assessable profits of one of the subsidiaries of the Group and at 16.5% on the estimated assessable profits above HK$2,000,000. The profits of other subsidiaries not qualified for the two-tier profits tax regime will continue to be taxed at a flat rate of 16.5%.

The Company's subsidiaries operating in Hong Kong are eligible for certain tax concessions. The maximum tax concessions eligible for each subsidiary is HK$3,000 (2025: HK$1,500) for the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

9. INCOME TAX EXPENSE/DEFERRED TAX ASSETS (CONTINUED)

INCOME TAX EXPENSE (CONTINUED)

The income tax expense can be reconciled to the profit before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

	2026 HK$'000	2025 HK$'000
Profit before taxation	**19,416**	24,131
Tax charge at the Hong Kong Profits Tax rate of 16.5%	**3,204**	3,982
Tax effect of expenses not deductible for tax purpose	**789**	1,063
Tax effect of income not taxable for tax purpose	**(1,371)**	(1,395)
Overprovision in prior years	**(35)**	–
Tax effect of tax loss not recognised	**248**	183
Tax concession	**(6)**	(3)
Tax effect on two-tiered tax rate	**(165)**	(165)
Income tax expense for the year	**2,664**	3,665

As at 31 March 2026, the Group has tax loss accounting to HK$2,612,000 (2025: HK$1,109,000) available to offset against future profits. No deferred tax assets have been recognised due to uncertainty of future profits stream. The tax loss can be carried forward indefinitely.

DEFERRED TAX ASSETS

The following is the deferred tax assets recognised and movements thereon during the current and prior years.

	Accelerated accounting depreciation HK$'000
At 31 March 2024	92
Credit to profit or loss	253
At 31 March 2025	345
Credit to profit or loss	209
At 31 March 2026	**554**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

10. PROFIT FOR THE YEAR

	2026 HK$'000	2025 HK$'000
Profit for the year has been arrived at after charging:		
Auditor's remuneration		
– Audit service	**1,600**	1,600
– Non-audit services	**692**	726
	2,292	2,326
Directors' emoluments (Note 11)	**3,240**	3,617
Other staff costs (excluding the directors' emoluments)		
– Salaries, allowances and other benefits	**32,269**	31,378
– Equity-settled share-based expenses	**163**	330
– Retirement benefits schemes contributions	**1,371**	1,419
Total staff costs	**37,043**	36,744
Depreciation of property, plant and equipment	**2,482**	2,757
Depreciation of right-of-use assets	**14,240**	12,223
Amortisation of other intangible assets	**450**	21
Cost of inventories recognised as an expense (including allowance for provision of impairment loss on inventories of HK$218,000 (2025: HK$392,000), net of reversal)	**619,462**	635,674

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

11. DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S EMOLUMENTS AND FIVE HIGHEST PAID EMPLOYEES

(A) DIRECTORS' AND THE CHIEF EXECUTIVE OFFICER'S EMOLUMENTS

The emoluments paid or payable to the directors of the Company by the Group are as follows:

For the year ended 31 March 2026

Executive directors:	Mr. Wu HK$'000 (Note a)	Ms. Tsui HK$'000	Total HK$'000
Fee	156	156	312
Salaries allowances and other benefits	848	848	1,696
Discretionary bonus	70	70	140
Equity-settled share-based expenses	166	166	332
Retirement benefits scheme contributions	18	18	36
	1,258	1,258	2,516

Non-executive directors:	Mr. Man Lap HK$'000
Fee	156
Equity-settled share-based expenses	19
Retirement benefits scheme contributions	8
	183

Independent non-executive directors:	Mr. Ho Yun Tat HK$'000	Dr. Qian Sam Zhongshan HK$'000	Dr. Leung Shek Ling Olivia HK$'000	Total HK$'000
Fee	156	156	156	468
Equity-settled share-based expenses	19	19	11	49
Retirement benefits scheme contributions	8	8	8	24
	183	183	175	541

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

11. DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S EMOLUMENTS AND FIVE HIGHEST PAID EMPLOYEES (CONTINUED)

(A) DIRECTORS' AND THE CHIEF EXECUTIVE OFFICER'S EMOLUMENTS (CONTINUED)

For the year ended 31 March 2025

Executive directors:	Mr. Wu HK$'000 (Note a)	Ms. Tsui HK$'000	Total HK$'000
Fee	153	153	306
Salaries allowances and other benefits	832	832	1,664
Discretionary bonus	69	69	138
Equity-settled share-based expenses	314	314	628
Retirement benefits scheme contributions	18	18	36
	1,386	1,386	2,772

Non-executive directors:	Mr. Man Lap HK$'000	Mr. Hsieh Wing Hong Sammy HK$'000 (Note b)	Total HK$'000
Fee	153	46	199
Equity-settled share-based expenses	44	–	44
Retirement benefits scheme contributions	8	2	10
	205	48	253

Independent non-executive directors:	Mr. Ho Yun Tat HK$'000	Dr. Qian Sam Zhongshan HK$'000	Dr. Leung Shek Ling Olivia HK$'000	Total HK$'000
Fee	153	153	153	459
Equity-settled share-based expenses	44	44	21	109
Retirement benefits scheme contributions	8	8	8	24
	205	205	182	592

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

11. DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S EMOLUMENTS AND FIVE HIGHEST PAID EMPLOYEES (CONTINUED)

(A) DIRECTORS' AND THE CHIEF EXECUTIVE OFFICER'S EMOLUMENTS (CONTINUED)

Notes:

(a) Mr. Wu also acts as chief executive officer of the Company.

(b) Mr. Hsieh Wing Hong Sammy resigned as an independent non-executive director of the Company with effect from 22 July 2024.

The discretionary bonus is determined by reference to the duties and responsibilities of the relevant individual within the Group and the Group's performance.

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Group.

None of the directors nor chief executive waived or agreed to waive any emoluments during in any of the years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

11. DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S EMOLUMENTS AND FIVE HIGHEST PAID EMPLOYEES (CONTINUED)

(B) FIVE HIGHEST PAID EMPLOYEES

The five highest paid individuals during the year included two (2025: two) directors, whose emoluments are included in the disclosures in (a) above. The emoluments of the remaining three (2025: three) individuals respectively, are as follows:

	2026 HK$'000	2025 HK$'000
Salaries allowances and other benefits	**1,948**	1,829
Discretionary bonus (Note)	**154**	141
Equity-settled share-based expenses	**12**	32
Retirement benefits scheme contributions	**54**	54
	2,168	2,056

Note: The discretionary bonus is determined by reference to the duties and responsibilities of the relevant individual within the Group and the Group's performance.

The emoluments of the highest paid employees who are not directors of the Company were within the following bands:

	2026 number of employees	2025 number of employees
Nil to HK$1,000,000	**3**	3

No emoluments were paid by the Group to any of the directors of the Company or the chief executive officer of the Group or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office for both years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

12. DIVIDENDS

	2026 HK$'000	2025 HK$'000
Dividend recognised as distribution during the year:		
2026 interim dividend of HK$0.015		
(2025: 2025 Interim dividend of HK$0.015) per ordinary share	7,368	7,403
2025 final dividend of HK$0.015		
(2025: 2024 final dividend of HK$0.030) per ordinary share	7,392	14,941
	14,760	22,344

Subsequent to the end of the reporting period, a final dividend in respect of the year ended 31 March 2026 of HK$0.015 (2025: HK$0.015) per ordinary share, in an aggregate amount of approximately HK$7,261,000 (2025: HK$7,392,000), has been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming general meeting.

13. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share is based on the following data:

	2026 HK$'000	2025 HK$'000
Earnings for the purpose of basic and diluted earnings per share:		
Profit for the year attributable to owners of the Company	16,752	20,466

	2026 Number of shares	2025 Number of shares
Weighted average number of shares for the purpose of basic and diluted earnings per share	491,371,003	495,869,940

During the years ended 31 March 2026 and 2025, the computation of diluted earnings per share does not assume the exercise of the Company's share options because the exercise price of those share options was higher than the average market price of the shares.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

14. PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements HK$'000	**Office furniture and equipment** HK$'000	**Computer equipment** HK$'000	**Total** HK$'000
COST				
At 1 April 2024	9,948	3,396	3,196	16,540
Additions	628	351	236	1,215
At 31 March 2025	10,576	3,747	3,432	17,755
Additions	**75**	**49**	**90**	**214**
At 31 March 2026	**10,651**	**3,796**	**3,522**	**17,969**
DEPRECIATION				
At 1 April 2024	5,714	1,482	1,896	9,092
Provided for the year	1,511	677	569	2,757
At 31 March 2025	7,225	2,159	2,465	11,849
Provided for the year	**1,255**	**698**	**529**	**2,482**
At 31 March 2026	**8,480**	**2,857**	**2,994**	**14,331**
CARRYING VALUES				
At 31 March 2026	**2,171**	**939**	**528**	**3,638**
At 31 March 2025	3,351	1,588	967	5,906

The above items of property, plant and equipment are depreciated on a straight-line basis at the following rates per annum:

Leasehold improvements	Over the shorter of lease terms of the leased properties or 5 years
Office furniture and equipment	20%
Computer equipment	20%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

15. RIGHT-OF-USE ASSETS

	Office premises HK$'000	Warehouses HK$'000	Retail stores HK$'000	Total HK$'000
As at 31 March 2026				
Carrying amount	**–**	**2,509**	**7,286**	**9,795**
As at 31 March 2025				
Carrying amount	1,179	7,550	14,717	23,446
For the year ended 31 March 2026				
Depreciation charge	**1,179**	**5,041**	**8,020**	**14,240**
For the year ended 31 March 2025				
Depreciation charge	1,571	3,728	6,924	12,223

	2026 HK$'000	2025 HK$'000
Expense relating to short-term leases	**560**	–
Total cash outflow for leases	**17,457**	13,583
Addition to right-of-use assets	**589**	13,334

The Group leases office premises, warehouses and retail stores for both years. Lease contracts are entered into for fixed term of 1 to 5 years (2025: 1 to 5 years), without any extension nor termination options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

During the year ended 31 March 2026, the Group entered into a new lease agreement for the use of a retail store for 1 year. During the year ended 31 March 2025, the Group renewed the existing lease agreements for the use of warehouse and entered into a new lease agreement for the use of a retail store for 2 years. On the lease commencement, the Group recognised HK$589,000 (2025: HK$13,334,000) of right-of-use assets and HK$589,000 (2025: HK$13,334,000) as the lease liabilities.

RESTRICTIONS OR COVENANTS ON LEASES

In addition, lease liabilities of HK$12,643,000 (2025: HK$27,954,000) are recognised with related right-of-use assets of HK$9,795,000 (2025: HK$23,446,000). The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

16. OTHER INTANGIBLE ASSETS

	Development Cost HK$'000
COST	
At 1 April 2024	210
Additions	3,000
At 31 March 2025	3,210
Additions	**1,500**
At 31 March 2026	**4,710**
AMORTISATION	
At 1 April 2024	–
Charge for the year	21
At 31 March 2025	21
Charge for the year	**450**
At 31 March 2026	**471**
CARRYING VALUES	
At 31 March 2026	**4,239**
At 31 March 2025	3,189

The above intangible assets have finite useful lives. Such intangible assets are amortised on a straight-line basis over 5 years.

17. INVENTORIES

	2026 **HK$'000**	2025 HK$'000
Consumer electronics, home appliances and lifestyle products	**72,674**	110,199

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

18. TRADE RECEIVABLES

	2026 HK$'000	2025 HK$'000
Trade receivables	**5,488**	6,718

As at 1 April 2024, trade receivables from contracts with customers amounted to HK$9,785,000.

The Group generally grants credit terms of 30 days to its customers from the date of invoices. Sales made through retail stores or internet are settled by cash or credit cards through payment gateways, which will generally settle the amounts with the Group within 2 days after the sales made. An ageing analysis of the trade receivables, net of allowance for impairment losses, presented based on the invoice dates at the end of each reporting period is as follows:

	2026 HK$'000	2025 HK$'000
Within 30 days	**2,786**	3,367
31 to 60 days	**79**	375
61 to 90 days	**1,124**	1,770
Over 90 days	**1,499**	1,206
	5,488	6,718

The Group applies simplified approach to provide for ECL of trade receivables prescribed by HKFRS 9. Details of impairment assessment of trade receivables are set out in note 30.

As at 31 March 2026, included in the Group's trade receivables balance are debtors with aggregate carrying amount of HK$2,722,000 (2025: HK$3,308,000), which are past due as at the reporting date. Out of the past due balances as at 31 March 2026, HK$850,000 (2025: HK$1,170,000) has been past due 90 days or more and is not considered as in default since the management of the Group are of the opinion that the balances are still considered recoverable due to historical experience. The Group does not hold any collateral over these balances.

Details of impairment assessment of trade receivables are set out in note 30.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

19. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2026 HK$'000	2025 HK$'000
Rental and utilities deposits	**7,408**	6,560
Prepayments and deposits to suppliers	**3,743**	2,820
Other receivables, deposits and prepayments	**12,194**	5,068
Total	**23,345**	14,448
Presented as non-current assets	**8,261**	7,068
Presented as current assets	**15,084**	7,380
Total	**23,345**	14,448

Included in other receivables were amounts of HK$1,458,000 (2025: HK$814,000) represented amounts received from customers in advance by payment gateway companies, for which control of the relevant goods has not been transferred.

Details of impairment assessment of other receivables and deposits are set out in note 30.

20. CASH AND CASH EQUIVALENTS/PLEDGED BANK DEPOSITS/SHORT-TERM BANK DEPOSITS WITH OVER 3 MONTHS MATURITY

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include short-term deposits with less than 3 months maturity for the purpose of meeting the Group's short-term cash commitments, which carry interest at market rates range from 0.10% to 3.75% (2025: 0.10% to 4.04%) per annum.

PLEDGED BANK DEPOSITS

Pledged bank deposits carry fixed interest rate range from 0.15% to 3.50% (2025: 0.28% to 3.50%) and represent deposits pledged to banks to secure banking facilities granted to the Group. Deposits amounting to HK$1,404,000 (2025: HK$1,358,000) have been pledged to secure bank guarantee for a subsidiary of the Group.

SHORT-TERM BANK DEPOSITS WITH OVER 3 MONTHS MATURITY

Short-term bank deposits represents short-term deposits with more than 3 months but less than 1 year maturity carries interest at market rates ranges from 2.25% to 3.52% (2025: 3.95% to 4.04%) per annum.

Details of impairment assessment of these bank balances are set out in note 30.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

21. TRADE PAYABLES

The credit period granted by suppliers ranged from 0 to 30 days. The ageing analysis of the trade payables of the Group presented based on the invoice dates at the end of each reporting period is as follows:

	2026 HK$'000	2025 HK$'000
Within 30 days	39,230	27,680
31 to 60 days	1,698	2,000
61 to 90 days	256	260
Over 90 days	757	3,665
	41,941	33,605

22. OTHER PAYABLES AND ACCRUALS

	2026 HK$'000	2025 HK$'000
Other payables and accruals	9,116	8,540
Accrued staff costs	2,851	3,228
Total	11,967	11,768

23. CONTRACT LIABILITIES

	2026 HK$'000	2025 HK$'000
Advances received from direct merchandise sales	13,672	11,161
Customer loyalty programme	416	175
	14,088	11,336

As at 1 April 2024, the contract liabilities amounted to HK$11,809,000.

For the contract liabilities as at 1 April 2024 and 31 March 2025, the entire balances were recognised as revenue during the years ended 31 March 2025 and 2026, respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

23. CONTRACT LIABILITIES (CONTINUED)

ADVANCES RECEIVED FROM DIRECT MERCHANDISE SALES

Contract liabilities in relation to the sales of products represent the advance payments received from customers upon ordering and before delivery, until the goods are delivered and revenue are recognised.

CUSTOMER LOYALTY PROGRAMME

The Group offers customer loyalty programme in the Group's operation. The customers can earn one award – point for every HK$1 purchase from the Group. The customers can enjoy discount in future purchase by utilising the award points earned under the customer loyalty programme (every 200 award-points can be used as HK$1). All award points can be accumulated and are valid for three months. Contract liabilities in relation to customer loyalty programme represent the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied as of the end of the reporting period.

The Group expects the transaction price allocated to the unsatisfied performance obligations will be recognised as revenue when the award points are redeemed.

24. LEASE LIABILITIES

	2026 HK$'000	2025 HK$'000
Lease liabilities payable		
Within one year	9,704	15,511
More than one year, but not more than two years	2,939	9,671
More than two years, but not more than five years	–	2,772
	12,643	27,954
Less: Amount due for settlement with 12 months shown under current liabilities	(9,704)	(15,511)
Amount due for settlement after 12 months shown under non-current liabilities	2,939	12,443

The weighted average incremental borrowing rates applied to lease liabilities is 5.03% (2025: 5.15%) as at 31 March 2026.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

25. SHARE CAPITAL

ORDINARY SHARES OF US$0.0001 EACH

Authorised:

	Number of shares	Nominal value of ordinary shares US$'000
At 1 April 2024, 31 March 2025 and 2026	2,000,000,000	200

Issued:

	Number of ordinary shares	Equivalent nominal value of ordinary shares US$'000	Equivalent nominal value of ordinary shares HK$'000
At 1 April 2024	497,822,000	50	388
Issue of shares (Note b)	1,516,000	–	2
Repurchase of ordinary shares (Note a)	(5,882,000)	(1)	(5)
At 31 March 2025	493,456,000	49	385
Repuchase of ordinary shares (Note a)	**(632,000)**	**–***	**–***
At 31 March 2026	**492,824,000**	**49**	**385**

* Amount less than US$1,000 and HK$1,000.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

25. SHARE CAPITAL (CONTINUED)

Notes:

(a) During the year, the Company repurchased its own shares through the Stock Exchange as follows:

Month of repurchase	**Number of shares**	**Price per share Highest**	**Price per share Lowest**	**Aggregate consideration paid (including transaction costs)**
		HK$	HK$	HK$'000
Year ended 31 March 2026				
April 2025	178,000	0.64	0.61	112
July 2025	170,000	0.69	0.67	115
August 2025	284,000	0.75	0.73	212
September 2025	336,000	0.78	0.75	262
October 2025	376,000	0.66	0.63	243
December 2025	946,000	0.70	0.62	663
January 2026	5,190,000	0.70	0.69	3,641
March 2026	1,888,000	0.63	0.63	1,193
	9,368,000			6,441
Year ended 31 March 2025				
April 2024	590,000	0.68	0.62	387
July 2024	124,000	0.70	0.64	85
September 2024	1,674,000	0.68	0.60	1,057
October 2024	1,066,000	0.69	0.63	692
November 2024	418,000	0.62	0.59	255
December 2024	2,010,000	0.68	0.59	1,239
	5,882,000			3,715

The above ordinary shares repurchased were cancelled except that 8,736,000 (2025: Nil) shares were not cancelled and remained as treasury shares at the end of the reporting period.

None of the Company's subsidiaries purchased, sold or redeemed any of the Company's listed securities during the current year.

(b) On 12 August 2024, the Company issued 1,516,000 ordinary shares to an independent third party as part of the consideration to purchase a group of assets. For details, please see the Company's announcement dated 12 August 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

26. RELATED PARTY DISCLOSURES

	2026 HK$'000	2025 HK$'000
Sales to Ms. Tsui	1	–

Save as disclosed above and the transactions and balances as disclosed in note 11, the Group did not have any other related party transactions for both years.

COMPENSATION OF KEY MANAGEMENT PERSONNEL

The remuneration of key management was as follows:

	2026 HK$'000	2025 HK$'000
Short term benefits	2,148	2,108
Post-employment benefits	36	36
Equity-settled share-based expenses	332	628
	2,516	2,772

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

27. SHARE-BASED PAYMENT TRANSACTIONS

SHARE OPTION SCHEME

The Company's share option scheme (the "**Scheme**") was adopted pursuant to a resolution passed on 20 May 2022 for the primary purpose of providing incentives to directors and eligible employees. Under the Scheme, the directors of the Company may grant options to eligible employees, including directors of the Company and its subsidiaries, to subscribe for shares in the Company. Details of the Scheme is disclosed in Report of the Directors in this annual report.

At 31 March 2026, the number of shares in respect of which options had been granted and remained outstanding under the Scheme was 21,704,000 (2025: 22,712,000), representing 4.40% (2025: 4.60%) of the shares of the Company in issue at that date. The total number of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. The number of shares issued and to be issued in respect of the options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. Options granted to substantial shareholders or independent non-executive directors in excess of 0.1% must be approved in advance by the Company's shareholders.

Options may be exercised at any time from one to four years from the date of offer of the share option to the tenth anniversary of the date of offer. The exercise price is determined by the directors of the Company, and will not be less than the higher of (i) the closing price of the Company's shares on the date of grant, (ii) the average closing price of the shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's share.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

27. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

SHARE OPTION SCHEME (CONTINUED)

The following table discloses details and movement of the Company's share options granted under the Scheme during the years ended 31 March 2026 and 2025:

Date of grant	Vesting period	Exercisable period	Exercise price HK$	Balance as at 31 March 2024	Lapsed during the year	Balance as at 31 March 2025	Lapsed during the year	Balance as at 31 March 2026
Directors								
31 August 2023	Note (a)	21 July 2024 to 20 July 2033	1.00	320,000	(80,000)	240,000	–	240,000
			1.50	320,000	(80,000)	240,000	–	240,000
			2.00	2,320,000	(80,000)	2,240,000	–	2,240,000
			2.50	2,320,000	(80,000)	2,240,000	–	2,240,000
			3.00	2,320,000	(80,000)	2,240,000	–	2,240,000
			3.50	2,320,000	(80,000)	2,240,000	–	2,240,000
			4.00	2,320,000	(80,000)	2,240,000	–	2,240,000
22 September 2023	Note (b)	22 September 2024 to 21 September 2033	1.00	64,000	–	64,000	–	64,000
			1.50	64,000	–	64,000	–	64,000
			2.00	64,000	–	64,000	–	64,000
			2.50	64,000	–	64,000	–	64,000
			3.00	64,000	–	64,000	–	64,000
			3.50	64,000	–	64,000	–	64,000
			4.00	64,000	–	64,000	–	64,000
Employees								
22 September 2023	Note (b)	22 September 2024 to 21 September 2033	1.00	1,904,000	(392,000)	1,512,000	(144,000)	1,368,000
			1.50	1,904,000	(392,000)	1,512,000	(144,000)	1,368,000
			2.00	1,904,000	(392,000)	1,512,000	(144,000)	1,368,000
			2.50	1,904,000	(392,000)	1,512,000	(144,000)	1,368,000
			3.00	1,904,000	(392,000)	1,512,000	(144,000)	1,368,000
			3.50	1,904,000	(392,000)	1,512,000	(144,000)	1,368,000
			4.00	1,904,000	(392,000)	1,512,000	(144,000)	1,368,000
				26,016,000	(3,304,000)	22,712,000	(1,008,000)	21,704,000
Weighted average exercisable price per share				–	2.50	2.72	2.50	2.73

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

27. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

SHARE OPTION SCHEME (CONTINUED)

Notes:

(a) The vesting period of the share options (i) 25% of the share options to be vested on 21 July 2024; (ii) 25% of the share options to be vested on 21 July 2025; (iii) 25% of the share options to be vested on 21 July 2026; and (iv) 25% of the share options to be vested on 21 July 2027.

(b) The vesting period of the share options (i) 25% of the share options to be vested on 22 September 2024; (ii) 25% of the share options to be vested on 22 September 2025; (iii) 25% of the share options to be vested on 22 September 2026; and (iv) 25% of the share options to be vested on 22 September 2027.

During the year ended 31 March 2026, the Group recognised the total expense of HK$563,000 (2025: HK$1,111,000) in relation to share options granted by the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

28. RETIREMENT BENEFIT SCHEMES

The Group participates in the MPF Scheme for all its qualifying employees in Hong Kong. Under the scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK$30,000. The assets of the schemes are held separately from those of the Group, in funds under the control of trustees.

The only obligation of the Group with respect to these retirement benefits schemes is to make the specified contributions. The total amounts contributed by the Group to the schemes and costs charged to the profit or loss amounted to HK$1,439,000 (2025: HK$1,489,000) for the year ended 31 March 2026.

29. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that the group companies will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The overall strategy remains unchanged throughout the year.

The capital structure of the Group consists of net debt, which includes lease liabilities disclosed in note 24, net of short-term bank deposits, pledged bank deposits and cash and cash equivalents, and equity attributable to owners of the Company, comprising share capital and reserves.

The management of the Group reviews the capital structure regularly. As part of the review, the directors of the Company consider the cost and the risks associated with each class of the capital. Based on the recommendations of the directors of the Company, the Group will balance its overall capital structure through issue of new shares and issue of new debt.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

30. FINANCIAL INSTRUMENTS

CATEGORIES OF FINANCIAL INSTRUMENTS

	2026 HK$'000	2025 HK$'000
Financial assets at amortised cost	252,517	209,349
Financial liabilities at amortised cost	50,432	41,775

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's financial instruments include trade receivables, other receivables and deposits, bank balances, short-term bank deposits, pledged bank deposits, trade payables and other payables.

Details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments include currency risk, credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management of the Group manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Currency risk

A subsidiary of the Group has financial assets denominated in currency other than its functional currency. Consequently, the Group is exposed to risks that the exchange rate of functional currency relative to other currency may change in a manner that has an adverse effect on the value of the position of the Group's assets denominated in that foreign currency.

The exposure primarily arises from the investments in short-term bank deposits deposits and bank balances denominated in United States dollars ("US$").

The carrying amounts of the Group's foreign currency denominated monetary assets at the end of the reporting period are as follows:

	2026 HK$'000	2025 HK$'000
US$	181,945	36

Under the pegged exchange rate system, the financial impact in exchange fluctuation between HK$ and US$ is considered to be immaterial and therefore no sensitivity analysis has been prepared.

Credit risk and impairment assessment

The Group's credit risk is primarily attributable to trade receivables, other receivables and deposits, short term bank deposits, pledged bank deposits and bank balances.

The Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge the obligations by counterparties is arising from the carrying amounts of the respective recognised financial assets as stated in the consolidated statement of financial position at the end of each reporting period. The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

30. FINANCIAL INSTRUMENTS (CONTINUED)

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk and impairment assessment (Continued)

Trade receivables

In order to minimise the credit risk on trade receivables, the management of the Group has delegated a team responsible for monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the management of the Group reviews the recoverable amount of each individual debt at the end of each reporting period to ensure that adequate provisions for impairment losses are made for irrecoverable amounts on trade receivable.

The Group applies simplified approach and always recognises lifetime ECL for trade receivables. To measure the ECL, the Group performs impairment assessment under the ECL model on trade receivables individually.

The Group applied internal credit rating for its individually assessed debtors, by reference to the debtor's background, past default experience and current past due exposure of the debtor. As at 31 March 2026 and 2025, the Group assessed that the ECL for trade receivables was insignificant.

The Group's concentration of credit risk on the top five largest debtors accounted for 57% (2025: 49%) of the total trade receivables as at 31 March 2026.

Other receivables and deposits

The management of the Group make periodic individual assessment on the recoverability of significant balances based on historical settlement records (if any), past experience, and also available reasonable and supportive forward-looking information. The management of the Group believe that there is no material credit risk inherent in the Group's outstanding balance of other receivables and deposits due to the major outstanding balances are short term in nature. As at 31 March 2026 and 2025, the Group assessed that the ECL for other receivables and deposits was insignificant.

Bank balances/Short term bank deposits/Pledged bank deposits

The credit risk for bank balances, short term bank deposits and pledged bank deposits are limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies. There has been no history of default in relation to these banks.

The Group performs impairment assessment on the bank balances under 12-month ECL model. The management of the Group considers the risk of default is regarded as low based on the average loss rate by reference to credit ratings assigned by international credit-rating agencies. As at 31 March 2026 and 2025, the Group assessed that the ECL for bank balances were insignificant.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

30. FINANCIAL INSTRUMENTS (CONTINUED)

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk and impairment assessment (Continued)

The Group's internal credit risk grading assessment comprises the following categories:

Internal credit rating	Description	Trade receivables	Other financial assets
Low risk	The counterparty has a low risk of default and does not have any past-due amounts	Lifetime ECL – not credit – impaired	12-month ECL
Watch list	Debtor frequently repays after due dates but usually settle in full	Lifetime ECL – not credit – impaired	12-month ECL
Doubtful	Amount is > 30 days past due or there have been significant increases in credit risk since initial recognition through information developed internally or external resources	Lifetime ECL – not credit – impaired	Lifetime ECL – not credit-impaired
Loss	Amount is > 90 days past due or there is evidence indicating the asset is credit-impaired	Lifetime ECL – credit-impaired	Lifetime ECL – credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off	Amount is written off

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

30. FINANCIAL INSTRUMENTS (CONTINUED)

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk and impairment assessment (Continued)

The tables below detail the credit risk exposures of the Group's financial assets which are subject to ECL assessment:

Financial assets	Notes	External credit rating	Internal credit rating	12-month or lifetime ECL	Gross carrying amounts As at 31 March 2026 HK$'000	2025 HK$'000
The Group						
Amortised cost						
Trade receivables	18	N/A	Low risk	Lifetime ECL	**937**	3,192
			Watch list	Lifetime ECL	**4,551**	3,526
Other receivables and deposits	19	N/A	Low risk	12-month ECL	**18,964**	11,375
Short term bank deposits	20	A3 – Aa3	N/A	12-month ECL	**98,279**	155,461
Pledged bank deposits	20	Aa2	N/A	12-month ECL	**1,404**	1,358
Bank balances	20	A2 – Aa2	N/A	12-month ECL	**128,382**	34,437

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

30. FINANCIAL INSTRUMENTS (CONTINUED)

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk

In management of the liquidity risk, the Group monitor and maintain levels of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The following table details the Group's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

The table includes both interest and principal cash flows. To the extent that interest rates are floating rate, the undiscounted amount is derived from interest rate at the end of each reporting period.

	Weighted average interest rate	Repayable on demand or less than 3 months	3 months to 1 year	1 to 5 years	Total undiscounted cash flows	Carrying amount
	%	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
As at 31 March 2026						
Trade payables	N/A	41,941	–	–	41,941	41,941
Other payables	N/A	8,491	–	–	8,491	8,491
		50,432	–	–	50,432	50,432
Lease liabilities	5.03	3,488	6,515	2,963	12,966	12,643
As at 31 March 2025						
Trade payables	N/A	33,605	–	–	33,605	33,605
Other payables	N/A	8,170	–	–	8,170	8,170
		41,775	–	–	41,775	41,775
Lease liabilities	5.15	3,967	12,295	12,682	28,944	27,954

FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Some of the Group's financial instruments are measured at fair value for financial reporting purposes. The management of the Group determines the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. The directors work closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

30. FINANCIAL INSTRUMENTS (CONTINUED)

FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (CONTINUED)

Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis

The management considers that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values. Such fair values have been determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

31. RECONCILIATION OF GROUP'S LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Lease liabilities HK$'000	Dividend payables HK$'000	Total HK$'000
At 1 April 2024	26,795	176	26,971
Financing cash flows	(13,583)	(21,699)	(35,282)
Finance cost	1,408	–	1,408
Commencement of new leases	13,334	–	13,334
Dividends	–	22,344	22,344
At 31 March 2025	27,954	821	28,775
Financing cash flows	**(16,897)**	**(14,874)**	**(31,771)**
Finance cost	**997**	**–**	**997**
Commencement of new leases	**589**	**–**	**589**
Dividends	**–**	**14,760**	**14,760**
At 31 March 2026	**12,643**	**707**	**13,350**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

32. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	2026 HK$'000	2025 HK$'000
Non-current assets		
Investment in a subsidiary	75,955	75,955
Amount due from a subsidiary	157,170	168,518
	233,125	244,473
Current assets		
Prepayments	113	–
Amount due from a subsidiary	17,500	14,500
Cash and cash equivalents	207	76
	17,820	14,576
Current liability		
Accrued expenses	1,384	1,129
Net current assets	16,436	13,447
Net assets	249,561	257,920
Capital and reserves		
Share capital	378	385
Reserves	249,183	257,535
	249,561	257,920

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

32. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (CONTINUED)

RESERVES

	Share premium HK$'000	Other reserve HK$'000	Share-based payment reserve HK$'000	Retained profits HK$'000	Total HK$'000
At 1 April 2024	176,142	77,802	1,075	15,157	270,176
Profit and total comprehensive income for the year	–	–	–	11,394	11,394
Dividend declared	–	–	–	(22,344)	(22,344)
Recognition of equity-settled share-based expenses	–	–	1,111	–	1,111
Transfer upon lapse of share options	–	–	(78)	78	–
Repurchase of ordinary shares	(3,710)	–	–	–	(3,710)
Issue of shares	908	–	–	–	908
At 31 March 2025	173,340	77,802	2,108	4,285	257,535
Profit and total comprehensive income for the year	**–**	**–**	**–**	**12,279**	**12,279**
Dividend declared	**–**	**–**	**–**	**(14,760)**	**(14,760)**
Recognition of equity-settled share-based expenses	**–**	**–**	**563**	**–**	**563**
Transfer upon lapse of share options	**–**	**–**	**(54)**	**54**	**–**
Repurchase of ordinary shares	**(6,434)**	**–**	**–**	**–**	**(6,434)**
At 31 March 2026	**166,906**	**77,802**	**2,617**	**1,858**	**249,183**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

33. INVESTMENT IN A SUBSIDIARY AND PARTICULARS OF SUBSIDIARIES OF THE COMPANY

Particulars of the subsidiaries at the end of the reporting period are as follows:

Name of subsidiaries	Place and Date of incorporation	Principal place of operation	Issued and fully paid share capital/registered capital	Equity interest attributable to the Group as at 31 March 2026 %	2025 %	Principal activities
Directly held:						
Yoho Holdings (BVI) Limited	BVI 17 March 2021	Hong Kong	HK$146,000,000	100	100	Investment holding
Indirectly held:						
Yoho E-Commerce Holdings Limited	Hong Kong 3 October 2018	Hong Kong	HK$182,195,122	100	100	Investment holding
Yoho Hong Kong Limited	Hong Kong 20 February 2014	Hong Kong	HK$10,000	100	100	Provision of both online and offline Hong Kong e-commerce retail services
Globiz Company (Hong Kong) Limited	Hong Kong 6 August 2008	Hong Kong	HK$10,000	100	100	Offline wholesale and trading of consumer electronics and home appliances
One Percent Brands Limited	Hong Kong 31 May 2024	Hong Kong	HK$1	100	100	Retail Trade
J Select Limited	Hong Kong 21 June 2024	Hong Kong	HK$1	100	100	Offline wholesale of consumer electronics
深圳市友和電商有限公司	Chinese mainland 26 November 2024	Chinese mainland	Renminbi 10,000,000	100	100	Online e-commerce retail services in Chinese mainland

None of the subsidiaries had issued any debt securities at 31 March 2026 and 2025.

FIVE-YEAR FINANCIAL SUMMARY

CONSOLIDATED RESULTS

	Year ended 31 March				
	2026	2025	2024	2023	2022
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Revenue	**736,771**	753,795	841,148	855,076	790,054
Profit before taxation	**19,416**	24,131	26,368	9,796	4,500
Income tax expense	**(2,664)**	(3,665)	(4,064)	(3,493)	(4,725)
Profit and total comprehensive income for the year	**16,752**	20,466	22,304	6,303	(225)

CONSOLIDATED ASSETS AND LIABILITIES

	As at 31 March				
	2026	2025	2024	2023	2022
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Assets					
Total non-current assets	**26,487**	39,954	35,583	43,174	28,554
Total current assets	**321,499**	315,942	337,069	303,761	211,733
Total assets	**347,986**	355,896	372,652	346,935	240,287
Liabilities					
Total current liabilities	**77,700**	72,220	79,995	59,070	148,581
Total non-current liabilities	**2,939**	12,443	17,852	23,004	12,960
Total liabilities	**80,639**	84,663	97,847	82,074	161,541
Net assets	**267,347**	271,233	274,805	264,861	78,746
Total equity	**267,347**	271,233	274,805	264,861	78,746