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MANWAH

MAN AH HOLDINGS LIMITED

敏華控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 01999)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 MARCH 2025 AND CLOSURE OF REGISTER OF MEMBERS

The board (the "Board") of directors (the "Directors") of Man Wah Holdings Limited (the "Company") is pleased to announce the audited consolidated financial results of the Company and its subsidiaries (the "Group") for the financial year ended 31 March 2025 ("FY2025", the "Review Period" or the "Reporting Period") together with the comparative figures for the previous financial year ended 31 March 2024 ("FY2024" or "Last Corresponding Period").

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2025

	Notes	**2025**	2024
		HK$'000	*HK$'000*
Revenue and other income		**17,249,385**	18,798,633
Revenue	3	**16,902,634**	18,411,197
Cost of goods sold		**(10,058,472)**	(11,163,170)
Gross profit		**6,844,162**	7,248,027
Other income		**346,751**	387,436
Other losses, net		**(541,062)**	(304,195)
Selling and distribution expenses		**(3,075,090)**	(3,314,346)
Administrative and other expenses		**(750,373)**	(956,000)
Operating profit	5	**2,824,388**	3,060,922
Finance costs		**(147,817)**	(200,500)
Share of results of joint ventures		**13**	4,053
Profit before income tax		**2,676,584**	2,864,475
Income tax expense	4	**(521,776)**	(468,473)
Profit for the year		**2,154,808**	2,396,002
Other comprehensive loss:			
Item that may be subsequently reclassified to profit or loss			
Currency translation differences		**(273,488)**	(582,038)
Item that will not be reclassified to profit or loss			
Currency translation differences		**(23,402)**	(39,434)
Other comprehensive loss for the year		**(296,890)**	(621,472)
Total comprehensive income for the year		**1,857,918**	1,774,530

	Note	2025 *HK$'000*	2024 *HK$'000*
Profit for the year attributable to:			
Owners of the Company		**2,062,617**	2,302,366
Non-controlling interests		**92,191**	93,636
		2,154,808	2,396,002
Total comprehensive income for the year attributable to:			
Owners of the Company		**1,789,129**	1,720,328
Non-controlling interests		**68,789**	54,202
		1,857,918	1,774,530
Earnings per share attributable to owners of the Company			
– Basic (HK cents per share)	6	**53.19**	59.09
– Diluted (HK cents per share)	6	**53.19**	59.08

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

	Note	2025 *HK$'000*	2024 *HK$'000*
ASSETS			
Non-current assets			
Property, plant and equipment		**6,958,963**	7,227,927
Investment properties		**1,010,308**	442,044
Right-of-use assets		**2,724,829**	2,548,190
Goodwill		**658,861**	767,394
Other intangible assets		**117,649**	171,517
Interests in joint ventures		**22,563**	22,695
Financial assets at fair value through profit or loss		**1,714**	1,725
Deferred tax assets		**8,648**	8,132
Deposit paid for a land lease		**139,307**	310,868
Prepayments and deposits paid for acquisition of property, plant and equipment		**48,147**	202,417
		11,690,989	11,702,909
Current assets			
Inventories		**1,450,445**	1,553,474
Properties held for sale		**123,039**	135,907
Properties under development		**157,433**	158,443
Trade receivables and bills receivable	8	**1,811,427**	1,746,892
Other receivables and prepayments		**705,544**	981,488
Financial assets at fair value through profit or loss		**73,564**	246,430
Tax recoverable		**4,655**	4,361
Restricted bank balances		**182**	3,786
Cash and bank balances		**4,006,314**	3,273,830
		8,332,603	8,104,611
Total assets		**20,023,592**	19,807,520

	Note	2025 *HK$'000*	2024 *HK$'000*
EQUITY			
Equity attributable to owners of the Company			
Share capital		**1,551,233**	1,551,015
Reserves		**11,159,423**	10,532,371
		12,710,656	12,083,386
Non-controlling interests		**938,510**	992,283
Total equity		**13,649,166**	13,075,669
LIABILITIES			
Non-current liabilities			
Lease liabilities		**121,067**	158,666
Bank borrowings – non-current portion		**1,066**	1,015
Deferred tax liabilities		**136,805**	143,267
Other non-current liabilities		**1,448**	1,268
		260,386	304,216
Current liabilities			
Trade payables and bills payable	9	**653,240**	710,214
Other payables and accruals		**701,823**	1,090,960
Lease liabilities		**51,822**	52,520
Contract liabilities		**246,468**	274,813
Bank borrowings – current portion		**4,213,483**	4,113,203
Tax payable		**247,204**	185,925
		6,114,040	6,427,635
Total liabilities		**6,374,426**	6,731,851
Total equity and liabilities		**20,023,592**	19,807,520

1 GENERAL INFORMATION

The Company was incorporated and registered as an exempted company with limited liability in Bermuda under the Companies Act 1981 of Bermuda (as amended). Its shares are listed on The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") with effect from 9 April 2010. The Company's immediate and ultimate holding company is Man Wah Investments Limited, which is owned by Mr. Wong Man Li and Ms. Hui Wai Hing, directors of the Company.

The Company acts as an investment holding company.

The consolidated financial statements of the Company are presented in thousands of units of Hong Kong dollars ("HK$'000"), unless otherwise stated, for the convenience of the shareholders as the Company is listed in Hong Kong.

2 BASIS OF PREPARATION

The consolidated financial statements of Man Wah Holdings Limited have been prepared in accordance with all applicable IFRS Accounting Standards and disclosure requirements of the Hong Kong Companies Ordinance Cap. 622. The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- financial assets at fair value through profit or loss ("FVPL") – measured at fair value; and
- investment properties – measured at fair value.

The preparation of consolidated financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements and the principal accounting policies applied in the preparation of these consolidated financial statements are included in the 2025 Annual Report.

(i) New and amended standards adopted by the Group

The Group has adopted the following revised framework and amendments to standards which are relevant to the Group's operations and are mandatory for the financial year beginning on 1 April 2024.

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

The adoption of the above revised framework and amendments to standards did not have any significant financial impact on these consolidated financial statements.

(ii) New standards, amendments to standards and interpretations not yet adopted

The following are new standards, amendments to standards and interpretations that have been published and are mandatory for the Group's accounting periods beginning on or after 1 April 2025 or later periods, but have not been early adopted by the Group.

IAS 21 (Amendments)	Lack of Exchangeability[(1)]
IFRS 9 and IFRS 7 (Amendments)	Classification and Measurement of Financial Instruments[(2)]
Annual Improvements to IFRS Accounting Standards – Volume 11	Narrow-scope amendments to IFRS[(2)]
IFRS 18 (Amendments)	Presentation and Disclosure in Financial Statements[(3)]
IFRS 19 (Amendments)	Subsidiaries without Public Accountability: Disclosures[(3)]
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures[(4)]

(1) Effective for the accounting period beginning on or after 1 January 2025

(2) Effective for the accounting period beginning on or after 1 January 2026

(3) Effective for the accounting period beginning on or after 1 January 2027

(4) Effective for the accounting period is to be determined

The Group is in the process of assessing potential impact of the above new standards and amendments that are relevant to the Group upon initial application. It is not yet in a position to state whether these standards, interpretations, and amendments will have a significant impact on the Group's results of operations and financial position.

3. SEGMENT INFORMATION

The Group's operating and reportable segments, based on information reported to the Company's executive directors, being the chief operating decision makers of the Group, in respect of the Group's performance regarding different products and different markets, are as follows:

Sofas and ancillary products	–	manufacture and distribution of sofas and ancillary products through wholesale and distributors other than those by Home Group Ltd and its subsidiaries ("Home Group")
Home Group business	–	manufacture and distribution of sofas and ancillary products by Home Group
Bedding and ancillary products	–	manufacture and distribution of bedding and ancillary products
Other products	–	manufacture and distribution of chairs and other products to commercial clients, smart furniture spare parts and metal mechanism for recliners, income from sales of scrap metal etc.
Other business	–	sales of residential properties, hotel operation and lease of furniture mall and other properties

The Company's executive directors make decisions based on the operating results of each segment and review reports on the aging analysis of trade receivables and bills receivable and expected sales of inventories of the Group as a whole. No information of segment assets and liabilities is reviewed by the Company's executive directors for the assessment of performance of operating segments. Therefore, only the segment revenue and segment results are presented.

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment results represent the profit before income tax earned by each segment without allocation of other income, share of results of joint ventures, exchange gains, fair value losses on investment properties, losses from changes in fair value of financial assets at FVPL, finance costs, provision for impairment of goodwill, provision for impairment of intangible assets, provision for impairment of property, plant and equipment and unallocated expenses.

(a) Segment revenues and results

The information of segment revenue and segment results are as follows:

For the year ended 31 March 2025

	Sofas and ancillary products *HK$'000*	Bedding and ancillary products *HK$'000*	Other products *HK$'000*	Other business *HK$'000*	Home Group business *HK$'000*	Total *HK$'000*
Revenue						
External sales	**11,742,512**	**2,408,061**	**1,665,873**	**308,800**	**777,388**	**16,902,634**
Results						
Segment results	**2,268,828**	**501,402**	**244,034**	**214,813**	**29,982**	**3,259,059**
Other income						**346,751**
Share of results of joint ventures						**13**
Exchange gains, net						**5,300**
Fair value losses on investment properties						**(71,244)**
Losses from changes in fair value of financial assets at FVPL						**(147,515)**
Finance costs						**(147,817)**
Provision for impairment of goodwill						**(104,310)**
Provision for impairment of property, plant and equipment						**(96,419)**
Provision for impairment of intangible asset						**(12,795)**
Unallocated expenses						**(354,439)**
Profit before income tax						**2,676,584**

For the year ended 31 March 2024

	Sofas and ancillary products *HK$'000*	Bedding and ancillary products *HK$'000*	Other products *HK$'000*	Other business *HK$'000*	Home Group business *HK$'000*	Total *HK$'000*
Revenue						
External sales	12,658,825	2,987,854	1,819,602	270,780	674,136	18,411,197
Results						
Segment results	2,142,877	658,586	226,342	199,401	3,372	3,230,578
Other income						387,436
Share of results of joint ventures						4,053
Exchange gains, net						13,485
Fair value losses on investment properties						(2,509)
Losses from changes in fair value of financial assets at FVPL						(219,845)
Finance costs						(200,500)
Provision for impairment of goodwill						(12,268)
Unallocated expenses						(335,955)
Profit before income tax						2,864,475

Disaggregation of revenue from contracts with customers

For the year ended 31 March 2025

Segments	Sofas and ancillary products *HK$'000*	Bedding and ancillary products *HK$'000*	Other products *HK$'000*	Other business *HK$'000*	Home group business *HK$'000*	Total *HK$'000*
Types of goods or service						
Manufacture and distribution of goods recognised at a point in time						
Sofas and ancillary products	**11,742,512**	**–**	**–**	**–**	**777,388**	**12,519,900**
Bedding and ancillary products	**–**	**2,408,061**	**–**	**–**	**–**	**2,408,061**
Customization and chair	**–**	**–**	**60,253**	**–**	**–**	**60,253**
Metal frame and smart furniture spare parts	**–**	**–**	**1,605,620**	**–**	**–**	**1,605,620**
Residential properties	**–**	**–**	**–**	**19,317**	**–**	**19,317**
	11,742,512	**2,408,061**	**1,665,873**	**19,317**	**777,388**	**16,613,151**
Service income – recognised over time	**–**	**–**	**–**	**289,483**	**–**	**289,483**
Total	**11,742,512**	**2,408,061**	**1,665,873**	**308,800**	**777,388**	**16,902,634**

For the year ended 31 March 2024

Segments	Sofas and ancillary products *HK$'000*	Bedding and ancillary products *HK$'000*	Other products *HK$'000*	Other business *HK$'000*	Home group business *HK$'000*	Total *HK$'000*
Types of goods or service						
Manufacture and distribution of goods recognised at a point in time						
Sofas and ancillary products	12,658,825	–	–	–	674,136	13,332,961
Bedding and ancillary products	–	2,987,854	–	–	–	2,987,854
Customization and chair	–	–	66,203	–	–	66,203
Metal frame and smart furniture spare parts	–	–	1,753,399	–	–	1,753,399
Residential properties	–	–	–	21,972	–	21,972
	12,658,825	2,987,854	1,819,602	21,972	674,136	18,162,389
Service income – recognised over time	–	–	–	248,808	–	248,808
Total	12,658,825	2,987,854	1,819,602	270,780	674,136	18,411,197

(b) Other information

Amounts included in the measure of segment result:

For the year ended 31 March 2025

	Sofas and ancillary products *HK$'000*	Bedding and ancillary products *HK$'000*	Other products *HK$'000*	Other business *HK$'000*	Home Group business *HK$'000*	Total *HK$'000*
Cost of inventories	**4,365,414**	**1,596,637**	**1,498,143**	**–**	**343,976**	**7,804,170**
Employee benefit expenses (including directors' emoluments)	**1,957,905**	**546,813**	**334,103**	**22,836**	**193,421**	**3,055,078**
Loss/(gain) on disposal of property, plant and equipment	**5,580**	**1,095**	**1,277**	**–**	**(137)**	**7,815**
Depreciation and amortisation	**337,895**	**105,993**	**57,899**	**17,210**	**16,700**	**535,697**
Provision for impairment of trade receivables and bills receivable	**35,575**	**13,011**	**2,212**	**–**	**31**	**50,829**
(Reversal of)/provision for impairment of inventories	**(11,320)**	**(4,151)**	**–**	**–**	**1,513**	**(13,958)**

Amounts included in the measure of segment result:

For the year ended 31 March 2024

	Sofas and ancillary products *HK$'000*	Bedding and ancillary products *HK$'000*	Other products *HK$'000*	Other business *HK$'000*	Home Group business *HK$'000*	Total *HK$'000*
Cost of inventories	4,915,439	1,886,995	1,703,395	–	315,317	8,821,146
Employee benefit expenses (including directors' emoluments)	2,012,126	646,720	336,108	23,857	174,211	3,193,022
Loss/(gain) on disposal of property, plant and equipment	17,152	2,215	3,749	–	(75)	23,041
Depreciation and amortisation	389,119	66,433	77,130	19,036	21,160	572,878
Provision for/(reversal of) impairment of trade receivables and bills receivable	33,033	7,797	(2,018)	–	(60)	38,752
(Reversal of)/provision for impairment of inventories	(7,398)	(420)	–	–	2,241	(5,577)

(c) Geographical information

Revenue from external customers by geographical location of customers is as follows:

	2025	2024
	HK$'000	*HK$'000*
PRC (including Hong Kong and Macau)	**10,236,290**	12,257,665
North America *(Note 1)*	**4,420,102**	4,284,307
Europe *(Note 2)*	**1,580,235**	1,325,869
Others *(Note 2)*	**666,007**	543,356
	16,902,634	18,411,197

Notes:

1. The revenue generating from external customers in North America mainly included HK$3,882,551,000 (2024: HK$3,926,592,000) from the United States and HK$499,937,000 (2024: HK$332,981,000) from Canada.

2. Europe mainly included England, Ireland and Spain. Others mainly included Indonesia, Australia, India and Korea. Home Group business is included in Europe. No further analysis by countries of these categories are presented because the revenue from each individual country is insignificant to the total revenue.

Information about the Group's non-current assets (excluding deferred tax assets and financial assets at fair value through profit or loss) is presented based on the location of the assets:

	2025	2024
	HK$'000	*HK$'000*
PRC (including Hong Kong and Macau)	**9,525,167**	9,334,779
Europe	**334,669**	350,407
Vietnam	**1,117,749**	1,174,594
Mexico	**702,904**	830,240
Others	**138**	3,032
	11,680,627	11,693,052

During the year, none of the Group's customers individually contributed more than 10% of the Group's revenue (2024: none).

4. INCOME TAX EXPENSE

	2025	2024
	HK$'000	*HK$'000*
Current income tax:		
PRC Corporate Income Tax ("PRC CIT")	**308,168**	268,513
PRC Withholding Income Tax	**61,411**	108,595
PRC Land Appreciation Tax ("PRC LAT")	**639**	667
Macau Complementary Tax	**23,604**	49,488
U.S. Federal and State Corporate Income Taxes ("U.S. CIT")	**2,184**	1,659
Hong Kong Profits Tax	**81,807**	4,784
Vietnam corporate income tax	**36,696**	5,913
Others	**10,308**	3,358
Under-provision in prior years	**387**	11,165
	525,204	454,142
Deferred income tax charge	**(3,428)**	14,331
	521,776	468,473

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulations of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years, except for a PRC subsidiary of the Company, carrying out business in the western region of the PRC, which qualifies for the preferential tax rate of 15% (2024: 15%) and a PRC subsidiary of the Company, carrying out business in Xinjiang in PRC, which is eligible for preferential tax rate of 0% (2024: 0%) for a period from 2024 to 2029.

The EIT Law imposes withholding tax upon the distribution of the profits earned by the Company's PRC subsidiaries on or after 1 January 2008 to their non-resident shareholders.

The Group's Macau subsidiaries are subject to Macau Complementary Tax at a rate of 12% (2024: 12%) on the assessable income.

The U.S. CIT charge comprises federal income tax calculated at 21% (2024: 21%) and state income tax calculated from 0% to 9% (2024: 0% to 9%) on the estimated assessable profits of the subsidiary of the Company which was incorporated in the U.S..

The Group's Hong Kong subsidiaries are subject to Hong Kong Profits Tax at a rate of 16.5% (2024: 16.5%) on the assessable income. The Group's Vietnam subsidiaries are subject to Profits Tax at a rate of 20% (2024: 20%) on the assessable income.

5. OPERATING PROFIT

	2025 *HK$'000*	2024 *HK$'000*
Cost of inventories	**7,804,170**	8,821,146
Auditor's remuneration		
– audit services	**1,950**	2,861
– non-audit services	**768**	1,157
Amortisation of intangible assets	**43,038**	46,842
Depreciation of property, plant and equipment	**422,989**	434,022
Depreciation of right-of-use assets	**69,670**	92,014
Employee benefit expenses (including directors' emoluments)	**3,055,078**	3,193,022
Short-term lease payment	**40,303**	22,859
Reversal of impairment of inventories	**(13,958)**	(5,577)
(Reversal of)/provision for legal claim	**(83,826)**	64,001
Legal and professional fee	**43,776**	56,919

6. EARNINGS PER SHARE

Earnings per share is computed as follows:

	2025	2024
Basic		
Profit attributable to equity owners of the Company for the year *(HK$'000)*	**2,062,617**	2,302,366
Weighted average outstanding ordinary share, in thousands	**3,877,780**	3,896,496
Basic earnings per share for the year in HK cents	**53.19**	59.09
Diluted		
Profit attributable to equity owners of the Company for the year *(HK$'000)*	**2,062,617**	2,302,366
Weighted average outstanding ordinary share, in thousands	**3,877,780**	3,896,496
Effect of dilutive potential ordinary shares on exercise of share options	**126**	610
Weighted average outstanding ordinary shares after assuming dilution, in thousands	**3,877,906**	3,897,106
Diluted earnings per share for the year in HK cents	**53.19**	59.08

7. DIVIDENDS

During the year, the Company recognised the following dividends as distribution:

	2025	2024
	HK$'000	*HK$'000*
Final dividend for the year ended 31 March 2024 of HK$0.15 (2024: HK$0.10 final dividend for the year ended 31 March 2023) per share	**581,662**	390,669
Interim dividend for the period ended 30 September 2024 of HK$0.15 (2024: HK$0.15 interim dividend for the period ended 30 September 2023) per share	**581,669**	586,007
	1,163,331	976,676

A final dividend of HK$0.12 per share in respect of the year ended 31 March 2025, amounting to approximately HK$465,370,000 to be paid to the shareholders of the Company whose names appear on the Company's register of members on Thursday, 10 July 2025, has been proposed by the board of directors and is subject to approval by the shareholders in the forthcoming annual general meeting.

8. TRADE RECEIVABLES AND BILLS RECEIVABLE

The Group generally allows a credit period of 30 to 90 days for customers. The aging analysis of the Group's trade receivables and bills receivable (net of provision for impairment of trade receivables and bills receivable) presented based on the invoice date at the end of the reporting period is as follows:

	2025	2024
	HK$'000	*HK$'000*
0–90 days	**1,588,046**	1,653,251
91–180 days	**175,258**	73,783
Over 180 days	**48,123**	19,858
	1,811,427	1,746,892

9. TRADE PAYABLES AND BILLS PAYABLE

The credit period on purchases of goods generally ranges from 30 to 60 days.

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

	2025	2024
	HK$'000	*HK$'000*
0–90 days	**647,935**	709,155
91–180 days	**4,061**	708
Over 180 days	**1,244**	351
	653,240	710,214

10. CAPITAL COMMITMENTS

	2025	2024
	HK$'000	*HK$'000*
Capital expenditure contracted but not provided for in the consolidated financial statements in respect of		
– Property, plant and equipment and right-of-use assets *(Note)*	**1,412,918**	422,558
Total	**1,412,918**	422,558

Note: As at 31 March 2025, the capital expenditure contracted but not provided for in the consolidated financial statements in respect of property, plant and equipment and right-of-use assets was HK$1,412,918,000 (2024: HK$422,558,000), of which HK$97,119,000 (2024: HK$155,986,000) is related to a building located in Qianhai in Shenzhen and HK$513,293,000 is related to a piece of land in Xi'an.

MARKET AND BUSINESS REVIEW

During the FY2025, the global furniture market showed a complex and volatile trend. With the impact of the macroeconomic conditions, consumer confidence in the domestic market was slow to recover and they were more cautious in purchasing furniture products. Nonetheless, the trade-in subsidy policy launched by the Chinese government introduced a booster into the sluggish furniture market, partly offsetting the downturn in domestic sales. In overseas markets, the global economy gradually recovered and consumer demand rebounded in some regions, while the gradually emerging scenarios including trade frictions and exchange rate fluctuations posed certain challenges to the export business.

In this complex market condition, the Group proactively responded to various challenges and maintained the resilience of its business through a range of measures such as strengthening brand building, optimizing the product mix, expanding sales channels and enhancing operational efficiency. Once again, the Group ranked first globally in terms of recliner sales volume in the calendar year of 2024 according to the survey result by a third-party research institute (Source: Euromonitor International (Shanghai) Ltd., measured in terms of retail sales volume of recliner sofas in the world in 2024; recliner sofa is an armchair of sofa that reclines when the occupant lowers the chair's back and raises its front, including both electric and non-electric reclining sofa. Research was completed in April 2025).

During the Review Period, the Group recorded a revenue of HK$16,902,634,000, representing a year-on-year decrease of 8.2%. However, gross profit margin for the year increased from 39.4% to 40.5%. The profit attributable to owners of the Company amounted to HK$2,062,617,000, representing a year-on-year decrease of 10.4%. The decrease was mainly due to fair value losses on investment properties of HK$71,244,000 (Last Corresponding Period: HK$2,509,000), provision for impairment of goodwill of HK$104,310,000 (Last Corresponding Period: HK$12,268,000), provision for impairment of property, plant and equipment of HK$96,419,000 (Last Corresponding Period: Nil) and provision for impairment of intangible assets of HK$12,795,000 (Last Corresponding Period: Nil). Excluding the impact of these, the profit attributable to owners of the Company for the FY2025 amounted to HK$2,350 million, representing a slight increase of 1.3% year-on-year.

1 PRC Market

In response to the changes in the macro market, the Company actively optimized its sales channels over the past year. During the Review Period, the Company achieved a net addition of 131 stores, and had a total number of 7,367 stores (excluding Style (格調) and Suning stores), further strengthening the store layout in lower-tier markets and value-for-money series in first and second-tier cities. In terms of brand building, the Company appointed Wu Jing as the brand spokesperson to capitalize on his extensive social influence and good public image to make the public much more impressed with the "CHEERS" brand. In terms of products, the Company continued to increase its investment in R&D and launched a series of recliner sofa with innovative design, excellent quality and value-for-money features in order to maintain the competitiveness of its products in the market.

As it took time for consumer confidence to fully recover in the domestic market, consumers' purchasing power and intention to purchase were to a certain extent affected by the macroeconomic environment and employment situation. In addition, competition in the furniture market intensified and overcapacity emerged in the sofa industry, which posed pressure on the selling prices of products and added challenges to the entire industry. Despite the severe price competition in the industry, the Group has established a solid market leadership position with more than 30 years of experience in sofa production processes, excellent quality and cost advantage. During FY2025, the Company recorded a sales revenue of HK$9,927,490,000 from the PRC market (excluding revenue from real estate, shopping mall property and other business), representing a decrease of approximately 17.2% from the corresponding period of last year, and accounting for 58.7% of the Company's revenue, which declined from 65.0% of last year.

2 Overseas Markets

During the Review Period, the performance of overseas markets continued to be satisfactory, with an overall export of approximately 884,000 sets of sofa products, representing a year-on-year growth of approximately 13.0%.

Among them, the North America market steadily improved. The Group launched a series of products that match the aesthetics and usage habits of local consumers, which were well received and the orders and shipments continued to increase. During FY2025, it recorded a revenue of HK$4,420,102,000 from the North America market, representing a year-on-year increase of 3.2%, and accounting for 26.2% of the Group's revenue, which rose from 23.3% of last year.

The growth in sales was primarily a result of the Company's brand recognition gained over the years, product innovation and channel expansion in the North America market. At the same time, the Company actively cooperated with local furniture retailers and distributors to further expand its market coverage.

For Europe and other overseas markets (excluding Home Group), the Group strengthened its strategic layout and marketing promotion and successfully expanded its sales channels, which were the major factors for the rapid growth of business in the region. During the Review Period, Europe and other overseas markets contributed a revenue of HK$1,468,854,000, representing a year-on-year increase of 22.9%, and accounting for 8.7% of the Group's revenue, which rose from 6.5% of last year.

Home Group performed well and recorded a revenue of HK$777,388,000, representing a year-on-year increase of 15.3%, and accounting for 4.6% of the Group's revenue, which rose from 3.7% of last year. The production of Home Group's plant in Ukraine remained stable during the Review Period, but the management continues to monitor the situation in Ukraine following the outbreak of the war between Russia and Ukraine.

FINANCIAL REVIEW

Revenue, Other Income and Gross Profit Margin

	Revenue and other income *(HK$'000)*			As a percentage of revenue and other income *(%)*		Gross profit margin *(%)*	
	FY2025	FY2024	**Change *(%)***	**FY2025**	FY2024	**FY2025**	FY2024
Sofas and ancillary products	**11,742,512**	12,658,825	(7.2)%	**68.0%**	67.3%	**40.9%**	39.6%
Bedding and ancillary products	**2,408,061**	2,987,854	(19.4)%	**14.0%**	15.9%	**42.0%**	43.8%
Other products	**1,665,873**	1,819,602	(8.4)%	**9.7%**	9.7%	**29.3%**	26.3%
Home Group business	**777,388**	674,136	15.3%	**4.5%**	3.6%	**32.7%**	29.2%
Other business	**308,800**	270,780	14.0%	**1.8%**	1.4%	**95.2%**	93.7%
Revenue	**16,902,634**	18,411,197	(8.2)%	**98.0%**	97.9%	**40.5%**	39.4%
Other income	**346,751**	387,436	(10.5)%	**2.0%**	2.1%	**–**	–
Revenue and other income	**17,249,385**	18,798,633	(8.2)%	**100.0%**	100.0%		

During FY2025, revenue and other income decreased by approximately 8.2% to approximately HK$17,249,385,000 (Last Corresponding Period: approximately HK$18,798,633,000). The overall gross profit margin during the Review Period was approximately 40.5% (Last Corresponding Period: approximately 39.4%).

1 Sofas and Ancillary Products

During the Review Period, revenue from sofas and ancillary products was approximately HK$11,742,512,000, representing a decrease of approximately 7.2% as compared to approximately HK$12,658,825,000 in the Last Corresponding Period. During the Review Period, excluding Home Group business, the Group sold approximately 1,885,000 sets of sofa products (FY2024: approximately 1,902,000 sets), representing a decrease of approximately 0.9% (one set of sofa products equals to six seats, excluding chairs and other products which were sold to commercial clients).

1.1 PRC Market

During the Review Period, revenue from the PRC market reached approximately HK$6,583,804,000, down by approximately 15.4% from approximately HK$7,781,477,000 in the Last Corresponding Period, among which sofas products sold decreased by approximately 10.6% from approximately 1,120,000 sets in the Last Corresponding Period to approximately 1,001,000 sets, which was mainly attributable to the weak market demand in the furniture industry in the PRC.

1.2 North America Market

During the Review Period, revenue from the North America market was approximately HK$4,146,118,000, representing an increase of approximately 3.0% from approximately HK$4,025,465,000 in the Last Corresponding Period, which was attributable to the increase in sales orders from the customers. Among the revenue from North America during the Review Period, revenue from the United States and Canada was approximately HK$3,642,606,000 and HK$479,451,000, respectively.

1.3 Europe and Other Overseas Markets

During the Review Period, revenue of sofa and supporting products from Europe and other overseas markets was approximately HK$1,012,590,000, representing an increase of approximately 18.9% from approximately HK$851,883,000 in the Last Corresponding Period, which was attributable to the increase in sales orders from certain major customers in Europe during the Review Period.

2 Bedding and Ancillary Products

During the Review Period, revenue from bedding and ancillary products was approximately HK$2,408,061,000, representing a decrease of approximately 19.4% as compared to approximately HK$2,987,854,000 in the Last Corresponding Period, which was mainly attributable to the weak market demand in the furniture industry in the PRC.

3 Sales of Other Products

During the Review Period, the Group's revenue from other products was approximately HK$1,665,873,000, representing a decrease of approximately 8.4% from approximately HK$1,819,602,000 in the Last Corresponding Period, which was mainly attributable to a decrease in sales of metal mechanism and smart furniture spare parts as a result of the weak market demand in the furniture industry in the PRC.

4 Home Group Business

During the Review Period, revenue from Home Group reached approximately HK$777,388,000, representing an increase of approximately 15.3% compared with approximately HK$674,136,000 in the Last Corresponding Period, which was mainly attributable to the increased demand in the European market.

5 Other Business

During the Review Period, revenue from the real estate, hotel, and lease of furniture mall and other properties of the Group reached approximately HK$308,800,000, representing an increase of approximately 14.0% compared with approximately HK$270,780,000 in the Last Corresponding Period, which was mainly attributable to the increase in lease income.

6 Other Income

During the Review Period, other income of the Group was approximately HK$346,751,000, representing a decrease of approximately 10.5% as compared with approximately HK$387,436,000 in the Last Corresponding Period, which was mainly attributable to the decrease in interest income of approximately HK$21,320,000.

Cost of Goods Sold

Breakdown of Cost of Goods Sold

	FY2025	FY2024	**Change**
	HK$'000	*HK$'000*	*%*
Cost of raw materials	**7,532,322**	8,487,117	(11.2)%
Labour costs	**1,948,089**	2,055,123	(5.2)%
Manufacturing overhead	**578,061**	620,930	(6.9)%
Total	**10,058,472**	11,163,170	(9.9)%

Cost of raw materials is the component of cost of goods sold and the reason the year-on-year decrease percentage was larger than that of revenue was mainly attributable to the decrease in average unit cost as compared to the Last Corresponding Period, which is presented as follows:

Major raw materials	**Average unit cost year-on-year change** *%*
Leather	(6.7)%
Steel products	(3.0)%
Wood	5.2%
Fabric	(1.8)%
Chemicals	(9.8)%
Packaging paper	(9.9)%

Other Gains and Losses

During FY2025, other gains and losses of the Group amounted to net losses of approximately HK$541,062,000 (Last Corresponding Period: losses of approximately HK$304,195,000). The aforesaid losses in the Review Period were mainly attributable to the losses from changes in fair value of financial assets at FVPL of approximately HK$147,515,000, the impairment of goodwill of HK$104,310,000, the impairment of property, plant and equipment of HK$96,419,000 and the fair value losses on investment properties of HK$71,244,000.

Selling and Distribution Expenses

Selling and distribution expenses decreased by approximately 7.2% from approximately HK$3,314,346,000 in FY2024 to approximately HK$3,075,090,000 in FY2025. Selling and distribution expenses as a percentage of revenue increased from approximately 18.0% in FY2024 to approximately 18.2% in FY2025, including:

(a) Advertising, promotion, and brand building expenses decreased by approximately 30.3% from approximately HK$579,579,000 to approximately HK$404,056,000, and their percentage in revenue decreased from approximately 3.1% to approximately 2.4% mainly due to the decline in consumption in the PRC market, as a result of which the Group has reduced the product promotion expenses for the PRC market accordingly;

(b) Overseas transportation and port expenses increased by approximately 31.0% from approximately HK$588,713,000 to approximately HK$771,027,000, as a percentage of revenue it increased from approximately 3.2% last year to approximately 4.6% in FY2025, which was mainly attributable to the increase in the relevant expenses as a result of the increasing sea freight. Domestic transportation expenses decreased by approximately 7.9% from approximately HK$476,158,000 to approximately HK$438,711,000, representing approximately 2.6% of revenue, which was the same as FY2024;

(c) Customs duties imposed on goods exported to the United States decreased by approximately 88.9% from approximately HK$71,935,000 to approximately HK$7,989,000. The duties as a percentage of revenue decreased from approximately 0.4% in FY2024 to approximately 0.1% in FY2025, which was mainly attributable to the significant decrease in orders for exports from China to the U.S. and the fact that currently exports to the U.S. market mainly came from the factory in Vietnam;

(d) Salaries, welfare, and commissions of sales staff decreased by approximately 5.7% from approximately HK$806,217,000 to approximately HK$760,402,000, and their percentage in revenue increased from approximately 4.4% in FY2024 to approximately 4.5% in FY2025, which was mainly attributable to the decrease in the number of sales staff.

Administrative and Other Expenses

Administrative and other expenses decreased by approximately 21.5% from approximately HK$956,000,000 in FY2024 to approximately HK$750,373,000 in FY2025. As a percentage of revenue, administrative and other expenses were approximately 4.4% (FY2024: approximately 5.2%), which was mainly attributable to the out of court settlement of the litigation with a former supplier leading to the reversal of over-provision for legal claim.

Income Tax Expense

Income tax expense increased by approximately 11.4% from approximately HK$468,473,000 in FY2024 to approximately HK$521,776,000 in FY2025. The effective tax rate was approximately 19.5% in FY2025 (FY2024: 16.4%).

Profit Attributable to Owners of the Company and Net Profit Margin

As a result of the above, the profit attributable to owners of the Company decreased by approximately 10.4% from approximately HK$2,302,366,000 in FY2024 to approximately HK$2,062,617,000 in FY2025. The net profit margin of owners of the Group decreased from approximately 12.5% in FY2024 to approximately 12.2% in FY2025.

Dividends

The Board has proposed a final dividend of HK12 cents per share for FY2025. During FY2025, the Board declared and paid an interim dividend of HK15 cents per share. The Directors may recommend a payment of dividends in the future after taking into account the operations, earnings, financial condition, cash requirements and availability, capital expenditure and future development requirements of the Group and other factors as they may deem relevant at such time. Total dividends declared for FY2025 accounted for approximately 50.8% of the profit attributable to owners of the Company.

Working Capital

As at 31 March 2025, the Group's cash and bank balances were approximately HK$4,006,314,000 (31 March 2024: approximately HK$3,273,830,000), of which approximately HK$1,471,946,000 was denominated in RMB, approximately HK$172,289,000 was denominated in Euro, approximately HK$1,358,481,000 was denominated in US$ and approximately HK$946,574,000 was denominated in HK$ (31 March 2024: approximately HK$2,841,160,000 was denominated in RMB, approximately HK$142,265,000 was denominated in Euro, approximately HK$250,247,000 was denominated in US$ and approximately HK$5,663,000 was denominated in HK$).

The Group has been committed to maintaining a sound financial policy. Benefiting from the steady and sound development of the Company's business, it can effectively manage its cash flow and capital commitments. The Group also ensures that it has sufficient funds to meet its existing and future cash requirements while providing sustainable and stable dividend returns to shareholders.

The Group has not experienced and does not expect to experience any difficulties in meeting its repayment obligations when a loan or financing is due.

Liquidity and Capital Resources

As at 31 March 2025, the Group's short-term borrowings amounted to approximately HK$4,213,483,000 and long-term borrowings amounted to approximately HK$1,066,000. The Group's major bank borrowings are denominated in HK$, RMB and US$ and carry interest at fixed and variable rates. The fixed rates ranged from 0.64% to 3.50% (FY2024: 0.64% to 3.50%). The variable rates are subject to either (i) the higher of Hong Kong Interbank Offered Rate plus a spread, ranging from 4.01% to 4.98% (FY2024: 5.60% to 5.94%), or the best lending rate quoted by the Hongkong and Shanghai Banking Corporation Limited plus 1% or (ii) Euro Interbank Offered Rate plus a spread, ranging from 4.01% to 7.58% (FY2024: 5.60% to 7.58%). The weighted average effective interest rates of the above variable-rate and fixed-rate bank borrowings was 4.01% and 1.60% (FY2024: 5.78% and 2.56%), per annum.

The Group's primary source of working capital is cash flow from operating activities and bank deposits. As at 31 March 2025, the Group's current ratio was approximately 1.4 (31 March 2024: approximately 1.3). As at 31 March 2025 the Group's gearing ratio was approximately 33.2% (31 March 2024: approximately 34.0%), which is defined as total bank borrowings divided by total equity attributable to owners of the Group.

Treasury Management Policy

The treasury management policy of the Group is primarily to utilize surplus cash reserves to invest in low-risk products such as low-risk wealth management products, structured deposit or time deposit, etc. and to generate income without interfering with the Group's business operations or capital expenditures. With the aim of controlling risks to the Group, the Group generally invests in low-risk, short-term (normally with maturity periods not more than one year) and principal protected wealth management products, structured deposit or ordinary time deposit, etc..

Allowance for Inventories

For FY2025, the Group reversed an impairment allowance for inventories of approximately HK$13,958,000 (FY2024: reversed an impairment of approximately HK$5,577,000).

Impairment Loss on Trade Receivables and Bills Receivable

For FY2025, the Group provided impairment loss on trade receivables and bills receivable of approximately HK$50,829,000 (FY2024: approximately HK$38,752,000).

Pledge of Assets

As at 31 March 2025, except for restricted bank balances of approximately HK$182,000 (31 March 2024: HK$3,786,000), the Group did not have any pledged assets.

Capital Commitments and Contingent Liabilities

Save as disclosed in note 10 to the consolidated financial statements, the Group did not have any material capital commitments as at 31 March 2025.

As at 31 March 2025, the Group did not have any material contingent liabilities.

Foreign Currency Risks

The Group's exposure to currency risks is mainly attributable to the trade and other receivables, bank balances, trade and other payables and bank borrowings, which are denominated in currencies other than the functional currency of the respective Group entities. Except for the business of Home Group, most of the Group's sales in overseas markets are settled in US$. In addition, the Group's sales in Mainland China and Hong Kong markets are settled in RMB and HK$ respectively. Except for the business of Home Group, the Group's costs are mainly settled in US$, RMB and HK$. The revenue of Home Group's current business in Europe was settled mainly in Euro, while the cost was settled mainly in Euro, UAH (Ukrainian hryvnia) and PLN (Polish zloty). The Group has no hedging policy (such as using any financial instrument) with respect to foreign exchange exposure.

Significant Investments, Acquisitions and Disposals

The Group did not have any significant investments or material acquisitions or disposals of subsidiaries, associates or joint ventures during the Review Period.

Future Plan for Material Investments or Capital Assets

The Group currently does not have any plan for material investments or capital assets in the coming year.

HUMAN RESOURCES

As at 31 March 2025, the Group had 26,134 employees (31 March 2024: 29,837 employees).

The Group always regards its employees as its most important resource, and provides its staff with sound working and living conditions at the main manufacturing bases, and has developed a comprehensive staff training and development, performance evaluation, and incentive system. With years of effort, the Group had also in place a relatively established performance appraisal system, which has acted as a benchmark for the employee incentives.

During FY2025, the total staff costs for the Group amounted to approximately HK$3,055,078,000 (FY2024: approximately HK$3,193,022,000), of which approximately HK$20,956,000 (FY2024: approximately HK$17,406,000) was Directors' emoluments. The Group endeavours to keep the remuneration packages of its employees competitive and reward employees based on their performance. As part of the Group remuneration system and policy, we have adopted a share award scheme which enables the Group to reward employees and incentivise them to perform better.

FUTURE PLANS AND OUTLOOK

In the PRC market, the speed of recovery of consumer confidence, the movement trend of the real estate market and the challenges faced by enterprises in the export trade will affect the national economic development, which in turn will have an impact on the domestic sales business of the Group. Nonetheless, the work report of the PRC government this year has designated the expansion of domestic demand as the top priority of its tasks and missions, and the National Financial Regulatory Administration (國家金融監管總局) has also requested financial institutions to develop consumer finance to help boost consumption. The Group believes that the domestic sales market among the furniture industry is still full of opportunities, in particular, as it has transitioned from a newly-added property-driven market to one oriented with the replacement of the existing inventories, furniture brands with a leading position in the market will have more notable advantages.

The Group will continue to tap the potential of the domestic market, focus on core cities and key regions, and enhance brand awareness and product sales through refined market operations and precision sales strategies. The Group will strengthen the cooperation with government departments and trade associations in the industry by actively participating in the trade-in program and other campaigns to promote consumption organized by the PRC government, so as to capture the policy dividends and further stimulate the consumer demand. In terms of channel establishment, the Group will continue to optimize its offline store layout and enhance operational efficiency, while increasing investment in online channels and their establishment to promote the integrated development of online and offline channels and provide consumers with a more convenient and efficient shopping experience. In respect of products, the Group will increase its investment in R&D to launch more smart, green and environmentally-friendly furniture products to satisfy consumers' pursuit of a high quality of life.

In terms of overseas markets, despite the volatile global trade under the tariff policy of the United States, the Group's forward-looking deployment of factories in China, Vietnam, Mexico, Ukraine, Poland and Lithuania, coupled with its self-established and professional logistics team, has given it a prominent edge in the face of trade barriers. The Group will continue to consolidate its market position in North America and Europe and further increase its market share by expanding new sales channels and customer resources. Meanwhile, the Group will focus on monitoring the opportunities in developing the emerging markets to nurture new business growth points.

Despite the multiple challenges, the Group is confident that it will maintain its industry-leading profitability in the future by leveraging its global leadership in the recliner segment, strong brand equity, all-round product lines and efficient operation and management system. The Company will continue to adhere to the philosophy of quality first, continuously enhance the quality of its products and services, proactively respond to market changes and seize market opportunities to create greater value for shareholders.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

There was no purchase, sale or redemption by the Company, or any of its subsidiaries, of any listed securities of the Company (including treasury shares, if any) during the Review Period.

MAJOR EVENTS SUBSEQUENT TO THE REVIEW PERIOD

Save as disclosed herein, the Directors are not aware of any significant event requiring disclosure that had taken place subsequent to 31 March 2025 and up to date of this announcement.

CORPORATE GOVERNANCE PRACTICES

The Company has a policy of seeking to comply with established best practices in corporate governance. The Board believes that good corporate governance is crucial to improving the efficiency and performance of the Group and to safeguarding the interests of its shareholders (the "Shareholders"). Set out below are the principles of corporate governance as adopted by the Company during the Review Period.

Corporate Governance Code

The Board acknowledges the importance of the highest standards of corporate governance as the Board believes that effective corporate governance practices are fundamental to enhancing shareholders' value and safeguarding the interest of shareholders. Accordingly, the Company has adopted sound corporate governance principles that emphasize effective internal control and accountability to all Shareholders.

During the Review Period, the Company has applied the principles of and complied with the applicable code provisions of the Corporate Governance Code as set out in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") in force during the year (the "CG Code"), save for the deviation from Code Provision C.2.1 under Part 2 of the CG Code which is explained below. The Company periodically reviews its corporate governance practices to ensure that they continue to meet the requirements of the CG Code.

Under Code Provision C.2.1, the roles of chairman and chief executive should be separate and should not be performed by the same individual. On 21 March 2022, Mr. Wong Man Li was appointed as the chief executive officer of the Company. Mr. Wong Man Li, who also acts as the Chairman and the Managing Director of the Company, has been responsible for overseeing the general operations of the Group. The Board meets regularly to consider major matters concerning the operations of the Group. The Board considers that this structure had not impaired the balance of power and authority between the Board and the management of the Company as all major decisions have been made in consultation with the Board and appropriate Board committees, as well as management. The roles of the respective executive Directors and senior management who are in charge of different functions complement the role of the chairman and chief executive officer. In addition, there are four independent non-executive Directors on the Board offering their experience, expertise, independent advice and views from different perspectives. The Board is therefore of the view that there were adequate balance of power and safeguards in place. The Board believes that this structure had allowed the Group to operate efficiently.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules as a code of conduct of the Company for Directors' securities transactions. The Company has made specific enquiry of all Directors and the relevant employees regarding any non-compliance with the Model Code during the Review Period, and they all confirmed that they had fully complied with the required standard set out in the Model Code and its code of conduct regarding directors' securities transactions. Employees who are deemed to be in possession of unpublished price sensitive information in relation to the Company or its shares are prohibited from dealing in shares of the Company during the black-out period.

AUDIT COMMITTEE

The Company's audit committee (the "Audit Committee") currently consists of four independent non-executive Directors, namely Mr. Chau Shing Yim, David, Mr. Yang Siu Shun, Mr. Ding Yuan and Mr. Kan Chung Nin, Tony. Mr. Chau Shing Yim, David and Mr. Yang Siu Shun possess the professional qualifications and/or accounting or related financial management expertise required under the Listing Rules.

Working closely with the external auditors, the Audit Committee has reviewed the Group's audited consolidated results for the financial year ended 31 March 2025.

CLOSURE OF REGISTER OF MEMBERS

Shareholders whose names appear on the Company's register of members on Monday, 30 June 2025, will be eligible to attend and vote at the annual general meeting of the Company to be held on Monday, 30 June 2025 (the "AGM"). The transfer books and register of members will be closed from Wednesday, 25 June 2025 to Monday, 30 June 2025, both days inclusive, during which period no transfer of Shares will be effected. In order to determine the identity of Shareholders who are entitled to attend and vote at the AGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 24 June 2025.

Shareholders whose names appear on the Company's register of members on Thursday, 10 July 2025, will qualify for the proposed final dividend. The Company's transfer books and register of members will be closed from Tuesday, 8 July 2025 to Thursday, 10 July 2025 (both days inclusive) for the purpose of ascertaining shareholders' entitlement to the proposed final dividend. In order to qualify for the proposed final dividend, all transfer forms accompanied by the relevant Share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited located at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 7 July 2025. The proposed final dividend (the payment of which is subject to the Shareholders' approval at the AGM) is expected to be paid on Wednesday, 23 July 2025 to Shareholders whose name appear on the register of members of the Company on Thursday, 10 July 2025.

SCOPE OF WORK OF MESSRS. PRICEWATERHOUSECOOPERS

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 March 2025 as set out in this announcement have been agreed by the Group's auditor, Messrs. PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the FY2025. The work performed by Messrs. PricewaterhouseCoopers in this respect did not constitute an assurance engagement and consequently no opinion or no assurance conclusion has been expressed by Messrs. PricewaterhouseCoopers on this announcement.

By Order of the Board
Man Wah Holdings Limited
Wong Man Li
Chairman

Hong Kong, 15 May 2025

As at the date of this announcement, the executive Directors are Mr. Wong Man Li, Ms. Hui Wai Hing, Mr. Alan Marnie, Mr. Dai Quanfa and Ms. Wong Ying Ying; and the independent non-executive Directors are Mr. Chau Shing Yim, David, Mr. Kan Chung Nin, Tony, Mr. Ding Yuan and Mr. Yang Siu Shun.