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## YEEBO (INTERNATIONAL HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 259)

### ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31ST MARCH, 2023

The Board of Directors of Yeebo (International Holdings) Limited (the “Company”) announces that the audited consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31st March, 2023 are summarised as follows:

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

FOR THE YEAR ENDED 31ST MARCH, 2023

|   | NOTES | 2023<br>HK\$'000 | 2022<br>HK\$'000 |
|---|-------|------------------|------------------|
| Revenue   | 3     | 1,325,806        | 1,266,641        |
| Cost of sales   |       | (1,102,514)      | (1,066,985)      |
| Gross profit  |       | 223,292          | 199,656          |
| Other income  |       | 31,851           | 16,624           |
| Other gains and losses                                      |       | (13,328)         | (1,778)          |
| Gain on derecognition of debt investments at amortised cost |       | 8,720            | –                |
| Reversal of (allowances on) credit losses, net              |       |                  |                  |
| – trade receivables   |       | 1,735            | (1,675)          |
| – other receivables   |       | –                | (1,310)          |
| – debt investments at amortised cost                        |       | (56,584)         | (1,256)          |
| Selling and distribution expenses                           |       | (98,019)         | (81,923)         |
| Administrative expenses                                     |       | (39,355)         | (32,420)         |
| Finance costs   |       | (943)            | (632)            |
| Gain on disposal of equity interests of an associate        |       | 241,503          | –                |
| Gain on deemed disposal of associates                       |       | 195,586          | 465              |
| Share of results of associates                              | 4     | 242,572          | 210,637          |
| Profit before income tax                                    |       | 737,030          | 306,388          |
| Income tax expense  | 5     | (75,786)         | (24,035)         |
| Profit for the year   |       | 661,244          | 282,353          |

|  | <i>NOTE</i> | <b>2023</b><br><b>HK\$'000</b> | 2022<br><i>HK\$'000</i> |
|--|-------------|--------------------------------|-------------------------|
| <b>Other comprehensive income</b>  |             |                                |                         |
| <b>Item that will not be reclassified to profit or loss:</b>   |             |                                |                         |
| Share of other comprehensive (expense) income of associates, net of related income tax               |             | (4,272)                        | 3,786                   |
| <b>Items that may be reclassified subsequently to profit or loss:</b>                                |             |                                |                         |
| Exchange differences arising on the translation of foreign operations:                               |             |                                |                         |
| Subsidiaries   |             | (42,132)                       | 24,939                  |
| Associates   |             | (137,307)                      | 70,497                  |
| Reclassification of cumulative translation reserve upon disposal of equity interests of an associate |             | <u>1,424</u>                   | <u>–</u>                |
| Total comprehensive income for the year  |             | <u><b>478,957</b></u>          | <u><b>381,575</b></u>   |
| Profit for the year attributable to:   |             |                                |                         |
| Owners of the Company  |             | <b>615,109</b>                 | 266,579                 |
| Non-controlling interests  |             | <u><b>46,135</b></u>           | <u>15,774</u>           |
|  |             | <u><b>661,244</b></u>          | <u><b>282,353</b></u>   |
| Total comprehensive income attributable to:  |             |                                |                         |
| Owners of the Company  |             | <b>433,919</b>                 | 363,010                 |
| Non-controlling interests  |             | <u><b>45,038</b></u>           | <u>18,565</u>           |
|  |             | <u><b>478,957</b></u>          | <u><b>381,575</b></u>   |
|  |             | <b><i>HK cents</i></b>         | <b><i>HK cents</i></b>  |
| Earnings per share – basic   | 7           | <u><b>63.6</b></u>             | <u>27.3</u>             |
| – diluted  | 7           | <u><b>63.2</b></u>             | <u>27.1</u>             |

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
*AS AT 31ST MARCH, 2023*

|  | <i>NOTES</i> | <b>2023</b><br><i>HK\$'000</i> | 2022<br><i>HK\$'000</i> |
|--|--------------|--------------------------------|-------------------------|
| <b>Non-current assets</b>                    |              |                                |                         |
| Property, plant and equipment                |              | <b>215,851</b>                 | 267,548                 |
| Right-of-use assets                          |              | <b>16,430</b>                  | 7,111                   |
| Investment properties                        |              | <b>774</b>                     | 975                     |
| Interests in associates                      |              | <b>2,061,371</b>               | 1,893,409               |
| Debt investments at amortised cost           |              | <b>32,878</b>                  | 15,160                  |
| Intangible assets                            |              | <b>1,459</b>                   | 1,459                   |
| Other receivables and prepayments            |              | <b>4,892</b>                   | 50,068                  |
|  |              | <u><b>2,333,655</b></u>        | <u>2,235,730</u>        |
| <b>Current assets</b>                        |              |                                |                         |
| Inventories                                  | <i>8</i>     | <b>184,683</b>                 | 276,602                 |
| Trade and other receivables                  | <i>9</i>     | <b>295,419</b>                 | 337,662                 |
| Debt investments at amortised cost           |              | –                              | 23,884                  |
| Cash and cash equivalents                    |              | <b>300,313</b>                 | 104,334                 |
|  |              | <u><b>780,415</b></u>          | <u>742,482</u>          |
| <b>Current liabilities</b>                   |              |                                |                         |
| Trade and other payables                     | <i>10</i>    | <b>271,437</b>                 | 319,461                 |
| Contract liabilities                         |              | <b>39,303</b>                  | 47,742                  |
| Derivative financial instruments             |              | <b>3,262</b>                   | 73                      |
| Tax payable                                  |              | <b>13,903</b>                  | 13,141                  |
| Bank borrowings                              |              | <b>4,284</b>                   | 12,033                  |
| Lease liabilities                            |              | <b>4,750</b>                   | 4,477                   |
|  |              | <u><b>336,939</b></u>          | <u>396,927</u>          |
| <b>Net current assets</b>                    |              | <u><b>443,476</b></u>          | <u>345,555</u>          |
| <b>Total assets less current liabilities</b> |              | <u><b>2,777,131</b></u>        | <u>2,581,285</u>        |

|   | <b>2023</b><br><i>HK\$'000</i> | 2022<br><i>HK\$'000</i> |
|---|--------------------------------|-------------------------|
| <b>Non-current liabilities</b>                      |                                |                         |
| Deferred tax liabilities                            | <b>106,327</b>                 | 86,383                  |
| Lease liabilities                                   | <b>11,947</b>                  | 2,938                   |
|   | <u><b>118,274</b></u>          | <u>89,321</u>           |
|   | <u><b>2,658,857</b></u>        | <u>2,491,964</u>        |
| <b>Capital and reserves</b>                         |                                |                         |
| Share capital                                       | <b>195,236</b>                 | 198,616                 |
| Reserves  | <b>2,356,549</b>               | 2,225,641               |
|   | <u><b>2,551,785</b></u>        | <u>2,424,257</u>        |
| <b>Equity attributable to owners of the Company</b> | <u><b>2,551,785</b></u>        | <u>2,424,257</u>        |
| <b>Non-controlling interests</b>                    | <b>107,072</b>                 | 67,707                  |
|   | <u><b>2,658,857</b></u>        | <u>2,491,964</u>        |
| <b>Total equity</b>                                 | <u><b>2,658,857</b></u>        | <u>2,491,964</u>        |

*Notes:*

**1. GENERAL INFORMATION**

The Company is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). Its parent company is Antrix Investment Limited (incorporated in the British Virgin Islands (the “**BVI**”)) and its ultimate holding company is Fang Brothers Holdings Limited (incorporated in the BVI). The addresses of the registered office and principal place of business of the Company are disclosed in the “Corporate Information” section to the annual report.

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

The principal activities of the Company and its subsidiaries (“**the Group**”) are the manufacturing and sale of liquid crystal displays (“**LCDs**”), liquid crystal displays modules (“**LCMs**”), thin film transistor modules (“**TFTs**”) and capacitive touch panel modules (“**CTPs**”) products.

**2. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)**

**Amendments to HKFRSs that are mandatorily effective for the current year**

In the current year, the Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) for the first time, which are mandatorily effective for the Group’s annual periods beginning on or after 1st April, 2022 for the preparation of the consolidated financial statements:

|  |  |
|--|--|
| Amendments to HKFRS 3  | Reference to the Conceptual Framework                        |
| Amendments to Hong Kong Accounting Standard (“ <b>HKAS</b> ”) 16 | Property, Plant and Equipment – Proceeds before Intended Use |
| Amendments to HKAS 37  | Onerous Contracts – Cost of Fulfilling a Contract            |
| Amendments to HKFRSs   | Annual Improvements to HKFRSs 2018 – 2020                    |

The application of the amendments to HKFRSs 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.

## **New and amendments to HKFRSs in issue but not yet effective**

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

|  |  |
|--|--|
| HKFRS 17 (including the October 2020 and February 2022 Amendments to HKFRS 17) | Insurance Contracts <sup>1</sup>   |
| Amendments to HKFRS 10 and HKAS 28   | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>2</sup>                               |
| Amendments to HKFRS 16   | Lease Liability in a Sale and Leaseback <sup>3</sup>   |
| Amendments to HKAS 1   | Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) <sup>3</sup> |
| Amendments to HKAS 1   | Non-current Liabilities with Covenants <sup>3</sup>  |
| Amendments to HKAS 1 and HKFRS Practice Statement 2                            | Disclosure of Accounting Policies <sup>1</sup>   |
| Amendments to HKAS 8   | Definition of Accounting Estimates <sup>1</sup>  |
| Amendments to HKAS 12  | Deferred Tax related to Assets and Liabilities arising from a Single Transaction <sup>1</sup>                                    |

<sup>1</sup> Effective for annual periods beginning on or after 1st January, 2023

<sup>2</sup> Effective for annual periods beginning on or after a date to be determined

<sup>3</sup> Effective for annual periods beginning on or after 1st January, 2024

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

### ***Amendments to HKAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction***

The amendments narrow the scope of the recognition exemption of deferred tax liabilities and deferred tax assets in paragraphs 15 and 24 of HKAS 12 *Income Taxes* so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 requirements to the relevant assets and liabilities as a whole. Temporary differences relating to relevant assets and liabilities are assessed on a net basis.

Upon the application of the amendments, the Group will recognise a deferred tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised) and a deferred tax liability for all deductible and taxable temporary differences associated with the right-of-use assets and the lease liabilities.

The amendments are effective for the Group's annual reporting period beginning on or after 1st April, 2023, with early application permitted. As at 31st March, 2023, the carrying amounts of right-of-use assets and lease liabilities which are subject to the amendments amounted to HK\$16,430,000 and HK\$16,697,000 respectively. The Group assesses the impact of the amendments, and does not expect to have significant impact on the Group's consolidated financial statements.

### 3. SEGMENT INFORMATION

Information reported to the executive directors of the Group, being the chief operating decision maker (“CODM”), for the purposes of resource allocation and assessment of segment performance focuses on types of goods delivered. The Group has only one reportable and operating segment as LCDs, LCMs, TFTs and CTPs (“Displays”) products.

The management of the Group assesses the performance of the reportable segment based on the revenue and segment profit. The accounting policies of the reportable segment are the same as the Group’s accounting policies.

The following is an analysis of Group’s revenue and results by reportable and operating segment:

|   | <b>2023</b><br><i>HK\$’000</i> | 2022<br><i>HK\$’000</i> |
|---|--------------------------------|-------------------------|
| Revenue – Displays  | <u>1,325,806</u>               | <u>1,266,641</u>        |
| Segment profit – Displays   | <u>88,079</u>                  | <u>98,555</u>           |
| Interest income   | 22,213                         | 6,427                   |
| Rental income from investment properties  | 1,147                          | 1,217                   |
| Net exchange gain (loss)  | 6,481                          | (4,949)                 |
| Gain on fair value changes of financial assets at fair value through profit or loss (“FVTPL”) | –                              | 2,574                   |
| (Loss) gain on fair value changes of derivative financial instruments                         | (3,189)                        | 970                     |
| Gain on derecognition of debt investments at amortised cost                                   | 8,720                          | –                       |
| Allowance on credit losses on other receivables   | –                              | (1,310)                 |
| Allowance on credit losses on debt investments at amortised cost                              | (56,584)                       | (1,256)                 |
| Unallocated administrative expenses   | (8,555)                        | (6,310)                 |
| Finance costs   | (943)                          | (632)                   |
| Gain on disposal of equity interests of an associate  | 241,503                        | –                       |
| Gain on deemed disposal of associates   | 195,586                        | 465                     |
| Share of results of associates  | <u>242,572</u>                 | <u>210,637</u>          |
| Profit before income tax  | <u><b>737,030</b></u>          | <u><b>306,388</b></u>   |

Segment profit represents the gross profit generated in operating segment and certain items of other income, other gains and losses, net of selling and distribution expenses and administrative expenses directly attributable to the segment without allocation of interest income, rental income from investment properties, net exchange differences, gain (loss) on fair value changes of financial assets at FVTPL and derivative financial instruments, gain on derecognition of debt investments at amortised cost, allowances on credit losses on other receivables and debt investments at amortised cost, unallocated administrative expenses, finance costs, gain on disposal of equity interests of an associate, gain on deemed disposal of associates, and share of results of associates. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

The following is an analysis of the Group's revenue by type of products:

|      | <b>2023</b><br><b>HK\$'000</b> | 2022<br><i>HK\$'000</i><br><i>(Note)</i> |
|------|--------------------------------|--|
| LCDs | <b>180,739</b>                 | 236,241                                  |
| LCMs | <b>545,624</b>                 | 620,517                                  |
| TFTs | <b>278,871</b>                 | 205,969                                  |
| CTPs | <b>320,572</b>                 | 203,914                                  |
|      | <b>1,325,806</b>               | 1,266,641                                |

*Note:* Prior year disclosure have been reclassified to conform with the current year's presentation.

Information about the Group's revenue from external customers and information about its non-current assets by geographical location of the customers and assets respectively, are detailed below:

|  | <b>Revenue from external customers</b> |                         | <b>Non-current assets</b>      |                         |
|--|--|-------------------------|--------------------------------|-------------------------|
|  | <b>2023</b><br><b>HK\$'000</b>         | 2022<br><i>HK\$'000</i> | <b>2023</b><br><b>HK\$'000</b> | 2022<br><i>HK\$'000</i> |
| The People's Republic of China, other than Hong Kong, Macau and Taiwan (the "PRC") | <b>236,235</b>                         | 274,759                 | <b>2,288,875</b>               | 2,180,976               |
| Germany  | <b>196,806</b>                         | 188,910                 | -                              | -                       |
| United States  | <b>145,659</b>                         | 108,041                 | -                              | -                       |
| Japan  | <b>111,613</b>                         | 102,681                 | -                              | -                       |
| Switzerland  | <b>107,844</b>                         | 60,196                  | -                              | -                       |
| Taiwan   | <b>100,301</b>                         | 111,882                 | -                              | -                       |
| Hong Kong  | <b>99,106</b>                          | 122,120                 | <b>6,793</b>                   | 7,904                   |
| Spain  | <b>56,090</b>                          | 67,284                  | -                              | -                       |
| Other European countries   | <b>170,042</b>                         | 149,444                 | <b>5,109</b>                   | 1,317                   |
| Other Asian countries  | <b>80,916</b>                          | 56,523                  | -                              | -                       |
| Other countries  | <b>21,194</b>                          | 24,801                  | -                              | -                       |
|  | <b>1,325,806</b>                       | 1,266,641               | <b>2,300,777</b>               | 2,190,197               |

*Note:* Non-current assets exclude loan receivables and debt investments at amortised cost.

#### **Information about major customers**

No customer has contributed over 10% of the total revenue of the Group for both years.

#### **4. SHARE OF RESULTS OF ASSOCIATES**

|                      | <b>2023</b><br><b>HK\$'000</b> | 2022<br><i>HK\$'000</i> |
|----------------------|--------------------------------|-------------------------|
| Listed in the PRC:   |                                |                         |
| Share of profits     | <b>241,799</b>                 | 193,533                 |
| Unlisted associates: |                                |                         |
| Share of profits     | <b>773</b>                     | 17,104                  |
|                      | <b>242,572</b>                 | 210,637                 |



## 5. INCOME TAX EXPENSE

|  | 2023<br><i>HK\$'000</i> | 2022<br><i>HK\$'000</i> |
|--|-------------------------|-------------------------|
| The income tax expense comprises:                        |                         |                         |
| Current tax  |                         |                         |
| Hong Kong Profits Tax                                    | 5,610                   | 4,783                   |
| The PRC Enterprise Income Tax                            | 3,478                   | 5,381                   |
| Withholding tax for gain on disposal of equity interests | 34,728                  | –                       |
| Withholding tax for distributed profits                  | 1,816                   | 4,231                   |
| Other jurisdictions                                      | 3,926                   | 2,194                   |
|  | <u>49,558</u>           | <u>16,589</u>           |
| Deferred taxation  |                         |                         |
| Charge for the year                                      | 26,228                  | 7,446                   |
|  | <u>75,786</u>           | <u>24,035</u>           |

## 6. DIVIDENDS

Dividends recognised as distributions during the year:

|  | 2023<br><i>HK\$'000</i> | 2022<br><i>HK\$'000</i> |
|--|-------------------------|-------------------------|
| 2022 Final dividend of HK5.0 cents per share<br>(2022: 2021 Final dividend of HK2.0 cents per share) | 49,334                  | 19,862                  |
| 2023 Special dividend of HK20.0 cents per share (2022: nil)  | 196,181                 | –                       |
|  | <u>245,515</u>          | <u>19,862</u>           |

The difference between the above amounts and the amount of dividends recognised as a distribution disclosed in the consolidated statement of changes in equity represented the dividends to be paid to the Group's share award scheme.

Subsequent to the end of the reporting period, a final dividend and a second special dividend in respect of the year ended 31st March, 2023 of HK5.0 cents and HK5.0 cents, respectively (2022: final dividend in respect of the year ended 31st March, 2022 of HK5.0 cents) per ordinary share, in an aggregate amount of HK\$97,175,000 (2022: HK\$49,654,000), have been proposed by the directors of the Company and are subject to approval by the shareholders in the forthcoming annual general meeting.

## 7. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share is based on the following data:

|   | 2023<br><i>HK\$'000</i>             | 2022<br><i>HK\$'000</i>             |
|---|-------------------------------------|-------------------------------------|
| <u>Earnings</u>   |                                     |                                     |
| Profit for the year attributable to owners of the Company for the purpose of basic and diluted earnings per share | <u>615,109</u>                      | <u>266,579</u>                      |
|   | 2023<br>Number<br>of shares<br>'000 | 2022<br>Number<br>of shares<br>'000 |
| <u>Number of shares</u>   |                                     |                                     |
| Weighted average number of ordinary shares for the purpose of basic earnings per share                            | 967,036                             | 977,797                             |
| Effect of dilutive potential ordinary shares in respect of outstanding share awards                               | <u>6,739</u>                        | <u>7,276</u>                        |
| Weighted average number of ordinary shares for the purpose of diluted earnings per share                          | <u>973,775</u>                      | <u>985,073</u>                      |

The weighted average number of ordinary shares for the purpose of basic earnings per share shown above have been arrived at after deducting shares held by the share award scheme trust. The directors of the Company assessed that there is no material impact on the diluted earnings per share on the share-based payment transaction in associates.

## 8. INVENTORIES

|                  | 2023<br><i>HK\$'000</i> | 2022<br><i>HK\$'000</i> |
|------------------|-------------------------|-------------------------|
| Raw materials    | 41,514                  | 84,324                  |
| Work in progress | 18,406                  | 40,441                  |
| Finished goods   | <u>124,763</u>          | <u>151,837</u>          |
|                  | <u>184,683</u>          | <u>276,602</u>          |

## 9. TRADE AND OTHER RECEIVABLES

The Group has a policy of allowing credit periods ranging from 30 days to 150 days.

The following is an aged analysis of trade receivables, net of allowance for credit losses, presented based on the invoice date.

|               | 2023<br><i>HK\$'000</i> | 2022<br><i>HK\$'000</i> |
|---------------|-------------------------|-------------------------|
| 1 – 30 days   | 108,488                 | 142,367                 |
| 31 – 60 days  | 66,899                  | 55,079                  |
| 61 – 90 days  | 23,374                  | 42,889                  |
| 91 – 120 days | 14,335                  | 14,981                  |
| Over 120 days | <u>4,920</u>            | <u>8,885</u>            |
|               | <u>218,016</u>          | <u>264,201</u>          |

## 10. TRADE AND OTHER PAYABLES

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

|               | <b>2023</b><br><i>HK\$'000</i>   | 2022<br><i>HK\$'000</i>   |
|---------------|----------------------------------|---------------------------|
| 1 – 30 days   | <b>81,451</b>                    | 115,754                   |
| 31 – 60 days  | <b>27,544</b>                    | 29,969                    |
| 61 – 90 days  | <b>12,767</b>                    | 22,634                    |
| 91 – 120 days | <b>15,831</b>                    | 11,856                    |
| Over 120 days | <b>15,882</b>                    | 16,338                    |
|               | <hr/> <b>153,475</b> <hr/> <hr/> | <hr/> 196,551 <hr/> <hr/> |

## MANAGEMENT DISCUSSION AND ANALYSIS

### Review of Operations

The Group recorded a consolidated revenue for the year ended 31st March, 2023 (the “Year”) of approximately HK\$1.33 billion (2022: HK\$1.27 billion), representing an increase of 4.7% as compared with that for the previous financial year. Profit attributable to owners of the Company was HK\$615.1 million (2022: HK\$266.6 million), representing an increase of approximately HK\$348.5 million. The significant increase in profit was mainly due to the strong performance in the capacitor business, a gain on the disposal of certain shares in Nantong Jianghai Capacitor Company Ltd. (“**Nantong Jianghai**”), and a gain on the deemed disposal of the Group’s investments in Suzhou QingYue Optoelectronics Technology Co. Ltd. (“**Suzhou QingYue**”) pursuant to the listing of its shares on the Science and Technology Innovation Board of the Shanghai Stock Exchange in December 2022 (the “**Suzhou QingYue Listing**”). The increase was partially offset by an allowance for credit loss for debt investments at amortised cost.

With the protracted COVID-19 pandemic, the rising interest rate and inflation in many major economies, unstable political situations such as the Russo-Ukrainian War and the tension between the People’s Republic of China (the “**PRC**”) and the United States of America, the economic environment during the Year was full of challenges. Nevertheless, we still managed to deliver remarkable results for the Year which was attributable to the sound financial position of the Group and the resilience of its team.

Our products can be categorized into such main types as Liquid Crystal Display (“**LCD**”), Liquid Crystal Display module (“**LCM**”), Thin Film Transistor module (“**TFT**”) and Capacitive Touch Panel module (“**CTP**”). As we strategically focus on high-growth business segments such as industrial equipment, smart home appliances and telecommunications, and on extending the range of our offerings from the small modules to medium and large-sized display modules, the ongoing migration from pure LCD panels to LCM/TFT and CTP continued during the Year. Sales of CTP and TFT increased by 57% and 35% to HK\$320.6 million and HK\$278.9 million, respectively. Sales of LCD and LCM decreased by 23% and 12% to HK\$180.7 million and HK\$545.6 million, respectively. The change in sales-mix was in line with our business development.

To cope with the challenging business environment, we applied strict control over material costs, adopted agile inventory management and improved labour efficiency. As a result, gross profit increased to HK\$223.3 million for the Year from HK\$199.7 million in the previous financial year while gross profit margin increased to around 16.8% from 15.8%.

Other income amounted to approximately HK\$31.9 million (2022: HK\$16.6 million), representing an increase of HK\$15.3 million. The growth was mainly due to the increase in bank interest income, government subsidy and interest income from debt investments.

The Group recorded an allowance for credit loss for debt investments at amortised cost for HK\$56.6 million (2022: HK\$1.3 million) for the Year. The Group has invested in notes (the “**Greenland Notes**”) issued by Greenland Global Investment Limited (the “**Issuer**”). During the Year, the Issuer announced that the maturity of all the notes issued by the Issuer will be extended by one to two years. As at 31st March, 2023, the Group held Greenland Notes to the tune of a total face value of US\$11.6 million, and this is reflected in the consolidated statement of financial position as debt investments at amortised cost at a carrying value of approximately HK\$32.9 million. As at the date of this report, all interest payments on the Greenland Notes and partial redemption of principal have been settled when due. It is the intention of the Group to hold the Greenland Notes to maturity. The directors of the Company are monitoring the situation closely and will take necessary actions where appropriate.

Selling and distribution expenses amounted to approximately HK\$98.0 million (2022: HK\$81.9 million). The increase was mainly due to the increase in promotional expenses and staff-related costs.

Administrative expenses amounted to approximately HK\$39.4 million. (2022: HK\$32.4 million). The increase was mainly attributable to the increase in legal and professional fees and staff-related costs.

## **Investments in Associates**

### ***Investment in Nantong Jianghai***

Nantong Jianghai, the Group's 29.1%-owned associate, mainly engages in the manufacture and sales of aluminium electrolytic, thin film and super capacitors, and the production and sales of aluminium foil for high-performance aluminium electrolytic capacitors.

Nantong Jianghai continued to deliver impressive results for the Year. The Group's share of Nantong Jianghai's profit increased by 18.1% to HK\$228.6 million.

Nantong Jianghai reported a significant increase in sales by capitalizing on emerging industries including new energy, electric vehicles and energy storage. Production capacity for both aluminium electrolytic capacitors for new energy and thin film capacitors has expanded remarkably, enabling Nantong Jianghai to capture the prevailing market opportunities. In addition, the expansion in production capacity has resulted in a marked improvement in production efficiency and cost reduction which serves to enhance Nantong Jianghai's competitive strengths.

Nantong Jianghai's effort in research and development has also successfully elevated the reliability of its products for new energy inverter and electric vehicle charging station, and upgraded its technical specification for multilayer polymer capacitors and energy-saving production process for aluminium foil. In addition, the uplift of the production yield and efficiency of thin film capacitors have lead to an accelerated growth in the photovoltaic, energy storage and high-powered applications. Headway has also been made in developing pin-form super capacitors for applications and back-up solutions for computer servers and electric vehicles.

During the Year, the Group divested a total of 14,563,000 shares in Nantong Jianghai for a total consideration of approximately HK\$353.7 million and realised a gain of HK\$241.5 million. The Group started investing in Nantong Jianghai in 2005 and since then the business of Nantong Jianghai has grown substantially. Management believes that realising part of its gain and using the proceeds from the disposal to capture other business opportunities is in the interests of the Company and its shareholders as a whole. After the disposal, the Group remains the largest shareholder of Nantong Jianghai. Nantong Jianghai continues to be an associate of the Group, and the results of Nantong Jianghai continue to be included through equity accounting in the Group's financial statements.

## ***Investment in Suzhou QingYue***

The Group's share of profit from Suzhou QingYue, its 28.1%-owned associate, which engages in the sales of organic light-emitting diodes (“**OLED**”), e-paper modules and Micro-OLED, amounted to approximately HK\$13.2 million in the Year, representing a decrease of 25.4% from approximately HK\$17.7 million in the previous financial year. The reduction in share of profit was due to the one-off listing expenses incurred for the Suzhou QingYue Listing. Had the listing expenses been excluded, the share of profit would be HK\$22.6 million, representing an increase of 27.7%.

Pursuant to the Suzhou QingYue Listing, the Group recorded a gain of HK\$196.8 million on deemed disposal during the Year.

During the Year, Suzhou QingYue recorded a remarkable increase in sales. This was mainly attributable to the strong growth of the e-paper module business. It is generated by the increasing adoption of electronic price label in the supermarkets and retail chain stores. Moreover, e-paper modules' excellent characteristics of being ultra-thin, light and bendable, and requiring only low power consumption have extended the scope of its applications to other devices such as e-paper display boards, e-paper watches and electronic cards.

The technical advancement in passive mode OLED (“**PMOLED**”) has enabled the application of Suzhou QingYue's products to a wider range of industries such as healthcare, smart home applications, automotive industrial controls, consumer electronics, and security products. Significant progress has also been made in the product development of micro-OLED especially in the near-eye display market and Suzhou QingYue is well-positioned to capture opportunities in the markets for augmented reality and virtual reality.

## **Income Tax**

Effective tax rate in relation to the Group's core business (income tax expenses excluding the withholding tax on undistributed profits in associates as a percentage of profit before income tax excluding the share of results of associates) was 13% (2022: 13%).

## **Principal Risks and Uncertainties**

There are a number of factors affecting the results and business operations of the Group. The most significant risk is the uncertainty in the economic environment, both globally and in the PRC, amidst the continued tension between the PRC and the United States, the Russo-Ukrainian war as well as the rising inflation and interest rates. Intense competition in the displays market will also affect the profitability of the Group. Moreover, the shortage of labour and wage rises may also have an impact on the cost structure of the Group.

## **Environmental Policies and Performance**

The Group attaches great importance to corporate social responsibility, and environmental sustainability is one of its top priorities. The Group has put in place a systematic approach towards integrating green and sustainable practices in its operations, implementing measures in the areas of environmentally-friendly product design, carbon emission reduction, process management, energy and resource management and supply chain management to minimise the negative impact of the Group's operations on the environment. Environmental protection facilities in the Group's manufacturing plants have been upgraded, enhancing the processing and management of wastewater, gas emissions, general waste and recycled materials. Details of the Group's strategies, efforts and performance with respect to environment, social and governance (“ESG”) for the Year are set out in the Group's ESG Report, which will be uploaded onto the websites of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and the Company in due course.

## **Compliance with Relevant Laws and Regulations**

The Group's operations are mainly carried out in mainland China and Hong Kong, and the Company was incorporated in Bermuda and its shares listed on the Stock Exchange. During the Year, there has not been any cases of non-compliance with all the laws and regulations in the above-mentioned jurisdictions which have a significant impact on the operations of the Group.

## **Relationship with Key Stakeholders**

Human resources are one of the greatest assets of the Group and the Group regards the personal development of its employees as a matter of the utmost importance. It is the objective of the Group to continue to be an attractive employer for committed employees. The Group strives to motivate its employees with a clear career path and opportunities for advancement and improvement of their skills. In addition, the Group offers competitive remuneration packages to the employees. The Group has also adopted a share award scheme to recognise and reward the employees for their contribution to the growth and development of the Group. The Group has developed long-standing relationships with a number of suppliers and taken great care to ensure that they share the Group's commitment to quality and ethics. The Group also carefully selects its suppliers and requires them to satisfy certain assessment criteria including track records, experience, financial strength, reputation, ability to produce high-quality products and effectiveness of quality control. The Group is committed to offering a broad and diverse range of value-for-money, good-quality products to its customers. Management believes that the above objectives will help to enhance the value of the Company for its shareholders.

## **PROSPECTS**

Although the Group foresees the external environment will still be challenging as it is characterised by high inflation and interest rates, tightened monetary policies and tension between the PRC and the United States of America, the Group is confident that, with its proven track records in executing business strategy, established client base and dedicated team, there are still tremendous opportunities for our long-term growth as we strengthen our presence in the CTP market, and expand its footprint in new markets in the era of digitalisation of industrial applications. The Group is also confident that the share of results of associates will continue to represent a meaningful contribution to the Group's profits.



## **LIQUIDITY AND FINANCIAL RESOURCES**

As at 31st March, 2023, the Group's current ratio was 2.3 (2022: 1.9). The gearing ratio, as a ratio of bank borrowings to net worth, was 0.2% (2022: 0.5%). As at 31st March, 2023, the Group had total assets of approximately HK\$3,114.1 million, which were financed by liabilities of HK\$455.2 million and total equity of HK\$2,658.9 million. As at 31st March, 2023, the Group's banking facilities amounted to approximately HK\$161 million (2022: HK\$160 million) of which approximately HK\$4.3 million (2022: HK\$12.0 million) were utilised mainly in the forms of letters of credit, short term loan and bills payable.

Certain subsidiaries of the Group have assets and liabilities in foreign currencies, which expose the Group to foreign currency risk. The management monitors the foreign exchange risk and has taken appropriate hedging measures against significant foreign currency exposures.

## **EVENT AFTER THE REPORTING PERIOD**

Subsequent to the reporting period, the Group invested RMB100,000,000 in a private company, which is established in the PRC and principally engaged in the design, research and development and sales of graphics processing unit chips, for a minority stake. The investment will be measured at fair value in the Group's consolidated financial statements for the year ending 31st March, 2024.

## **CONTINGENT LIABILITIES AND CHARGES OF ASSETS**

The Group did not have any significant contingent liabilities and there were no significant charges or pledges on any of the Group's assets as at 31st March, 2023.

## **EMPLOYMENT AND REMUNERATION POLICY**

The remuneration package for the Group's employees is structured by reference to market terms and industry's practice. Discretionary bonus and other rewards are based on the financial performance of the Group and the performance of individual staff. Staff benefit plans maintained by the Group include mandatory and voluntary provident fund scheme and medical insurance. The Company has adopted a restricted share award scheme (the "**Scheme**") pursuant to which shares of the Company will be purchased by an independent trustee from the market and held in trust for the participants of the Scheme, including employees or consultants engaged by any member of the Group, until such shares are vested with the relevant participants in accordance with the provisions of the Scheme. The purpose of the Scheme is to act as an incentive to retain and encourage the participants for the continuing operation and development of the Group.



## MAJOR CUSTOMERS AND SUPPLIERS

The percentage of the Group's turnover and purchase attributable to major customers and suppliers were as follows:

|   | 2023 | 2022 |
|---|------|------|
| Percentage of purchases from the Group's largest supplier       | 13%  | 7%   |
| Percentage of purchases from the Group's five largest suppliers | 32%  | 27%  |
| Percentage of turnover to the Group's largest customer          | 5%   | 5%   |
| Percentage of turnover to the Group's five largest customers    | 18%  | 17%  |

As a result of the diversification of both its customers and suppliers, the Group had no material concentration risk in both sales and sourcing.

As at 31st March, 2023, to the best knowledge of the Directors, none of the Directors or any shareholders holding more than 5% of the Group's share capital and their respective associates had any beneficial interest in the Group's five largest customers and/or five largest suppliers.

## DIVIDEND

The board of directors of the Company (the "**Board**") has resolved to recommend the payment of a final dividend of HK5.0 cents (2022: HK5.0 cents) per share and a second special dividend of HK5.0 cents (2022: nil) per share for the year ended 31st March, 2023 subject to the approval of the shareholders of the Company (the "**Shareholders**") at the forthcoming annual general meeting. The final dividend and the second special dividend will be paid on or about Thursday, 12th October, 2023 to Shareholders whose names appear on the register of members of the Company at the close of business on Friday, 29th September, 2023.

## CLOSURE OF REGISTER OF MEMBERS

The annual general meeting of the Company is scheduled to be held on Thursday, 21st September, 2023 (the "**Annual General Meeting**"). For determining the entitlement to attendance and a vote at the Annual General Meeting, the register of members of the Company will be closed from Friday, 15th September, 2023 to Thursday, 21st September, 2023, both days inclusive, during which period no transfer of shares will be effected. In order to be eligible to attend and vote at the Annual General Meeting, all transfers of shares, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Thursday, 14th September, 2023. The proposed final dividend and second special dividend are subject to the approval of the Shareholders at the Annual General Meeting. For determining the entitlement to the proposed final dividend and second special dividend, the register of members of the Company will be closed on Thursday, 28th September, 2023 to Friday, 29th September, 2023, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the proposed final dividend and second special dividend, all transfers of shares, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited, for registration not later than 4:30 p.m. on Wednesday, 27th September, 2023.

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

As the Board is of the view that the current trading price of the shares of the Company does not reflect their intrinsic value, it intends to continue exercising its powers to buy back the shares (the “Share Buy-back”) in the open market under the general mandate (the “Repurchase Mandate”) to buy back shares granted by the Shareholders at the annual general meeting held on 6th September, 2022 (the “2022 AGM”). According to the Repurchase Mandate, the Company is allowed to buy back a maximum of 98,668,117 shares, being 10% of the total number of issued shares as at the date of the 2022 AGM. The Board believes that the Share Buy-back and subsequent cancellation of the repurchased shares can increase the value of the shares and lead to an increase in the return to Shareholders. In addition, the Board believes that the Share Buy-back reflects the Company's confidence in its long-term business prospect and is conducted in the interests of the Company and its shareholders as a whole.

The exercise of the Repurchase Mandate by the Company will be subject to market conditions and will be at the absolute discretion of the Board. Accordingly, there is no assurance of the timing, quantity or price of any Share Buy-back. In any event, as disclosed in the explanatory statement in respect of the Repurchase Mandate included in the Company's circular dated 27th July, 2022, the Board does not intend to exercise the Repurchase Mandate to the extent that would (i) have a material adverse impact on the working capital requirements or gearing ratio of the Company; or (ii) give rise to any obligation to make any mandatory offer under the Hong Kong Codes on Takeovers and Mergers and Share Buy-backs; or (iii) result in the number of shares held by the public falling below the minimum percentage prescribed by the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

During the Year, the Company repurchased a total of 19,155,171 shares of the Company. Details of the repurchases are as follows:

| Month of repurchase | Number of shares repurchased | Highest price paid<br>HK\$ | Lowest price paid<br>HK\$ | Total amount paid<br>HK\$ |
|---------------------|------------------------------|----------------------------|---------------------------|---------------------------|
| June 2022           | 680,000                      | 3.09                       | 3.00                      | 2,079,100                 |
| July 2022           | 3,920,000                    | 3.35                       | 2.94                      | 12,351,200                |
| August 2022         | 1,800,000                    | 3.09                       | 2.98                      | 5,508,940                 |
| September 2022      | 2,079,171                    | 3.07                       | 2.90                      | 6,246,240                 |
| October 2022        | 3,236,000                    | 3.02                       | 2.89                      | 9,615,100                 |
| November 2022       | 152,000                      | 2.95                       | 2.90                      | 447,240                   |
| December 2022       | 1,374,000                    | 3.10                       | 2.68                      | 4,060,680                 |
| January 2023        | 1,440,000                    | 3.10                       | 2.99                      | 4,403,460                 |
| February 2023       | 1,832,000                    | 3.05                       | 2.94                      | 5,524,240                 |
| March 2023          | 2,642,000                    | 3.03                       | 2.49                      | 7,508,800                 |

Save as disclosed above, no repurchase has been made by the Company or any of its subsidiaries of any listed securities of the Company for the Year.

## **CORPORATE GOVERNANCE PRACTICES**

The Board believes that corporate governance is essential to the success of the Company and has adopted various measures to ensure that a high standard of corporate governance is maintained. Throughout the Year, the Company has applied the principles and complied with the requirements of the Corporate Governance Code (the “Code”) listed out in Appendix 14 of the Listing Rules.

## **COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as its code of conduct regarding securities transactions by the Directors. Having made specific enquiries of all Directors, the Board is not aware of any non-compliance with the required standard as set out in the Model Code throughout the Year.

## **AUDIT COMMITTEE**

The Audit Committee comprises Mr. Lau Yuen Sun, Adrian, Mr. Chu Chi Wai, Allan and Professor Lau Kei May, all of whom are independent non-executive Directors. The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed the matters of auditing, internal control and financial reporting, including the review of the financial statements of the Group for the Year.

## **SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU**

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31st March, 2023 as set out in the preliminary announcement have been agreed by the Group’s auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the Board of Directors on 19th June, 2023. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

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

The annual results announcement is published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.yeebo.com.hk>). The annual report will be dispatched to the Shareholders and will be available on the websites of the Stock Exchange and the Company in due course.

By order of the Board  
**Yeebo (International Holdings) Limited**  
**Lau Siu Ki, Kevin**  
*Company Secretary*

Hong Kong, 19th June, 2023

*As at the date of this announcement, the Board comprises Mr. Fang Yan Tak, Douglas, Mr. Li Kwok Wai, Frankie and Mr. Leung Tze Kuen as executive Directors; Mr. Chen Shuang, JP as non-executive Director; and Mr. Chu Chi Wai, Allan, Mr. Lau Yuen Sun, Adrian and Professor Lau Kei May as independent non-executive Directors.*