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## YEEBO (INTERNATIONAL HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 259)

### INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2024

The board of directors of Yeebo (International Holdings) Limited (the “Company”) has pleasure in presenting the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30 September 2024 which have been reviewed by the Company’s audit committee and the auditor.

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

For the six months ended 30 September 2024

		Six months ended	
		30.9.2024	30.9.2023
	NOTES	HK\$'000	HK\$'000
		(unaudited)	(unaudited)
Revenue	3	527,309	514,760
Cost of sales		<u>(445,323)</u>	<u>(437,223)</u>
Gross profit		81,986	77,537
Other income	4	56,396	13,881
Other gains and losses	5	10,586	7,535
Loss on derecognition of debt investments at amortised cost		–	(3,407)
Reversal of (allowances on) credit losses, net			
– trade receivables		3,880	4,503
– debt investments at amortised cost		(2,126)	(20,142)
Selling and distribution expenses		(47,858)	(41,814)
Administrative expenses		(22,834)	(14,480)
Finance costs		(3,349)	(573)
Share of results of associates		<u>20,243</u>	<u>106,483</u>
Profit before income tax		96,924	129,523
Income tax expense	6	<u>(9,440)</u>	<u>(9,869)</u>
Profit for the period	7	<u>87,484</u>	<u>119,654</u>

		<b>Six months ended</b>	
		<b>30.9.2024</b>	30.9.2023
	<i>NOTES</i>	<b>HK\$'000</b>	<i>HK\$'000</i>
		<b>(unaudited)</b>	(unaudited)
Other comprehensive income (expense):			
Item that will not be reclassified to profit or loss:			
Share of other comprehensive income (expense) of associates, net of related income tax		<b>136</b>	(4,738)
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations:			
Subsidiaries		<b>18,555</b>	(34,284)
Associates		<b>46,698</b>	(133,972)
		<u>152,873</u>	<u>(53,340)</u>
Total comprehensive income (expense) for the period		<u><b>152,873</b></u>	<u>(53,340)</u>
Profit (loss) for the period attributable to:			
Owners of the Company		<b>88,907</b>	113,363
Non-controlling interests		<b>(1,423)</b>	6,291
		<u><b>87,484</b></u>	<u>119,654</u>
Total comprehensive income (expense) for the period attributable to:			
Owners of the Company		<b>151,071</b>	(55,555)
Non-controlling interests		<b>1,802</b>	2,215
		<u><b>152,873</b></u>	<u>(53,340)</u>
Earnings per share (HK cents)			
– basic	9	<u><b>9.6</b></u>	<u>11.9</u>
– diluted	9	<u><b>9.6</b></u>	<u>11.9</u>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2024

	<i>NOTES</i>	<b>30.9.2024</b> <b>HK\$'000</b> <b>(unaudited)</b>	31.3.2024 <i>HK\$'000</i> (audited)
<b>Non-current assets</b>			
Property, plant and equipment	<i>10</i>	<b>283,357</b>	208,990
Right-of-use assets		<b>2,873</b>	3,819
Investment properties		<b>473</b>	573
Interests in associates	<i>11</i>	<b>876,619</b>	335,770
Debt investments at amortised cost		<b>18,657</b>	17,608
Intangible assets		<b>1,459</b>	1,459
Other receivables and prepayments		<b>2,026</b>	3,711
Financial assets at fair value through profit or loss ("FVTPL")	<i>13</i>	<b>156,622</b>	136,632
		<b>1,342,086</b>	708,562
<b>Current assets</b>			
Inventories		<b>159,143</b>	137,600
Trade and other receivables	<i>12</i>	<b>272,612</b>	199,546
Cash and cash equivalents		<b>138,250</b>	152,867
		<b>570,005</b>	490,013
Assets classified as held for sale	<i>11&amp;14</i>	<b>1,213,584</b>	1,708,365
		<b>1,783,589</b>	2,198,378
<b>Current liabilities</b>			
Trade and other payables	<i>15</i>	<b>263,517</b>	226,130
Dividend payables		<b>45,947</b>	–
Contract liabilities		<b>21,875</b>	26,633
Tax payable		<b>15,134</b>	13,214
Bank borrowings		<b>100,000</b>	31,735
Lease liabilities		<b>2,288</b>	2,562
		<b>448,761</b>	300,274
Liabilities associated with assets classified as held for sale	<i>14</i>	<b>58,581</b>	82,710
		<b>507,342</b>	382,984
<b>Net current assets</b>		<b>1,276,247</b>	1,815,394
<b>Total assets less current liabilities</b>		<b>2,618,333</b>	2,523,956

	<b>30.9.2024</b> <b>HK\$'000</b> <b>(unaudited)</b>	31.3.2024 <i>HK\$'000</i> (audited)
<b>Non-current liabilities</b>		
Deferred tax liabilities	51,200	21,301
Lease liabilities	674	1,361
	<u>51,874</u>	<u>22,662</u>
	<u><b>2,566,459</b></u>	<u><b>2,501,294</b></u>
<b>Capital and reserves</b>		
Share capital	188,563	191,235
Reserves	2,284,540	2,213,562
	<u>2,473,103</u>	<u>2,404,797</u>
<b>Equity attributable to owners of the Company</b>	<u><b>2,473,103</b></u>	<u>2,404,797</u>
<b>Non-controlling interests</b>	<u><b>93,356</b></u>	<u>96,497</u>
	<u><b>2,566,459</b></u>	<u><b>2,501,294</b></u>
<b>Total equity</b>	<u><b>2,566,459</b></u>	<u><b>2,501,294</b></u>

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

## 1. BASIS OF PREPARATION

The condensed consolidated financial statements of Yeebo (International Holdings) Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) have been prepared in accordance with Hong Kong Accounting Standard 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) as well as with the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“SEHK”).

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

## 2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair value, as appropriate.

Other than accounting policies resulting from application of amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) and application of certain accounting policies which became relevant to the Group in the current interim period, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2024 are the same as those presented in the Group’s annual consolidated financial statements for the year ended 31 March 2024.

### *Application of amendments to HKFRSs*

In the current interim period, the Group has applied the following amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 April 2024 for the preparation of the Group’s condensed consolidated financial statements:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The application of the amendments to HKFRSs in the current interim period has had no material impact on the Group’s financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

### *Accounting policies newly applied by the Group*

The Group has applied the following accounting policies which became relevant to the Group in the current interim period.

#### *Revenue from contracts with customers*

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

#### *Output method*

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

As a practical expedient, if the Group has a right to consideration in an amount that corresponds directly with the value of the Group’s performance completed to date, the Group recognises revenue in the amount to which the Group has the right to invoice.

### 3. REVENUE/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 and services delivered. The Group has only one reportable and operating segment as liquid crystal displays (“LCDs”), liquid crystal display modules (“LCMs”), thin film transistor (“TFTs”), and capacitive touch panel modules (“CTPs”) and other services (collectively “Displays and other services”).

The management of the Group assesses the performance of the reportable segment based on the revenue and segment profit. As the CODM reviews the Group’s assets and liabilities for the Group as a whole on a consolidated basis, no assets or liabilities are allocated to the operating segments. Therefore, no analysis of segment assets and liabilities is presented. 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>Six months ended</b>	
	<b>30.9.2024</b>	30.9.2023
	<b>HK\$’000</b>	<b>HK\$’000</b>
Revenue – Displays and other services	<u>527,309</u>	514,760
Segment profit – Displays and other services	<u>21,778</u>	33,200
Net exchange (loss) gain	<b>(6,683)</b>	5,294
Interest income	<b>4,503</b>	8,640
Dividend income	<b>47,521</b>	–
Rental income	<b>550</b>	562
Gain on fair value changes of derivative financial instruments	–	3,154
Gain on fair value changes of financial assets at FVTPL	<b>17,211</b>	–
Loss on derecognition of debt investments at amortised cost	–	(3,407)
Allowance on credit loss for debt investments at amortised cost	<b>(2,126)</b>	(20,142)
Loss on deemed disposal of equity interests of an associate	<b>(101)</b>	(867)
Unallocated administrative expenses	<b>(2,623)</b>	(2,821)
Finance costs	<b>(3,349)</b>	(573)
Share of results of associates	<u>20,243</u>	106,483
Profit before income tax	<u><b>96,924</b></u>	<u>129,523</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 net exchange differences, interest income, dividend income, rental income, gain on fair value changes of derivative financial instruments and financial assets at FVTPL, loss on derecognition of debt investments at amortised cost, allowance on credit loss on debt investments at amortised cost, loss on deemed disposal of equity interests of an associate, unallocated administrative expenses, finance costs 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 and services:

	<b>Six months ended</b>	
	<b>30.9.2024</b>	30.9.2023
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
LCDs	<b>88,155</b>	74,741
LCMs	<b>178,041</b>	216,976
TFTs	<b>96,869</b>	92,699
CTPs	<b>126,945</b>	130,344
Other services	<b>37,299</b>	–
	<b>527,309</b>	514,760

The Group operates in two principal geographical areas, including Hong Kong and The People's Republic of China, other than Hong Kong, Macau and Taiwan ("PRC" for the purpose of these condensed consolidated financial statements).

Information about the Group's revenue from external customers by geographical location are detailed below:

	<b>Six months ended</b>	
	<b>30.9.2024</b>	30.9.2023
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
The PRC	<b>153,241</b>	88,891
Germany	<b>68,192</b>	96,328
United States	<b>56,850</b>	49,453
Hong Kong	<b>35,403</b>	43,139
Japan	<b>34,467</b>	38,395
Switzerland	<b>26,153</b>	41,453
Spain	<b>24,040</b>	28,500
Taiwan	<b>11,722</b>	36,544
Other European countries	<b>66,629</b>	63,455
Other Asian countries	<b>47,170</b>	24,564
Other countries	<b>3,442</b>	4,038
	<b>527,309</b>	514,760

Due to the diversification in customers, the Group has no single customer contributing over 10% of the total revenue of the Group under the periods of review.

#### 4. OTHER INCOME

	Six months ended	
	30.9.2024	30.9.2023
	HK\$'000	HK\$'000
Government grants ( <i>Note</i> )	462	854
Tooling income	840	910
Scrap sales	1,203	433
Rental income	550	562
Interest income		
– debt instruments at amortised cost	3,324	4,160
– others	1,179	4,480
Dividend income	47,521	–
Compensation income	555	11
Others	762	2,471
	<u>56,396</u>	<u>13,881</u>

*Note:* It represented cash received from unconditional grants by the respective local governments in the PRC and Hong Kong.

#### 5. OTHER GAINS AND LOSSES

	Six months ended	
	30.9.2024	30.9.2023
	HK\$'000	HK\$'000
Gain on fair value changes of financial assets at FVTPL	17,211	–
Gain on fair value changes of derivative financial instruments	–	3,154
Gain (loss) on disposal of property, plant and equipment	159	(46)
Net exchange (loss) gain	(6,683)	5,294
Loss on deemed disposal of equity interests of an associate	(101)	(867)
	<u>10,586</u>	<u>7,535</u>

#### 6. INCOME TAX EXPENSE

	Six months ended	
	30.9.2024	30.9.2023
	HK\$'000	HK\$'000
The tax charge comprises:		
Current tax		
– Hong Kong	221	1,185
– PRC	4,811	4,679
– Other jurisdictions	1,080	2,496
	<u>6,112</u>	<u>8,360</u>
Deferred taxation	<u>3,328</u>	<u>1,509</u>
	<u>9,440</u>	<u>9,869</u>



Under the two-tiered profits tax rates regime in Hong Kong, the first HK\$2,000,000 of profits of the qualifying companies will be taxed at 8.25%, and profits above HK\$2,000,000 will be taxed at 16.5%. The profits of companies not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. The directors of the Company considered the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the condensed consolidated financial statements.

Current tax in the PRC represented PRC Enterprise Income Tax and PRC Enterprise Withholding Tax. Under the EIT Law and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%. In addition, the EIT Law requires withholding tax to be levied on distribution of profits earned by the PRC entities for profits generated after 1 January 2008 and at rate of 5% or 10% for Hong Kong and non-Hong Kong resident companies respectively.

Pursuant to the relevant law and regulations in the PRC, one of the Company's PRC subsidiaries was approved as Hi-Tech Enterprise and entitled to 15% PRC Enterprise Income Tax rate. Accordingly, the PRC Enterprise Income Tax of that PRC subsidiary was provided at 15% (2023: 15%) for the six months ended 30 September 2024.

Taxation arising in other jurisdictions is calculated at the rate prevailing in the relevant jurisdictions.

## 7. PROFIT FOR THE PERIOD

Profit for the period has been arrived at after charging (crediting):

	<b>Six months ended</b>	
	<b>30.9.2024</b>	30.9.2023
	<b>HK\$'000</b>	HK\$'000
Depreciation of property, plant and equipment	<b>38,245</b>	21,250
Depreciation of right-of-use assets	<b>1,432</b>	2,674
Depreciation of investment properties	<b>100</b>	100
	<hr/>	<hr/>
Total depreciation	<b>39,777</b>	24,024
	<hr/>	<hr/>
Interest expense for lease liabilities	<b>59</b>	299
Interest expense for bank borrowings	<b>3,290</b>	274
Recognition (reversal) of allowance for inventories	<b>5,691</b>	(7,269)
Share of tax of associates (included in share of results of associates)	<b>6,372</b>	9,537
	<hr/> <hr/>	<hr/> <hr/>

## 8. DIVIDENDS

	<b>Six months ended</b>	
	<b>30.9.2024</b>	30.9.2023
	<b>HK\$'000</b>	<b>HK\$'000</b>
Final dividend in respect of the year ended 31 March 2024 of HK5 cents per share (six months ended 30 September 2023: HK5 cents per share for the year ended 31 March 2023)	<b>47,141</b>	48,006
Second special dividend in respect of the year ended 31 March 2023 of HK5 cents per share	–	48,005
	<b>47,141</b>	<b>96,011</b>

For the six months ended 30 September 2024, the Company declared to distribute final dividend in respect of the year ended 31 March 2024 of HK5 cents (2023: a final dividend and a second special dividend in respect of the year ended 31 March 2023 of HK5 cents and HK5 cents, respectively) per ordinary share, in an aggregated amount of HK\$47,141,000 (2023: HK\$96,011,000). The difference between this amount and the amount of dividends recognised as a distribution disclosed in the condensed consolidated statements of changes in equity represented the dividends payable to the Group's share award scheme.

## 9. EARNINGS PER SHARE

The calculation of earnings per share attributable to owners of the Company is based on the following data:

	<b>Six months ended</b>	
	<b>30.9.2024</b>	30.9.2023
	<b>HK\$'000</b>	<b>HK\$'000</b>
<u>Earnings</u>		
Profit for the period attributable to owners of the Company for the purpose of basic and diluted earnings per share	<b>88,907</b>	113,363
	<b>Number of shares '000</b>	Number of shares '000
<u>Number of shares</u>		
Weighted average number of ordinary shares for the purpose of basic earnings per share	<b>923,671</b>	951,086
Effect of dilutive potential ordinary shares in respect of unvested shares awarded under the share award scheme	<b>3,768</b>	4,158
Weighted average number of ordinary shares for the purpose of diluted earnings per share	<b>927,439</b>	955,244

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.

## 10. MOVEMENT IN PROPERTY, PLANT AND EQUIPMENT

The Group incurred HK\$106,645,000 (six months ended 30 September 2023: HK\$5,464,000) on additions to the property, plant and equipment, which are mainly related to large-scale electronic equipment for the provision of other services (six months ended 30 September 2023: for the production of Displays products in the manufacturing plants in the PRC).

## 11. INTERESTS IN ASSOCIATES

	<b>30.9.2024</b> <b>HK\$'000</b>	31.3.2024 <i>HK\$'000</i>
Cost of investments in associates		
Listed in the PRC	<b>653,963</b>	653,963
Unlisted	<b>18,038</b>	18,038
Share of post-acquisition results and other comprehensive income, net of dividends received		
Listed in PRC	<b>1,536,774</b>	1,537,404
Unlisted	<b>(15,921)</b>	(15,921)
Exchange adjustments	<b>(102,651)</b>	(149,349)
	<b>2,090,203</b>	2,044,135
Analysis as:		
Current assets	<b>1,213,584</b>	1,708,365
Non-current assets	<b>876,619</b>	335,770
	<b>2,090,203</b>	2,044,135
Fair value of listed associates ( <i>Note</i> )	<b>5,353,291</b>	5,639,809

*Note:* The fair value of the listed investments is determined based on the quoted market bid price multiplied by the quantity of shares held by the Group.

## 12. 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 by invoice date of trade receivables, net of allowance for credit losses, at the end of the reporting period:

	<b>30.9.2024</b> <b>HK\$'000</b>	31.3.2024 <i>HK\$'000</i>
1 – 30 days	<b>94,947</b>	90,020
31 – 60 days	<b>78,126</b>	36,540
61 – 90 days	<b>31,714</b>	27,600
91 – 120 days	<b>11,300</b>	6,939
Over 120 days	<b>3,021</b>	1,549
	<b>219,108</b>	162,648

As at 30 September 2024, included in the Group's trade receivables balance are debtors with carrying amount of HK\$64,793,000 (31 March 2024: HK\$48,218,000) which has been past due and is not considered as in default as the directors assessed that the balances will be recovered after considering aging, repayment history and/or past due status and forward-looking information of respective trade receivables. The Group does not hold any collateral over these balances.

### 13. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (“FVTPL”)

	<b>30.9.2024</b> <b>HK\$’000</b>	31.3.2024 <i>HK\$’000</i>
Unlisted equity investment ( <i>Note a</i> )	<b>123,511</b>	108,474
Investment in unlisted equity investment in limited partnership ( <i>Note b</i> )	<b>33,111</b>	28,158
	<b>156,622</b>	136,632

#### Notes:

- (a) During the year ended 31 March 2024, the Group invested RMB100,000,000 (equivalent to HK\$108,300,000) for approximately 1% equity interests 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. These investments are not held for trading but for long-term strategic purposes. During the current interim period, fair value gain of HK\$12,258,000 was recognised in profit or loss.
- (b) During the year ended 31 March 2024, the Group invested RMB26,000,000 (equivalent to HK\$28,158,000) for approximately 92% equity interests in a limited partnership which is established in the PRC. The Group does not participate in making operating, investing and financing decisions of the partnership, accordingly, the directors of the Company consider the Company does not have control or influence over the partnership. These investments are not held for trading but for long-term strategic purposes. During the current interim period, fair value gain of HK\$4,953,000 was recognised in profit or loss.

### 14. ASSETS CLASSIFIED AS HELD FOR SALE AND LIABILITIES ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE

On 12 March 2024 (“Date of Agreement”), the Group entered into a share purchase agreement to dispose of 170,130,000 shares (the “Selling Shares”), representing 20.02% of the issued share capital in Nantong Jianghai Capacitor Company Ltd. (“Nantong Jianghai”) (the “Disposal”) to Zhejiang Construction Investment Group Company Limited, an independent third party incorporated in the PRC. Since then, the carrying amounts of the Group’s entire interests of 245,021,000 shares in Nantong Jianghai and the associated liabilities have been classified as assets and liabilities held for sale taking into account the share purchase agreement and probability of the sale of the Group’s remaining equity interests therein.

As at 30 September 2024, the carrying amounts of the Selling Shares and the associated liabilities as at the Date of Agreement were classified as assets and liabilities held for sale and presented separately in the condensed consolidated statement of financial position as the directors of the Company are of the opinion that the Disposal will be completed within twelve months from the Date of Agreement. After considering the market development, the remaining equity interests were reclassified to interests in associates.

### 15. TRADE AND OTHER PAYABLES

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

	<b>30.9.2024</b> <b>HK\$’000</b>	31.3.2024 <i>HK\$’000</i>
1 – 30 days	<b>62,160</b>	57,323
31 – 60 days	<b>36,256</b>	16,758
61 – 90 days	<b>24,324</b>	22,140
91 – 120 days	<b>15,091</b>	12,725
Over 120 days	<b>16,649</b>	10,288
	<b>154,480</b>	119,234

## MANAGEMENT DISCUSSION AND ANALYSIS

### Review of Operations

The Group's consolidated revenue for the six months ended 30 September 2024 (the "period under review") increased by approximately 2.4% year on year to HK\$527 million as compared to that of HK\$515 million for the corresponding period of last year ("1H 2023"). Profit attributable to owners of the Company was HK\$89 million (1H 2023: HK\$113 million), representing a year-on-year decrease of approximately HK\$24 million. The net decrease in profit was mainly due to the combined effect of a change in accounting treatment of the Group's interest in Nantong Jianghai Capacitor Company Ltd. ("Nantong Jianghai") following the entering into an agreement to dispose of part of the Group's investment therein, a gain on fair value changes of financial assets through profit or loss and a decrease in allowance on credit loss for debt investments at amortised cost.

During the period under review, high interest rates and intensifying geopolitical tensions has continued to cause the global economy challenging. The business rebounded slower than expected, especially in the European market. Revenue from the sales of liquid crystal display modules ("LCM") and capacitive touch panel modules ("CTP") decreased to HK\$178 million for the period under review from HK\$217 million for 1H 2023 and to HK\$127 million for the period under review from HK\$130 million for 1H 2023, respectively. Revenue from the sales of liquid crystal displays ("LCD") increased to HK\$88 million for the period under review from HK\$75 million for 1H 2023, while revenue from the sales of thin film transistors ("TFT") increased to HK\$97 million for the period under review from HK\$93 million for 1H 2023. Other services generated HK\$37 million in revenue during the period under review.

Gross profit margin for the period under review was 15.5% which was comparable to that of 15.1% for 1H 2023.

Other income amounted to approximately HK\$56 million for the period under review (1H 2023: HK\$14 million), which was mainly due to an increase in dividend income from assets classified as held for sale.

An increase in other gains and losses was mainly attributable to a gain on fair value changes of financial assets through profit or loss of HK\$17 million (1H 2023: nil) for the period under review.

An allowance on credit loss for debt investments at amortised cost of HK\$2 million (1H 2023: HK\$20 million) was recorded for the period under review.

Selling and distribution expenses amounted to approximately HK\$48 million for the period under review (1H 2023: HK\$42 million). The rise was mainly caused on by rising staff-related costs, transportation costs, and business promotion expenses.

Administrative expenses amounted to approximately HK\$23 million for the period under review (1H 2023: HK\$14 million) which was mainly attributable to the increase in legal and professional fees and staff-related costs.

## **Investments in Associates**

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

Nantong Jianghai, in which the Group owns 28.8% equity stake, is mainly engaged 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.

The Group entered into an agreement in March 2024 to dispose of 170,130,000 shares in Nantong Jianghai (the “Selling Shares”) for a cash consideration of about RMB3.23 billion to Zhejiang Construction Investment Group Company Limited, a wholly owned subsidiary of Zhejiang Communications Investment Group Co., Ltd (the “Transaction”). The Transaction is pending approval from the relevant PRC authorities. Upon completion of the Transaction, the Group will continue to own 74,891,000 shares in Nantong Jianghai (the “Retaining Shares”).

Following the announcement of the Transaction and the reclassification of the Selling Shares to assets classified as held for sale, the Selling Shares are no longer accounted for using the equity method, and the Group recorded a dividend income of approximately HK\$48 million from the Selling Shares during the period under review. The Retaining Shares continued to be accounted for using the equity method, and the Group’s share of profit from the Retaining Shares amounted to approximately HK\$36 million during the period under review. The share of profit from the Group’s entire interests in Nantong Jianghai was approximately HK\$128 million for 1H 2023.

The capacitor industry is experiencing fluctuations such as macroeconomic volatility, keen competition, and a decline in demand from industrial automation and renewable energy sectors.

Nantong Jianghai remains focused on its three main businesses, leveraging its strengths and endeavouring for improvement. Furthermore, there is potential for growth in aluminum electrolytic capacitors within applications such as artificial intelligence (“AI”) and low-power supplies. Nantong Jianghai’s multi-layer polymer capacitors (“MLPC”) products have achieved technological innovations in terms of technology and materials, leading to faster recognition by related server and AI companies, which is anticipated to capture more market share. Nantong Jianghai is actively investing in research and development of key materials for capacitors in order to enhance its competitiveness. The prospects for thin-film capacitor and super capacitor businesses are broad. With the ongoing development of new energy vehicles, Nantong Jianghai is expected to continue benefiting from its automotive film capacitors. The thin-film capacitor modules will also continue to innovate and expand production to meet rapidly growing customer demands. Supercapacitors have significant application potential, such as smart meters, smart grid upgrades, rail transportation, and port machinery.

### ***Investment in Suzhou QingYue Optoelectronics Technology Co. Ltd. (“Suzhou QingYue”)***

The Group’s share of loss 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 product, amounted to approximately HK\$16 million during the period (1H 2023: loss HK\$17 million). In the midst of escalating geopolitical tensions and high interest rates, the global economy experienced a slower-than-expected recovery pace. Against this challenging backdrop, Suzhou QingYue has adopted measures to optimize its operating efficiency and strive for accelerating diversification in both customer base and new product application. In the passive mode OLED front, Suzhou QingYue leverages on its high technological capability to step up the development in new end-use application. In the e-paper business segment, Suzhou QingYue has successfully diversified its customer base in the price label arena and expanded into new market segments like smart warehousing and mobile phone case. On the other hand, the micro-OLED business segment has gained promising momentum in the near-eye display industry and is capable for commercial production for the augmented reality market.

## **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 the profit before income tax excluding share of the results of associates, loss on derecognition of debt investments at amortised cost and allowance on credit loss for debt investments at amortised cost) was 11% (1H 2023: 12%).

## **Prospects**

The business environment reflects a complex interplay of challenges and opportunities. However, the Group is confident in our long-term prospects especially after the People's Republic of China unveiled the largest and most comprehensive stimulus measures package since the pandemic, and the Federal Reserve of the United States of America announced its first rate reduction decrease in September 2024. We have been solidifying our strategic client program and strengthening our competence in strategic industries. The Group strives to improve quality, reduce costs, and increase efficiency in order to fortify and expand our business presence.

## **LIQUIDITY AND FINANCIAL RESOURCES**

As at 30 September 2024, excluding the assets classified as held for sale and its associated liabilities, the Group's current ratio was 1.3 (31 March 2024: 1.6). The gearing ratio, as a ratio of bank borrowings to net worth, was 3.9% (31 March 2024: 1.3%). As at 30 September 2024, the Group had total assets of approximately HK\$3,125 million, which consisted of liabilities of HK\$559 million and total equity of HK\$2,566 million. As at 30 September 2024, the Group's banking facilities amounted to approximately HK\$286 million (31 March 2024: HK\$286 million), of which approximately HK\$100 million (31 March 2024: HK\$31.7 million) were utilised mainly for short-term loans.

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.

## **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 30 September 2024.



## **EMPLOYMENT AND REMUNERATION POLICY**

The remuneration package for the Group's employees is structured with reference to market terms and industry's practices. Discretionary bonus and other performance reward are based on the financial performance of the Group and the performance of individual staff members. 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 on 24 October 2012 (the "Share Award Scheme") pursuant to which shares of the Company ("Shares") will be purchased by an independent trustee from the market and held in trust for the participants of the Share Award 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 Share Award Scheme. The Company has also adopted a share option scheme on 16 August 2024 (the "Share Option Scheme"). The purpose of Share Award Scheme and the Share Option Scheme is to serve as an incentive to retain the participants and encourage them to contribute to the continued operation and development of the Group.

Details of the Share Option Scheme are set out in the Company's circular dated 22 July 2024. Since its adoption, no option has been granted under the Share Option Scheme, and accordingly, no option was exercisable under the Share Option Scheme as at 30 September 2024. The total number of share options available for grant under the Share Option Scheme at the beginning and at the end of the current period was 94,281,200 Shares (i.e. 10% of the total number of Shares in issue as at the date of adoption, i.e. 16 August 2024), representing 10% of the weighted average number of Shares in issue for the six months ended 30 September 2024.

## **DIVIDEND**

The board of directors has resolved not to recommend the payment of an interim dividend for the six months ended 30 September 2024.

## **CORPORATE GOVERNANCE**

None of the directors of the Company is aware of any information that would reasonably indicate that the Company has not complied with the Corporate Governance Code (the "Code") listed out in Appendix C1 of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the six months ended 30 September 2024.

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

The Company has adopted the Model Code as set out in Appendix C3 of the Listing Rules as its code of conduct regarding securities transactions by the Directors. Having made specific enquiries of all Directors, they have confirmed their compliance with the required standard as set out in the Model Code throughout the six months ended 30 September 2024.



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

The Company repurchased 11,660,000 Shares on The Stock Exchange of Hong Kong Limited for the period under review, details of which are follows:

Month of repurchase	Number of Shares repurchased	Highest price paid HK\$	Lowest price paid HK\$	Total amount paid HK\$
April 2024	2,808,000	3.50	3.42	9,796,980
July 2024	3,036,000	3.18	2.70	8,934,660
August 2024	3,768,000	2.98	2.28	10,463,000
September 2024	2,048,000	2.40	1.90	4,401,140
<b>Total</b>	<b>11,660,000</b>			<b>33,595,780</b>

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 six months ended 30 September 2024.

## AUDIT COMMITTEE

The Audit Committee comprises Mr. Lau Yuen Sun, Adrian, Mr. Chu Chi Wai, Allan and Professor Lau Kei May, all independent non-executive Directors. The Audit Committee has reviewed the accounting principles and practices adopted by the Group and discussed financial reporting matters, including a review of the unaudited condensed accounts for the six months ended 30 September 2024.

## PUBLICATION OF INTERIM REPORT

The interim results announcement is published on the websites of The Stock Exchange of Hong Kong Limited (<https://www.hkexnews.hk>) and the Company (<https://www.yeebo.com.hk>). The interim report will be published on the websites of The Stock Exchange of Hong Kong Limited and the Company in due course.

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

Hong Kong, 25 November 2024

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