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hmVOD

hmvod Limited
hmvod 視頻有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8103)

**ANNOUNCEMENT OF ANNUAL RESULTS
FOR THE YEAR ENDED 31 MARCH 2025**

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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*This announcement, for which the directors (the “**Directors**”) of hmvod Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

The board of Directors (the “**Board**”) of the Company announces the audited consolidated financial statements of the Group for the year ended 31 March 2025 together with the audited comparative figures for the year ended 31 March 2024 are as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2025

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue	3	17,551	22,110
Other income and gains	5	83	8,620
Subcontractor costs		(13,241)	(16,266)
Operating and administrative expenses		(4,616)	(5,228)
Staff costs, including directors' emoluments		(6,647)	(7,728)
Depreciation of property, plant and equipment		(145)	(135)
Depreciation of right-of-use assets		(86)	–
Reversal of impairment loss under expected credit loss model, net		2	1
Impairment loss on goodwill	11	(6,270)	(2,264)
Reversal of provisions for/(provisions for) litigations	17	209	(80)
Finance costs	6	(2,064)	(4,958)
Loss before income tax	7	(15,224)	(5,928)
Income tax	8	–	–
Loss for the year		(15,224)	(5,928)
Other comprehensive income			
Item that may be reclassified subsequently to profit or loss:			
– Exchange differences arising on translation of foreign operations		6	12
Total comprehensive expense for the year		(15,218)	(5,916)
(Loss)/profit for the year attributable to:			
Owners of the Company		(14,876)	(6,763)
Non-controlling interests		(348)	835
		(15,224)	(5,928)

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Total comprehensive (expense)/income attributable to:			
Owners of the Company		(14,870)	(6,751)
Non-controlling interest		(348)	835
		<u>(15,218)</u>	<u>(5,916)</u>
		2025 <i>HK cents</i>	2024 <i>HK cents</i>
Loss per share			
Basic	<i>10</i>	<u>(11.49)</u>	<u>(5.77)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

	<i>Notes</i>	2025 HK\$'000	2024 <i>HK\$'000</i>
Non-current assets			
Property, plant and equipment		250	271
Right-of-use assets		325	–
Goodwill	<i>11</i>	–	6,270
Intangible assets	<i>12</i>	–	–
		<u>575</u>	<u>6,541</u>
Current assets			
Trade and other receivables	<i>13</i>	1,897	2,533
Prepayments	<i>14</i>	742	2,051
Cash and cash equivalents		325	13,860
		<u>2,964</u>	<u>18,444</u>
Current liabilities			
Trade and other payables	<i>15</i>	37,709	28,999
Borrowings	<i>16</i>	9,980	13,343
Lease liabilities		204	–
Provisions	<i>17</i>	11,590	–
		<u>59,483</u>	<u>42,342</u>
Net current liabilities		<u>(56,519)</u>	<u>(23,898)</u>
Total assets less current liabilities		<u>(55,944)</u>	<u>(17,357)</u>
Capital and reserves			
Share capital		1,294	1,294
Reserves		(67,020)	(52,150)
Deficit attributable to owners of the Company		(65,726)	(50,856)
Non-controlling interests		(4,342)	(3,994)
Total deficit		<u>(70,068)</u>	<u>(54,850)</u>

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Non-current liabilities			
Other payables	<i>15</i>	–	7,872
Borrowings	<i>16</i>	14,000	17,822
Lease liabilities		124	–
Provisions	<i>17</i>	–	11,799
		<u>14,124</u>	<u>37,493</u>
		<u>(55,944)</u>	<u>(17,357)</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2025

	Attributable to owners of the Company					Subtotal HK\$'000	Non- controlling interests HK\$'000	Total HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000	Translation reserve HK\$'000	Accumulated losses HK\$'000			
At 1 April 2023	1,079	614,487	1,200	(652)	(683,226)	(67,112)	(4,829)	(71,941)
(Loss)/profit for the year	-	-	-	-	(6,763)	(6,763)	835	(5,928)
Other comprehensive income for the year	-	-	-	12	-	12	-	12
Total comprehensive income/(expense) for the year	-	-	-	12	(6,763)	(6,751)	835	(5,916)
Issue of shares	215	22,792	-	-	-	23,007	-	23,007
At 31 March 2024	<u>1,294</u>	<u>637,279</u>	<u>1,200</u>	<u>(640)</u>	<u>(689,989)</u>	<u>(50,856)</u>	<u>(3,994)</u>	<u>(54,850)</u>
At 1 April 2024	1,294	637,279	1,200	(640)	(689,989)	(50,856)	(3,994)	(54,850)
Loss for the year	-	-	-	-	(14,876)	(14,876)	(348)	(15,224)
Other comprehensive income for the year	-	-	-	6	-	6	-	6
Total comprehensive income/(expense) for the year	-	-	-	6	(14,876)	(14,870)	(348)	(15,218)
At 31 March 2025	<u>1,294</u>	<u>637,279</u>	<u>1,200</u>	<u>(634)</u>	<u>(704,865)</u>	<u>(65,726)</u>	<u>(4,342)</u>	<u>(70,068)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

1. GENERAL INFORMATION

The Company is a limited company incorporated in the Cayman Islands and its shares are listed on GEM of the Stock Exchange. The address of its registered office is Cricket Square Hutchins Drive P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The address of its principal place of business is Room 8, 12/F, Fook Hong Industrial Building, No. 19 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong.

The Company acts as an investment holding company. The Company and its subsidiaries (the “**Group**”) are principally engaged in provision of over-the-top (“**OTT**”) services (distribution and production of films, television programmes and music production on OTT platforms).

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

2. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on GEM of the Stock Exchange (“**GEM Listing Rules**”) and by the Hong Kong Companies Ordinance.

Changes in accounting policies

In the current year, the Group has applied the following amendments to HKFRS Accounting Standards as 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 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

Except as described below, the application of the amendments to HKFRS Accounting Standards 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.

Impacts on application of Amendments to HKAS 1 “Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)” (the “2020 Amendments”) and Amendments to HKAS 1 “Non-current Liabilities with Covenants” (the “2022 Amendments”)

The Group has applied the amendments for the first time in the current year.

The 2020 Amendments provide clarification and additional guidance on the assessment of right to defer settlement for at least twelve months from reporting date for classification of liabilities as current or non-current, which:

- specify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period. Specifically, the classification should not be affected by management intentions or expectations to settle the liability within 12 months.
- clarify that the settlement of a liability can be a transfer of cash, goods or services, or the entity's own equity instruments to the counterparty. If a liability has terms that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instruments, these terms do not affect its classification as current or non-current only if the entity recognises the option separately as an equity instrument applying HKAS 32 "Financial Instruments: Presentation".

For rights to defer settlement for at least twelve months from reporting date which are conditional on the compliance with covenants, the 2022 Amendments specifically clarify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date, even if compliance with the covenant is assessed only after the reporting date. The 2022 Amendments also specify that covenants with which an entity must comply after the reporting date (i.e. future covenants) do not affect the classification of a liability as current or non-current at the reporting date. However, if the entity's right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period. This would include information about the covenants, the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with the covenants.

In accordance with the transition provision, the Group has applied the new accounting policy to the classification of liability as current or non-current retrospectively. The application of the amendments in the current year had no material impact on the consolidated financial statements.

Going concern assessment

The Group recorded a net loss of approximately HK\$15,224,000 for the year ended 31 March 2025 and, as at 31 March 2025, the Group's current liabilities exceeded current assets by approximately HK\$56,519,000 and total liabilities exceeded total assets by approximately HK\$70,068,000. The Group's borrowings amounted to approximately HK\$23,980,000, of which approximately HK\$9,980,000 has been defaulted and is repayable on demand as at 31 March 2025. These borrowings exceeded the Group's cash and cash equivalents of approximately HK\$325,000 as at 31 March 2025. Besides, the Group is involved in various litigations, which are further explained in note 18 to this announcement. In one case, a winding up petition against the Company was filed on 13 June 2025 due to the alleged failure to settle judgement sum owed and interest accrued in the sum of approximately HK\$11,600,000. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern.

The above conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. In view of these, the directors of the Company have given careful consideration to the future liquidity and financial position of the Group and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern. The following measures have been formulated to mitigate the liquidity pressure and to improve the financial position of the Group:

- (i) The Group has been actively negotiating with existing lenders for extension of repayment of borrowings;
- (ii) The Group will also continue to seek for other alternative financing and bank borrowings to finance the settlement of its existing financial obligations and future operating and capital expenditures;

- (iii) The Group will seek financial assistance from the substantial shareholder of the Company, Mr. Lui Yu Kin, to finance the settlement of its existing financial obligations as well as its future operating and capital expenditures; and
- (iv) The Group continues to improve the operating efficiency by implementing measures to tighten cost controls over various operating expenses in order to enhance its profitability and to improve the cash flows from its operation in future.

The directors of the Company have reviewed the Group's cash flow projections which cover a period of fifteen months from the end of the reporting period, and are of the opinion that the Group will have sufficient financial resources to satisfy its future working capital requirements and meet its financial obligations as they fall due within the next twelve months from the date of approval of these consolidated financial statements. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

Notwithstanding the above, material uncertainty exists as to whether the Group is able to achieve the measures as described above which incorporate assumptions about future events and conditions that are subject to inherent uncertainties. Whether the Group will be able to continue as a going concern would depend upon the Group's ability to mitigate its liquidity pressure and improve the financial position of the Group through the following:

- (i) Successful negotiations with the existing lenders for extensions of the repayments of borrowings;
- (ii) Successful obtaining new sources of finance from various financial institutions to support the Group's working capital and commitments;
- (iii) Successful obtaining financial assistance from the substantial shareholder of the Company, Mr. Lui Yu Kin, to support the Group's working capital and commitments; and
- (iv) Successful enhancing the Group's profitability and improving cash flows from operations from tightening cost controls.

Should the Group fail to achieve the above-mentioned measures, it might not be able to continue to operate as a going concern, and adjustments might have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities. The effects of these adjustments have not been reflected in the consolidated financial statements.

3. REVENUE

Revenue represents income from OTT services, net of sales related taxes if any.

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
OTT services	<u>17,551</u>	<u>22,110</u>

4. SEGMENT INFORMATION

Operating segments

The Group satisfied its performance obligation for provision of OTT services when the services are rendered.

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 the types of services rendered.

5. OTHER INCOME AND GAINS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Bank interest income	41	73
Waiver of borrowings	–	7,053
Reversal of over-provision of accrued salaries	–	926
Reversal of other payables	–	377
Others	42	191
	<u>83</u>	<u>8,620</u>

6. FINANCE COSTS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interest on borrowings	1,546	3,549
Interest on lease liabilities	7	–
Unwinding of discount effect for provisions of litigation	–	899
Other interest expenses	511	510
	<u>2,064</u>	<u>4,958</u>

7. LOSS BEFORE INCOME TAX

Loss before income tax has been arrived at after charging/(crediting):

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Employee benefits expenses (excluding directors' emoluments):		
– Wages, salaries and other benefits	4,510	4,885
– Contributions to retirement benefits schemes	217	204
	<u>4,727</u>	<u>5,089</u>
Auditor's remuneration	730	730
Depreciation of property, plant and equipment	145	135
Depreciation of right-of-use assets	86	–
Expense relating to short-term leases	9	–
Impairment loss on goodwill	6,270	2,264
Reversal of impairment loss under expected credit loss model, net	<u>(2)</u>	<u>(1)</u>

8. INCOME TAX

No provision of Hong Kong Profits Tax has been recognised in the consolidated financial statements for both years as the subsidiaries of the Group either sustained a loss for taxation purpose or their unused tax losses were sufficient to cover their estimated assessable profits.

The income tax credit for the year can be reconciled to the loss before income tax per the consolidated statement of profit or loss and other comprehensive income as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Loss before income tax	<u>(15,224)</u>	<u>(5,928)</u>
Tax at the applicable tax rate of 16.5% (2024: 16.5%)	(2,512)	(978)
Tax effect of income not taxable for tax purpose	(25)	(1,390)
Tax effect of expenses not deductible for tax purpose	2,200	2,152
Tax effect of tax losses not recognised	<u>337</u>	<u>216</u>
Income tax credit for the year	<u>–</u>	<u>–</u>

At the end of the reporting period, the Group has unused tax losses of HK\$69,909,000 (2024: HK\$67,865,000) and temporary differences of HK\$5,000 (2024: HK\$7,000) available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams. Unused tax losses may be carried forward indefinitely under current tax legislation.

9. DIVIDENDS

No dividend was paid or proposed during the year (2024: nil), nor has any dividend been proposed since the end of the reporting period (2024: nil).

10. LOSS PER SHARE

The calculation of the basic loss per share from continuing operations attributable to owners of the Company is based on the following data:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Loss:		
Loss for the year attributable to owners of the Company	<u>(14,876)</u>	<u>(6,763)</u>
	2025 <i>Number of shares '000</i>	2024 <i>Number of shares '000</i>
Number of shares:		
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	<u>129,448</u>	<u>117,305</u>

No diluted loss per share for both 2025 and 2024 were presented as there were no potential ordinary shares in issue for both years.

11. GOODWILL

Goodwill is allocated to the Group's cash-generating units identified according to operating segment and reconciliation of carrying amount is presented as follows:

	OTT services <i>HK\$'000</i>
Cost	
At 1 April 2023, 1 April 2024 and 31 March 2025	<u>54,592</u>
Accumulated impairment losses	
At 1 April 2023	46,058
Impairment loss recognised in profit or loss	<u>2,264</u>
At 31 March 2024 and 1 April 2024	48,322
Impairment loss recognised in profit or loss	<u>6,270</u>
At 31 March 2025	<u>54,592</u>
Carrying values	
At 31 March 2025	<u>–</u>
At 31 March 2024	<u>6,270</u>

OTT services – Full Wealthy International Limited and its subsidiaries (“FWI Group”)

The recoverable amount of this unit has been determined based on a value in use calculation. That calculation uses cash flow projections based on financial budgets approved by management covering a 5-year period (2024: 5-year), and pre-tax discount rate of 17% (2024: 17%). Cash flows beyond the 5-year period (2024: 5-year) are extrapolated using a 0% growth rate (2024: 0%). This growth rate is based on the relevant industry growth forecasts and does not exceed the average long-term growth rate for the relevant industry. Other key assumptions for the value in use calculation relate to the estimation of cash inflows/outflows which include budgeted sales and gross margin, such estimation is based on the unit’s past performance and management’s expectations for the market development.

During the year ended 31 March 2025, there was a decrease in revenue generated from the OTT services, resulting in a decrease in projected revenue in the cash flow projections. Consequently, further impairment of goodwill of HK\$6,270,000 (2024: HK\$2,264,000) was recognised in profit or loss for the year ended 31 March 2025. No other write-down of the assets of FWI Group is considered necessary.

12. INTANGIBLE ASSETS

	OTT platform HK\$’000
Cost	
At 1 April 2023, 1 April 2024 and 31 March 2025	<u>34,437</u>
Accumulated amortisation and impairments losses	
At 1 April 2023, 1 April 2024 and 31 March 2025	<u>34,437</u>
Carrying values	
At 31 March 2025	<u><u>–</u></u>
At 31 March 2024	<u><u>–</u></u>

OTT platform

The OTT platform was acquired through acquisition of FWI Group during the year ended 31 March 2018 and was amortised on a straight-line basis over 5 years.

13. TRADE AND OTHER RECEIVABLES

	2025 HK\$’000	2024 HK\$’000
Trade receivables	1,902	2,537
Less: Allowance for credit losses	(5)	(7)
	<u>1,897</u>	<u>2,530</u>
Other receivables	<u>–</u>	<u>3</u>
	<u>1,897</u>	<u>2,533</u>

Trade receivables are due for settlement in accordance with the terms of the underlying agreements with the customers. Trade receivables with balances that are more than 9 months' overdue are requested for settlement of all outstanding balances before any further credit is granted.

The following is an aged analysis of trade receivables, net of allowance for credit losses, presented based on invoice dates:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
0 to 30 days	710	2,162
31 to 90 days	988	368
Over 90 days	199	–
	<u>1,897</u>	<u>2,530</u>

14. PREPAYMENTS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Prepayments	<u>742</u>	<u>2,051</u>

Included in the Group's prepayments were prepayments to suppliers in obtaining the right to distribute multi-media related services and content in the Greater China via different platform like cable TV. All of the prepayments are expected to be recovered or recognised as expense within one year.

15. TRADE AND OTHER PAYABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade payables	3,761	4,130
Accruals and other payables (<i>notes (i) and (ii)</i>)	33,097	31,813
Contract liabilities	851	928
	<u>37,709</u>	<u>36,871</u>
Analysed as:		
– Current	37,709	28,999
– Non-current	–	7,872
	<u>37,709</u>	<u>36,871</u>

Note:

- (i) At 31 March 2025, included in current portion (2024: non-current portion) of accruals and other payables was the amount due to a non-controlling shareholder of a subsidiary of HK\$7,872,000 (2024: HK\$7,872,000). The balance was unsecured, interest free and repayable on demand (2024: repayable over 1 year).
- (ii) At 31 March 2025, amount of HK\$10,532,000 (2024: HK\$10,532,000) was unsecured, carries interest at a fixed rate of 4.85% (2024: 4.85%) and repayable on demand.

The following is an aged analysis of trade payables presented based on the invoice date:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
0 to 30 days	210	294
31 to 90 days	217	665
Over 90 days	3,334	3,171
	3,761	4,130

The credit period of trade payables granted by suppliers ranged from 30 to 90 days (2024: 30 to 90 days) upon the issue of invoices. The Group has financial risk management policies in place to ensure that all payables are settled within the credit time frame.

Contract liabilities represent deposits received in advance for subscription fee income from OTT services.

During the year ended 31 March 2025, an amount of HK\$928,000 relating to brought-forward contract liabilities (2024: HK\$739,000) was recognised as revenue.

As at 1 April 2023, contract liabilities amounted to HK\$739,000.

16. BORROWINGS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Carrying amount repayable, based on scheduled repayment:		
– Within 1 year	9,980	13,343
– After 1 year but within 2 years	14,000	3,822
– After 2 years but within 5 years	–	14,000
	23,980	31,165
Less: Amounts included under current liabilities (including borrowings with repayable on demand clause)	(9,980)	(13,343)
	14,000	17,822

As at 31 March 2025, except one of the borrowings of HK\$14,000,000 (2024: HK\$14,000,000) is interest-free, other borrowings carry interest at a fixed rate of 10% to 24% (2024: 5% to 24%) per annum. The average effective interest rates (which are also equal to contracted interest rates) range from 10% to 24% (2024: 5% to 24%) per annum.

During the year ended 31 March 2025, the Company defaulted on repayments on three of the borrowings with an aggregate amount of approximately HK\$9,980,000. One of the lenders has served a statutory demand and filed a winding-up petition against the Company. Subsequent to the end of the reporting period, the Company and the relevant lender has executed and filed a consent summons to withdraw the winding-up petition. Further details of this default and winding-up petition are set out in note 18(b).

17. PROVISIONS

	2025 HK\$'000	2024 HK\$'000
At beginning of year	11,799	10,820
(Reversal)/provisions recognised during the year	(209)	80
Unwinding of discount effect for provisions litigation	–	899
	<hr/>	<hr/>
At end of year	<u>11,590</u>	<u>11,799</u>

As at 31 March 2025, the provisions were classified as current liabilities (2024: non-current liabilities) in respect of a legal proceeding in Hong Kong. Details of this litigation are set out in note 18(a).

18. LITIGATIONS

Up to the date of this announcement, various parties have filed litigations against the Group.

(a) Ms. Yu Yining (HCA 1347/2021 and HCCW 356/2025)

On 10 August 2020, the Company and Ms. Yu Yining (“**Ms. Yu**”), a bondholder, entered into the deed of settlement (the “**Deed of Settlement**”) pursuant to which the Company has allotted 5,521,126 shares (the “**Subject Shares**”) of the Company to Ms. Yu to settle an outstanding amount due to Ms. Yu of HK\$3,920,000.

On 21 January 2021, Ms. Yu was allotted the Subject Shares and issued with the share certificate (the “**Share Certificate**”).

On 23 July 2021, Ms. Yu sought to enforce her rights and interest in the Subject Shares and alleged that the Company instructed Union Registrars Limited (the “**Registrar**”) not to register her Share Certificate and deposit her Subject Shares into Central Clearing and Settlement System of Hong Kong Exchanges and Clearing Limited (“**CCASS**”) for trading, and therefore acted in breach of the Deed of Settlement and denied her rights as shareholder. The Company had received a report over the loss of the Share Certificate and the Registrar had been informed of the same, and the Company endeavoured to provide further information on the loss once available.

On 6 September 2021, the Company received a writ of summons from Ms. Yu (the “**Writ 1**”). Under the Writ 1, Ms. Yu alleges, among other matters, that the Deed of Settlement was not enforced by the Company as a result of the wilful default of the Company and claims against the Company (i) a declaration that Ms. Yu hold 5,521,126 shares in the Company; (ii) an order that the Company do facilitate the registration of the Share Certificate to CCASS; or (iii) alternatively, damages to Ms. Yu being the difference of the share price of the Subject Shares at the date of the judgement and on 23 July 2021.

A Defence, an Answer to Request for Further and Better Particulars and an Amended Defence were filed by the Company’s lawyers on 14 December 2021, 17 January 2022 and 28 March 2023 respectively.

During the year ended 31 March 2024, the legal counsel was of the view that the High Court of the Hong Kong Special Administrative Region (the “**High Court**”) would find a breach of the Deed of Settlement and that the Company has denied Ms. Yu’s right as the shareholder of the Subject Shares. If the Company pursues a declaration of ownership of the Subject Shares and/or an order to deposit the same to CCASS, it is likely that the Court will grant them. Alternatively, the Company would be exposed to damages in the sum of HK\$12,787,000. The sum shall be settled upon the end of the legal proceeding which was expected to be in 2025 and an additional provision of HK\$979,000 was recognised during the year ended 31 March 2024 after taking into account the present value of the potential damages. This provision was recognised based on management’s best estimate after consultation with the legal counsel on the possible outcome and liability of the Group.

On 21 January 2025 and 23 January 2025, the hearing was conducted. The High Court gave the judgement on 28 January 2025 by which it was decided that (i) the Subject Shares were held by Ms. Yu; (ii) the Company do procure the deposit of the Share Certificate into CCASS; (iii) the Company should repay the amount HK\$11,456,336 to Ms. Yu for the diminution of the value of the Subject Shares from 23 July 2021 to 22 January 2025. Also, the Company should repay the interest running from 23 January 2025 to 28 January 2025 at 1% over the prime rate for the abovementioned judgement sum, and thereafter at the judgement rate until full payment. Moreover, the Company should bear the cost of Ms. Yu in the proceedings on indemnity basis.

As at 31 March 2025, the provision was recognised based on the civil judgement (High Court Action No. 1347 of 2021) given by the High Court on 28 January 2025.

On 13 June 2025, a winding-up petition against the Company was filed by the solicitors acting on behalf of Ms. Yu at the High Court, on the basis of the alleged failure of the Company to settle the outstanding judgement sum owed and interest accrued in the sum of approximately HK\$11,600,000.

The High Court has set the first hearing date for the winding-up petition on 20 August 2025.

The Company has consulted with the legal counsel and is in the process of lodging an appeal against the judgement.

(b) Grand Harbour Limited (HCCW 152/2025)

The Company and Grand Harbour Limited (“**Grand Harbour**”) entered into a loan agreement dated 12 May 2022 (the “**Loan Agreement**”) whereby Grand Harbour granted a loan of HK\$5,000,000 (the “**Principal Sum**”) at an interest rate of 12% per annum to the Company with the initial maturity date on 12 August 2022 (the “**Initial Maturity Date**”).

On 2 February 2023, the Company and Grand Harbour entered into a loan extension agreement (the “**Extension Agreement**”) to, among other things, extend the Initial Maturity Date to 31 December 2024. The Loan Agreement and the Extension Agreement shall hereinafter be collectively referred to as the “**Extended Loan Agreement**”.

On 14 March 2025, Grand Harbour filed a winding-up petition against the Company at the High Court in connection with a payment obligation of the Company in the sum of approximately HK\$6,100,000, being the outstanding of the principal amount of approximately HK\$5,000,000 together with interest of 12% per annum accrued up to 14 February 2025, pursuant to the Extended Loan Agreement.

In the winding-up petition, the Grand Harbour alleged that it served a statutory demand dated 14 February 2025 to the Company on 20 February 2025 requesting payment of the above petitioned sum. It further alleged that the Company should be wound up by the High Court under the provisions of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) (the “**Companies Winding Up Ordinance**”).

Subsequent to the end of the reporting period, both parties entered into a settlement agreement dated 9 May 2025 (the “**Settlement Agreement**”), agreeing to enter into a mutually acceptable settlement and compromise of the disputes between both parties in respect of the winding-up petition on the terms set in the Settlement Agreement, on a without admission of liability basis.

Pursuant to the Settlement Agreement, both parties agree that the Company shall pay to Grand Harbour, the sum of approximately HK\$6,282,000 (the “**Settlement Sum**”) in full as final settlement of the claims that Grand Harbour has against the Company. The Settlement Sum shall be settled in three instalments, which the first instalment of HK\$1,500,000 was settled on 12 May 2025; the second instalment of HK\$2,300,000 to be settled on or before 31 October 2025 and the third instalment of approximately HK\$2,482,000 to be settled on or before 30 April 2026.

The Company and Grand Harbour have executed and filed a consent summons (the “**Consent Summons**”) to the High Court on 14 May 2025 to withdraw the winding-up petition. The winding-up petition and the Consent Summons were heard on 21 May 2025 at the High Court and an order in terms of the Consent Summons was granted, as amended, and leave was granted to the Grand Harbour to withdraw the winding-up petition. Thus, the winding-up petition has come to an end.

EXTRACT OF INDEPENDENT AUDITOR’S REPORT

The below sections set out an extract of the report by Baker Tilly Hong Kong Limited, the auditor of the Company (the “**Auditor**”), regarding the consolidated financial statements of the Group for the year ended 31 March 2025.

Disclaimer of opinion

We were engaged to audit the consolidated financial statements of hmvod Limited (the “**Company**”) and its subsidiaries (together the “**Group**”), which comprise the consolidated statement of financial position as at 31 March 2025, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matters described in the “Basis for disclaimer of opinion” section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements. In all other respects, in our opinion, the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for disclaimer of opinion

Scope limitation relating to appropriateness of the going concern basis of accounting

As mentioned in note 2 to the consolidated financial statements, the Group recorded a net loss of approximately HK\$15,224,000 for the year ended 31 March 2025 and, as at 31 March 2025, the Group’s current liabilities exceeded current assets by approximately HK\$56,519,000 and total liabilities exceeded total assets by approximately HK\$70,068,000. The Group’s borrowings amounted to approximately HK\$23,980,000, of which approximately HK\$9,980,000 has been defaulted and is repayable on demand as at 31 March 2025. These borrowings exceeded the Group’s cash and cash equivalents of approximately HK\$325,000 as at 31 March 2025. Besides, the Group is involved in various litigations, which are further explained in note 34 to the consolidated financial statements. In one case, a winding up petition against the Company was filed on 13 June 2025 due to the alleged failure to settle judgement sum owed and interest accrued in the sum of approximately HK\$11,600,000. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group’s ability to continue as a going concern.

The directors of the Company have prepared a cashflow forecast covering fifteen months from the end of the reporting period for the Group's going concern assessment (the "**Cashflow Forecast**"), and are of the opinion that the Group will have sufficient financial resources to satisfy its future working capital requirements and meet its financial obligations as they fall due within the next twelve months from the date of approval of these consolidated financial statements. Accordingly, the consolidated financial statements have been prepared on a going concern basis. Whether the Group will be able to continue as a going concern would depend upon its ability to mitigate its liquidity pressure and improve the financial position of the Group through (i) successful negotiations with the existing lenders for extensions of the repayments of borrowings; (ii) successful obtaining new sources of finance from various financial institutions to support the Group's working capital and commitment; and (iii) successful enhancing the Group's profitability and improving cash flows from operations from tightening cost controls.

However, we have not been provided with sufficient and reliable supporting information of the key assumptions and inputs adopted in the Cashflow Forecast. In particular, sufficient and reliable information was not made available to us to assess the status and likelihood of extensions of repayment of borrowings except for one borrowing with outstanding amount of approximately HK\$6,200,000 as at 31 March 2025 for which the Company and the lender entered into a settlement agreement on 9 May 2025 (see note 34(b) to the consolidated financial statements), and to assess the financial viability of the substantial shareholder to provide financial assistance to the Group. Furthermore, there are insufficient details of the Group's plans and measures of enhancing its profitability and tightening cost controls.

In view of the above scope limitation, we have not been able to obtain sufficient appropriate audit evidence to satisfy ourselves about the appropriateness of the use of the going concern basis of accounting in preparation of these consolidated financial statements. Should the Group be unable to operate as a going concern, adjustments would have to be made to write down the Group's assets to their realisable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities. The effects of these adjustments have not been reflected in these consolidated financial statements.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL PERFORMANCE

During the year ended 31 March 2025, the Group recorded a turnover of approximately HK\$17.6 million (2024: HK\$22.1 million) representing a decrease of approximately 20.6% as compared to that of the corresponding year in 2024. Other income and gains decreased to approximately HK\$0.1 million as compared to approximately HK\$8.6 million of corresponding year in 2024, representing a decrease of 99.0% as of waiver of borrowings in last year. Subcontractors cost decreased to approximately HK\$13.2 million as compared to approximately HK\$16.3 million of corresponding year in 2024, representing a decrease of approximately 18.6%, which is aligned with the drop in revenue. Operating and administrating expenses decreased to approximately HK\$4.6 million as compared to approximately HK\$5.2 million of corresponding year in 2024. Finance cost decreased to approximately HK\$2.1 million as compared to approximately HK\$5.0 million of corresponding year in 2024, representing a decrease of 58.4% as a result of repayments of borrowings. For the year ended 31 March 2025, a loss attributable to owners of the Company of approximately HK\$14.9 million was recorded (2024: Loss of HK\$6.8 million).

The increase in loss was primarily attributable to (i) the decrease of revenue; and (ii) the decrease of other income and gains.

BUSINESS PERFORMANCE AND PROSPECT

OTT services

OTT services is providing multi-media related services and contents in the Hong Kong via different platforms. OTT services market is mainly driven by ease of viewing through difference devices and platforms, a variety of content, In view of the growing penetration and expansion of multi-media segment, the Group is optimistic about such business segment. In addition, consumers are moving beyond traditional media, the multi-media platform is an option used by many companies to brand and market their products. As such, the multi-media platform is playing an increasingly vital role in business marketing strategy all over the world. We believed that our Group is beneficial from the world-wide trend given that our OTT services is equipped with experience in the industry with diversified clientele and being specialized in the provision of OTT services of video-on-demand in Hong Kong and Macau via its own digital video rental platform.

The revenue in OTT services recorded approximately HK\$17.6 million for the year ended 31 March 2025 (2024: HK\$22.1 million), compared with the corresponding year in 2024. This decline is primarily attributed to a reduction in subscriptions, driven by increased competition from other OTT providers offering more attractive pricing. Additionally, a shift in consumer behavior towards outdoor activities and travel has led to decreased engagement with home entertainment options.

FUTURE PROSPECTS

The broadcasting market in Hong Kong is gradually switching from traditional free licensed television broadcasting to OTT broadcasting. The Group intends to exploit the OTT platforms, which customers be offered with a wide variety of films, pop songs and TV series, etc. over the Internet. In view of the rapid global development in media contents and the rising popularity of new media platforms among the mobile and internet users, the Group hopes to continue developing the quality media contents with the advantages of the existing platform resources and to thrive in the cultural and entertainment business.

The Group will continue to look for opportunities to create shareholders' value through making investments into and/or acquiring interests in companies or projects that have promising outlooks and prospects. The Group is broadening its perspective to different sectors and potentially also invest into and/or make acquisitions in other industries so long as such investments/acquisitions can bring value and are beneficial to the Company and its shareholders as a whole. It goes without saying that the Company will also continue to focus on existing business to bring further value to the shareholders.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

Capital Structure

As at 31 March 2025, the share capital and deficit attributable to owners of the Company amounted to approximately HK\$1,294,000 and HK\$65.7million respectively (2024: approximately HK\$1,294,000 and HK\$50.9 million respectively).

As at 31 March 2025, the deficit attributable to owners of the Company amounted to approximately HK\$14.9 million (2024: HK\$6.8 million). Current assets amounted to approximately HK\$3.0 million (2024: HK\$18.4 million), of which approximately HK\$0.3 million (2024: HK\$13.9 million) were bank balances and cash. Current liabilities were approximately HK\$59.5 million (2024: HK\$42.3 million) mainly include trade and other payables and borrowings. Total of borrowings amounted to approximately HK\$24.0 million as at 31 March 2025 (2024: HK\$31.2 million).

During the year under review, the Company has not made any issue for cash of equity securities.

The Board will continue to look for opportunities to attract more investors, extend the shareholders base, reduce the accumulated loss and improve the flexibility of fund raising.

GEARING RATIO

The gearing ratio was calculated on the basis of total liabilities over shareholders' equity. Since the Company recorded a deficit attributable to owners of the Company in 31 March 2024 and 2025, the gearing ratio was not applicable for the both years.

FOREIGN CURRENCY EXPOSURE

During the year ended 31 March 2025, the Group experienced only immaterial exchange rate fluctuations, as the Group's operations were mainly denominated in Hong Kong dollars. As the risk on exchange rate difference considered being minimal, the Group did not employ any financial instruments for hedging purposes.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES DURING THE YEAR UNDER REVIEW

No significant investment, material acquisition and disposal was completed for the year ended 31 March 2025.

SEGMENT INFORMATION

During the year under review, the Group was principally engaged in provision of OTT services in Hong Kong, which is a reportable segment. The Group presents its segmental information based on the nature of the products and services.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2025, the Group hired 20 employees including the directors (2024: 15). Total staff costs including Directors' remuneration for the year under review amounted to approximately HK\$6.6 million (2024: HK\$7.7 million).

Employees' remunerations are determined in accordance with their experiences, competence, qualifications and nature of duties and the current market trend. Apart from the basic salary, discretionary bonus and other incentives may be offered to the employees of the Group to reward their performance and contributions. The emoluments of the Directors are determined by the remuneration committee of the Company having regard to the performance of the individuals and market trend. The Group provides mandatory provident fund scheme for the employees employed under the jurisdiction of the Hong Kong Employment Ordinance.

The Group has not made any changes to its remuneration policy during the year under review.

The Company adopted a share option scheme pursuant to which eligible persons may be granted options to subscribe for the shares of the Company.

USE OF PROCEEDS

The Group completed the Placing on 24 October 2023 resulting in net proceeds of approximately HK\$23,010,000. Details of the use of proceeds is as follows:

	Original allocation of the net proceeds as at 24 October 2023 <i>HK\$ million</i>	Utilised amount of the net proceeds as at 31 March 2024 <i>HK\$ million</i>	Revised allocation of unutilised amount of the net proceeds as at 31 March 2024 <i>HK\$ million</i>	Utilised amount of the net proceeds as at 31 March 2025 <i>HK\$ million</i>	Unutilised amount of the net proceeds as at 31 March 2025 <i>HK\$ million</i>
Use of net proceeds from the Placing					
Purchase of contents for OTT services	5	2	1	3	–
Production of concerts	7	–	–	–	–
General working capital	11	7.2	10.8	18	–
Paying staff costs and administrative expenses of the Group	–	0.6	1.4	2	–
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total	23	9.8	13.2	23	–
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

In light of uncertain market conditions currently, the Board considers that it will be essential for the Group to cautiously control the expenses given the uncertainties casted by the global economic and financial markets.

CHARGES ON ASSETS AND CONTINGENT LIABILITIES

The Group did not have any material charges on assets and contingent liabilities as at 31 March 2025 and 31 March 2024.

CAPITAL COMMITMENTS

The Group had no material capital commitments as at 31 March 2025 (2024: Nil).

DIVIDEND

The Board does not recommend the payment of dividend for the year ended 31 March 2025 (2024: Nil).

EVENTS AFTER THE REPORTING PERIOD

Saved as disclosed in note 18 and elsewhere in this announcement, the Group has no significant events after the reporting period.

SHARE OPTION SCHEME

Pursuant to an ordinary resolution passed at an annual general meeting of the Company held on 12 November 2014, the Company approved and adopted a share option scheme (the “**Scheme**”). There were no movement in the share options during the year ended 31 March 2025 and there were no outstanding share options as at 31 March 2025. Summary of the Scheme are set out below:

(a) Purpose of the Scheme

The purpose of the Scheme is to provide participants with the opportunity to acquire proprietary interests in the Company and to encourage participants to work towards enhancing the value of the Company and its shares for the benefit of the Company and its Shareholders as a whole.

(b) Participants

The categories of the participant under the Scheme include any directors (including executive directors, non-executive directors and independent non-executive directors) and employees of the Group or any entity in which any member of the Group holds an equity interest (an “**Invested Entity**”) and any advisors, consultants, distributors, contractors, suppliers, agents, customers, business partners, joint venture business partners, promoters, service providers, shareholders, co-investors, lenders of or to, and persons who have business relationships with, any member of the Group or any Invested Entity (including the employees thereof) who the Board considers, in its sole discretion, have contributed or will contribute to the Group.

The scope of participants under the Scheme is with an aim to attract, retain and maintain on-going business relationship with the other participants whose contributions are or will be beneficial to the long-term growth of the Group which would enhance the value of the Company and its shares based on the Board’s discretion with reference to their history, business relationship and contributions with/to the Group.

(c) Maximum number of shares

The maximum number of shares to be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option schemes of the Company must not in aggregate exceed 30 per cent. in nominal amount of the issued share capital of the Company from time to time (“**Scheme Limit**”).

- (i) The maximum number of shares in respect of which options may be granted under the Scheme shall not (when aggregated with any shares subject to any other share option scheme(s) of the Company) exceed 10 per cent. in nominal amount of the issued share capital of the Company on the adoption date (the “**Scheme Mandate Limit**”). Option lapsed in accordance with the terms of the Scheme will not be counted for the purpose of calculating the Scheme Mandate Limit.

- (ii) The Scheme Mandate Limit referred to in paragraph (c)(i) may be renewed at any time subject to prior shareholders' approval but in any event shall not exceed 10 per cent. of the issued share capital of the Company as at the date of approval of the renewal of the Scheme Mandate Limit. Option previously granted under the Scheme or any other share option schemes (including those outstanding, cancelled, lapsed in accordance with the terms or exercised options) will not be counted for the purpose of calculating the refreshed Scheme Mandate Limit.
- (iii) The Company may grant options beyond the Scheme Mandate Limit to Participants if:
 - (a) the Company has first sent a circular to shareholders containing a generic description of the specified participants in question, the number and terms of the options to be granted, the purpose of granting options to the specified participants with an explanation as to how the terms of the options serve such purpose; and
 - (b) separate shareholder's approval has been obtained.

(d) Maximum entitlement of each participant

The maximum number of shares in respect of which options may be granted to a specifically identified single grantee under the Scheme shall not (when aggregated with any shares subject to any other share option scheme(s) of the Company) in any 12-month period exceed 1 per cent. of the shares in issue (the "**Individual Limit**"). The Company may grant options beyond the Individual Limit to a participant at any time if:

- (i) the Company has first sent a circular to Shareholders containing the identity of the participant in question, the number and terms of the options to be granted (and options previously granted to such participant); and
- (ii) separate shareholder's approval has been obtained in general meeting with the proposed relevant grantee (as the case may be) and his associates abstaining from voting.

(e) Subscription price for shares

The subscription price shall be determined by the Board in its absolute discretion but in any event shall not be less than the greater of:

- (i) the closing price of the shares as stated in the daily quotations sheets issued by the Stock Exchange on date of grant;
- (ii) the average closing price of the shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding date of grant; and
- (iii) the nominal value of a share.

(f) Duration of the Scheme

Subject to the provisions of the Scheme, the Scheme shall be valid and effective for a period of 10 years commencing on the adoption date (the “**ten-year period**”), after which period no further options shall be offered or granted but the provisions of the Scheme shall remain in full force and effect in all other respects. Options granted during the life of the Scheme shall continue to be exercisable in accordance with their terms of grant after the end of the ten-year period.

(g) Exercise of options

An option may be exercised in whole or in part in accordance with the terms of the Scheme by the grantee (or his legal personal representative(s)) by giving notice in writing to the Company stating that the option is thereby exercised and the number of shares in respect of which it is exercised. Each such notice must be accompanied by a remittance for the full amount of the subscription price multiplied by the number of shares in respect of which the notice is given. Within 28 days after receipt of the notice and, where appropriate, receipt of the Auditors’ certificate or the certificate from the independent financial adviser to the Company, the Company shall accordingly allot and issue the relevant number of Shares to the grantee (or his legal personal representative(s)) credited as fully paid and issue to the grantee (or his legal personal representative(s)) share certificates in respect of the Shares so allotted.

(h) Minimum period

There are no minimum holding period for which an Option must be held before it can be exercised nor performance targets that need to be met before a grantee is entitled to exercise an Option duly granted under the Scheme.

(i) Time of acceptance and payment on acceptance

An Offer shall be deemed to have been accepted and an Option shall be deemed to have been granted and accepted and shall take effect when the duplicate letter comprising acceptance of the Offer duly signed by the Grantee with the number of Shares in respect of which the Offer is accepted clearly stated therein together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof is received by the Company. Such remittance shall in no circumstances be refundable.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SECURITIES

As at 31 March 2025, none of the Directors and chief executive of the Company were interested in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571, the Laws of Hong Kong) (“SFO”)) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they have taken or deemed to have under such provisions of the SFO), or which are required, pursuant to section 352 of the SFO, to be entered in the register maintained by the Company referred to therein, or which are required, pursuant to the required standard of dealing by the Directors under the GEM Listing Rules relating to securities transactions by the Directors, to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS INTERESTS IN SECURITIES

So far as is known to the Directors, as at 31 March 2025, the persons (other than a director or chief executive of the Company) who have interests or short position in the shares, underlying shares and debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or who are, directly or indirectly, to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group, were as follows:

Long position in shares of the Company:

Name of Substantial Shareholders	Capacity	Number of shares/ underlying Shares held	Approximate percentage of total number of issued shares of the Company (Note)
Lui Yu Kin	Beneficiary Owner	22,376,000	17.29%
Cheng Chi Heng	Beneficiary Owner	8,628,500	6.67%
Chan Chui Ping	Beneficiary Owner	6,472,500	5.00%

Note:

As at 31 March 2025, the issued share capital of the Company was 129,447,897 shares.

Save as disclosed above, as at 31 March 2025, no long positions and short positions of other persons or chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations were recorded in the register required to be kept under section 336 of the SFO.

DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS

No contracts of significance in relation to the Group's business to which the Group was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the year ended 31 March 2025 or at any time during the year.

DIRECTORS' COMPETING INTERESTS

As at 31 March 2025, none of the Directors or their respective associates (as defined under the GEM Listing Rules) had any business or interest in a business which competes or may compete with the business of the Group.

AUDIT COMMITTEE

The Company has established an audit committee with written terms of reference in compliance with the GEM Listing Rules and the Corporate Governance Code (the "**Code**").

The audit committee of the Company reviews the internal accounting procedures, considers and reports to the Board with respect to other auditing and accounting matters, including selection of independent auditors, fees to be paid to the independent auditors and the performance of the independent auditors.

As at the date of this announcement, the audit committee consists of three independent non-executive Directors namely Mr. Leung Tze Wai (Chairman), Mr. Ip Chi Ching and Mr. Chow Ho Yuen.

The audited consolidated financial statements of the Group for the year ended 31 March 2025 have been reviewed by the audit committee of the Company.

There was no disagreement between the Board and the Audit Committee on the selection and appointment of the external auditors for the year ended 31 March 2025. The Audit Committee has reviewed the audited financial statements of the Group for the year and recommended approval to the Board.

SCOPE OF WORK OF BAKER TILLY HONG KONG LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, and the related notes thereto for the year ended 31 March 2025 as set out in this announcement have been agreed by the Group's auditors, Baker Tilly Hong Kong Limited ("**Baker Tilly**"), to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Baker Tilly in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by Baker Tilly on this announcement.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has adopted the code provisions of the Code contained in Appendix 15 of the GEM Listing Rules as its own code on corporate governance practices. In the opinion of the Directors, the Company has complied with the code provisions as set out in the Code and there have been no material deviations from the Code during the year. The Company will continue to enhance its corporate governance appropriate to the conduct and growth of its business and to review its corporate governance from time to time to ensure they comply with the statutory and the CG Code and align with the latest developments.

The Board currently comprises six members, of which three are executive Directors, namely, Ms. Wong Tsz Ki, Mr. Chong Tung Yan Benedict and Mr. Ko Chi Kiu Robert and three are independent non-executive Directors, namely, Mr. Ip Chi Ching, Mr. Leung Tze Wai and Mr. Chow Ho Yuen.

Under code provision C.2.1 of the CG code, the role of chairman (the “**Chairman**”) and chief executive officer (the “**CEO**”) of the Company should be separated and should not be performed by the same individual to ensure their respective independence, accountability and responsibility. To ensure a balance of power and authority, the Company has a clear and defined division of the responsibilities between the Chairman and the CEO in accordance with the Code. The Chairman is responsible for the Group’s strategic planning and the management of the operations of the Board, while the CEO takes the lead in the Group’s operations and business development.

The Company does not have the chairman of the Board. Ms Wong Tsz Ki, Mr. Chong Tung Yan Benedict and Mr. Ko Chi Kiu Robert, three Executive Directors, perform part of the function of the chairman of the Board.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding Directors’ securities transactions in securities of the Company.

Having made specific enquiry, all Directors have confirmed that they have complied with the required standard of dealings and there is no event of non-compliance throughout the year ended 31 March 2025.

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

During the year under review, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

By order of the Board of
hmvod Limited
Wong Tsz Ki
Executive Director

Hong Kong, 30 June 2025

As at the date of this announcement, the Board comprises three executive Directors, namely, Ms. Wong Tsz Ki, Mr. Chong Tung Yan Benedict and Mr. Ko Chi Kiu Robert and three independent non-executive Directors, namely, Mr. Ip Chi Ching, Mr. Leung Tze Wai and Mr. Chow Ho Yuen.

This announcement will remain on the Stock Exchange's website at www.hkexnews.hk on the "Latest Listing Company Information" page for at least 7 days from the date of its posting and on the Company's website at www.hmvod.com.hk.