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Amuse Group Holding Limited

佰悅集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8545)

**ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 MARCH 2026**

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

GEM has been positioned as a market designed to accommodate 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. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the main board of the Stock Exchange 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 Amuse Group Holding Limited (the “**Company**”) 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.*

FINAL RESULTS

The board of Directors (the “**Board**”) of the Company is pleased to announce the consolidated results of the Group for the year ended 31 March 2026 (the “**Year**”), together with the comparative figures for the year ended 31 March 2025 (the “**Prior Year**”) as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2026

	Notes	2026 HK\$'000	2025 HK\$'000
Revenue	4	161,149	143,140
Cost of sales		(131,805)	(116,143)
Gross profit		29,344	26,997
Other income and other gains	6	12,044	5,786
Selling expenses		(8,507)	(7,977)
Administrative and other expenses		(27,131)	(23,103)
Gain on change in fair value of financial assets at fair value through profit or loss		35	2,396
Impairment losses on trade receivables		(348)	(167)
Reversal of impairment losses/(impairment losses) on deposits and other receivables, net		30	(510)
Impairment loss on goodwill		(2,813)	–
Impairment loss on interest in an associate		(1,960)	(4,519)
Loss on disposal of an associate		–	(504)
Share of results of associates		635	377
Profit/(loss) from operations		1,329	(1,224)
Finance costs	7(a)	(218)	(317)
Profit/(loss) before taxation	7	1,111	(1,541)
Income tax expense	8	(2,335)	(570)
Loss and total comprehensive expense for the year		(1,224)	(2,111)
Loss and total comprehensive expenses for the year attributable to:			
Owners of the Company		(1,225)	(2,111)
Non-controlling interest		1	–
		(1,224)	(2,111)
Loss per share attributable to owners of the Company			
— Basic and diluted (in HK cents)	10	(0.10)	(0.18)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2026

	<i>Notes</i>	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Non-current assets			
Property, plant and equipment		16,712	16,013
Goodwill		2,565	5,378
Interest in a joint venture		–	–
Interests in associates		2,651	3,976
Deferred tax assets		441	294
Rental deposits	<i>12</i>	1,012	388
		<hr/> 23,381	<hr/> 26,049
Current assets			
Inventories		2,030	3,005
Trade receivables	<i>11</i>	15,210	10,674
Prepayments, deposits and other receivables	<i>12</i>	46,863	60,496
Financial assets at fair value through profit or loss		48,568	5,071
Tax recoverable		–	1,093
Bank deposits and cash		113,354	123,739
		<hr/> 226,025	<hr/> 204,078
Current liabilities			
Trade payables	<i>13</i>	9,939	9,464
Other payables and accrued expenses	<i>13</i>	4,054	3,437
Contract liabilities		34,518	15,690
Bank borrowing		–	2,953
Lease liabilities		2,712	2,477
Tax payable		1,332	649
		<hr/> 52,555	<hr/> 34,670
Net current assets		<hr/> 173,470	<hr/> 169,408
Total assets less current liabilities		<hr/> 196,851	<hr/> 195,457

	<i>Notes</i>	2026 HK\$'000	2025 <i>HK\$'000</i>
Non-current liabilities			
Lease liabilities		3,574	917
Deferred tax liabilities		–	51
		<u>3,574</u>	<u>968</u>
Net assets		<u>193,277</u>	<u>194,489</u>
Capital and Reserves			
Share capital	<i>14</i>	11,923	11,923
Reserves		<u>181,341</u>	<u>182,566</u>
Equity attributable to owners of the Company		193,264	194,489
Non-controlling interest		<u>13</u>	<u>–</u>
Total equity		<u>193,277</u>	<u>194,489</u>

Notes:

1. GENERAL INFORMATION

Amuse Group Holding Limited (the “**Company**”) is a company incorporated in the Cayman Islands with limited liability under the Companies Law, Chapter 22 (Law 3 of 1961 as consolidated and revised) of the Cayman Islands. The address of the Company’s registered office is located at P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman KY1-1205, Cayman Islands and the principal place of business of the Company is located at Flat B–E, 33/F., Plaza 88, No. 88 Yeung UK Road, Tsuen Wan, New Territories, Hong Kong.

The shares of the Company have been listed on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 31 May 2018.

The Company is an investment holding company. The Company and its subsidiaries (together referred to as the “**Group**”) are principally engaged in design, marketing, distribution and retail sales of toys and related products, and provision of agency services.

2. MATERIAL ACCOUNTING POLICIES

These financial statements have been prepared in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and accounting principles generally accepted in Hong Kong. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by the primary users.

These financial statements also comply with the applicable disclosure requirements of the Hong Kong Companies Ordinance and include the applicable disclosure requirements of the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”).

3. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARD

Amendments to HKFRS Accounting Standards that are mandatorily effective for the current year

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

Amendments to HKAS 21	Lack of Exchangeability
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The application of the amendments to HKFRS Accounting Standards in the current year has had no material effect on the Group’s financial positions and financial performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

New and amendments to HKFRS Accounting Standards in issue but not yet effective

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

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

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

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

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

Except as described below, the directors of the Group anticipate that all applications of the new and amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 Presentation and Disclosure in Financial Statements, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 Presentation of Financial Statements. This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 and HKFRS 7. Minor amendments to HKAS 7 Statement of Cash Flows and HKAS 33 Earnings per Share are also made.

HKFRS 18 will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

4. REVENUE

Disaggregation of revenue from contracts within the scope of HKFRS 15

Disaggregation of revenue from contracts with customers which are recognised at a point in time and over time by major products or service line is as follows:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Types of goods or services		
Sales of ODM toys to license holders	59,581	48,324
Distribution of imported toys and related products	67,658	55,592
Sales of own licensed toys and related products	30,410	35,224
Revenue of agency services related to engineering projects	3,500	4,000
	<u>161,149</u>	<u>143,140</u>
Total	<u>161,149</u>	<u>143,140</u>

5. SEGMENT INFORMATION

5.1 Revenue

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the years ended 31 March 2026 and 2025 is set out below:

	Sales of ODM toys		Distribution of imported toys and related products		Sales of own licensed toys and related products		Unallocated		Total	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue from external customers	59,581	48,324	67,658	55,592	30,410	35,224	3,500	4,000	161,149	143,140
Inter-segment revenue	-	-	15,649	21,137	19,026	26,899	-	-	34,675	48,036
Segment revenue	<u>59,581</u>	<u>48,324</u>	<u>83,307</u>	<u>76,729</u>	<u>49,436</u>	<u>62,123</u>	<u>3,500</u>	<u>4,000</u>	<u>195,824</u>	<u>191,176</u>
Segment (loss)/profit	<u>(7,403)</u>	<u>(4,545)</u>	<u>(1,884)</u>	<u>(3,801)</u>	<u>122</u>	<u>2,206</u>	<u>-</u>	<u>-</u>	<u>(9,165)</u>	<u>(6,140)</u>
Other income and other gains									12,044	5,786
Gain on change in fair value of financial assets at FVTPL									35	2,396
Impairment loss on goodwill									(2,813)	-
Impairment loss on interest in an associate									(1,960)	(4,519)
Loss on disposal of an associate									-	(504)
Share of results of associates									635	377
Finance costs									(218)	(317)
Unallocated expenses									<u>2,553</u>	<u>1,380</u>
Consolidated profit/(loss) before taxation									<u>1,111</u>	<u>(1,541)</u>

5.2 Other segment information

	Sales of ODM toys		Distribution of imported toys and related products		Sales of own licensed toys and related products		Unallocated		Total	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Non-current assets (other than financial instrument and deferred tax assets) but include goodwill	-	-	-	-	-	-	2,651	3,976	21,928	25,367
Additions to property, plant and equipment	1,916	31	4,921	1,050	4,921	1,050	59	834	11,817	2,965
Depreciation for the year	509	592	2,074	2,052	2,255	4,326	15	555	4,853	7,525

5.3 Geographic information

The following table sets out information about the geographic location of the Group's customers. The geographic location of customers is based on the location at which the goods or services were delivered.

The Group's non-current assets are mainly located in Hong Kong.

	Revenue from external customers	
	2026	2025
	HK\$'000	HK\$'000
Hong Kong (place of domicile)	19,958	20,858
Japan	62,224	51,296
Mainland China of the PRC	38,897	43,569
The United States of America	23,371	8,272
Taiwan	6,650	8,079
South Korea	2,817	3,034
Germany	1,643	1,692
Italy	1,198	825
Australia	513	1,489
Others	3,878	4,026
	141,191	122,282
	161,149	143,140

5.4 Information about major customers

Revenue from customers for the year contributing over 10% of the Group's revenue is as follows:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Customer A — sales of products ¹	61,791	49,248
Customer B — sales of products ²	17,434	*N/A

* Revenue from customer B for the year ended 31 March 2025 was less than 10% of the Group's total revenue for that year.

¹ Revenue from sales of ODM toys amounted to HK\$59,503,000 (2025: HK\$48,191,000), sales of own licensed toys and related products amounted to HK\$2,280,000 (2025: HK\$1,057,000) and distribution of imported toys and related products amounted to HK\$8,000 (2025: Nil).

² Revenue from distribution of imported toys and related products amounted to HK\$4,588,000 and sales of own licensed toys and related products amounted to HK\$12,846,000.

6. OTHER INCOME AND OTHER GAINS

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Bank interest income	2,536	3,942
Compensation income	253	46
Exchange gain, net	1,901	297
Freight charge income	205	194
Gain on disposal of financial assets at FVTPL	134	993
Gain on disposal of property, plant and equipment	6,435	–
Government grant income (<i>note (i)</i>)	295	278
Rental income	128	–
Sundry income	157	36
	12,044	5,786

Note:

(i) During the year ended 31 March 2026, the Group recognised government grant income of HK\$295,000 (2025: HK\$278,000) in respect of SME Export Marketing Fund provided by the Hong Kong SAR Government. There were no unfulfilled obligations or contingencies in respect of the government grants.

7. PROFIT/(LOSS) BEFORE TAXATION

Profit/(loss) before taxation is arrived at after charging the following items:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
(a) Finance costs		
Interest on bank borrowing	24	167
Interest on lease liabilities	194	150
	<u>218</u>	<u>317</u>
(b) Staff costs (including directors' emoluments)		
Salaries, wages and other benefits	17,607	15,896
Contributions to defined contribution retirement benefits plan	453	407
	<u>18,060</u>	<u>16,303</u>
(c) Other items		
Depreciation:		
— Owned assets	1,722	4,585
— Right-of-use assets	3,131	2,940
	<u>4,853</u>	<u>7,525</u>
Total depreciation	4,853	7,525
Auditor's remuneration	665	620
	<u>665</u>	<u>620</u>

8. INCOME TAX EXPENSE

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Current tax — Hong Kong Profits Tax		
Provision for the year	941	602
Under-provision in prior years	1,592	168
	<u>2,533</u>	<u>770</u>
Deferred tax credit	(198)	(200)
	<u>2,335</u>	<u>570</u>

Hong Kong Profits Tax is calculated at 16.5% (2025: 16.5%) of the estimated assessable profits for the year, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered profits tax rates regime. Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of profits of the qualifying entity are taxed at 8.25% (2025: 8.25%), and the profits above HK\$2,000,000 are taxed at 16.5% (2025: 16.5%).

The provision for Hong Kong Profits Tax for 2026 has also taken into account a reduction granted by the Hong Kong SAR Government of the tax payable for the year of assessment 2025/26. The eligible companies are entitled for the maximum reduction of HK\$3,000 (2025: HK\$1,500).

9. DIVIDENDS

The directors of the Company do not recommend the payment of a dividend for the years ended 31 March 2026 and 2025.

10. LOSS PER SHARE

The calculation of the basic loss per share is based on the following data:

	2026	2025
Loss for the year attributable to owners of the Company (<i>HK\$'000</i>)	(1,225)	(2,111)
Weighted average number of ordinary shares	1,192,307,692	1,192,307,692
Basic loss per share (<i>HK cents</i>)	<u>(0.10)</u>	<u>(0.18)</u>

There was no difference between basic and diluted loss per share as the Company did not have any potential ordinary shares outstanding during the years ended 31 March 2026 and 2025.

11. TRADE RECEIVABLES

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Trade receivables — gross	15,730	10,846
Less: ECL allowance	<u>(520)</u>	<u>(172)</u>
Trade receivables — net	<u>15,210</u>	<u>10,674</u>

Trade receivables are denominated in the following currencies:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
HK\$	15,176	10,674
Renminbi (“RMB”)	1	—
United States Dollar (“USD”)	<u>33</u>	<u>—</u>
	<u>15,210</u>	<u>10,674</u>

As at 1 April 2024, trade receivables from contracts with customers amounted to HK\$21,892,000.

Ageing analysis

Details of the ageing analysis of trade receivables (net of ECL allowance), based on the invoice date as of the end of the reporting period are as follows:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Trade receivables		
Less than 30 days	6,724	1,904
31 to 60 days	1,515	2,493
61 to 90 days	6,463	4,723
Over 90 days	508	1,554
	<u>15,210</u>	<u>10,674</u>

Trade receivables are due within 0 to 60 days from the date of billing.

The movement in the ECL allowance on trade receivables is as follows:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
At the beginning of the year	172	5
ECL allowance recognised	<u>348</u>	<u>167</u>
At the end of the year	<u>520</u>	<u>172</u>

12. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Other receivables	633	3,611
Trade deposits	43,629	48,023
Rental deposits	1,013	1,024
Other deposits	155	276
Prepayments	2,925	8,460
Less: ECL allowance	<u>(480)</u>	<u>(510)</u>
Total prepayments, deposits and other receivables	47,875	60,884
Less: non-current rental deposits	<u>(1,012)</u>	<u>(388)</u>
Current portion	<u>46,863</u>	<u>60,496</u>

Apart from rental deposits due over one year included under non-current assets, all of the prepayments, deposits and other receivables are expected to be recovered or recognised as expenses within one year.

(Other than Prepayments), deposits and other receivables are denominated in the following currencies:

	2026	2025
	<i>HK\$'000</i>	<i>HK\$'000</i>
HK\$	44,766	52,380
RMB	106	–
USD	78	44
	<u>44,950</u>	<u>52,424</u>

The movement in the ECL allowance on deposits and other receivables is as follows:

	2026	2025
	<i>HK\$'000</i>	<i>HK\$'000</i>
At the beginning of the year	510	157
ECL allowance recognised for the year	182	510
Eliminated on write-off of related receivables	–	(157)
Reversal of ECL allowance recognised in previous years	(212)	–
	<u>480</u>	<u>510</u>

13. TRADE PAYABLES, OTHER PAYABLES AND ACCRUED EXPENSES

	2026	2025
	<i>HK\$'000</i>	<i>HK\$'000</i>
Trade payables	9,939	9,464
Other payables and accrued expenses (<i>note</i>)	4,054	3,437
	<u>13,993</u>	<u>12,901</u>

Note: As at 31 March 2026, other payables and accrued expenses mainly included accrued salaries, accrued professional fees and accrued license fees of approximately HK\$2,201,000 (2025: HK\$2,222,000), HK\$1,517,000 (2025: HK\$1,215,000) and HK\$304,000 (2025: Nil), respectively.

Trade payable, other payables and accrued expenses are denominated in the following currencies:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
HK\$	13,693	12,884
RMB	257	–
USD	43	17
	<u>13,993</u>	<u>12,901</u>

Ageing analysis

The Group was granted by its suppliers with credit periods ranging from 30–60 days. At the end of the reporting period, the ageing analysis of trade payables, based on the invoice date, is as follows:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Less than 30 days	750	984
31 to 60 days	154	1,039
61 to 90 days	3,895	4,606
Over 90 days but within one year	1,296	2,056
Over one year	3,844	779
	<u>9,939</u>	<u>9,464</u>

14. SHARE CAPITAL

	Number of shares	Amount <i>HK\$'000</i>
Authorised ordinary shares of HK\$0.01 each:		
At 1 April 2024, 31 March 2025, 1 April 2025 and 31 March 2026	<u>10,000,000,000</u>	<u>100,000</u>
Issued and fully paid:		
At 1 April 2024, 31 March 2025, 1 April 2025 and 31 March 2026	<u>1,192,307,692</u>	<u>11,923</u>

- (i) The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

BUSINESS REVIEW

Amuse Group Holding Limited (the “**Company**”) is a company incorporated in the Cayman Islands with limited liability under the Companies Law (as revised) of the Cayman Islands. The Company and its subsidiaries (the “**Group**”) are principally engaged in design, marketing, distribution and retail sales of toys and related products, and provision of agency services.

Sales of original design manufacturer (“ODM”) toys

After experienced significant downturn in previous years, the sales of ODM toys is seeing a significant resurgence. The Group’s major customer, namely Sentinel Japan has worked with us for over 15 years, representing the primary revenue source of the sales of ODM toys. Following a period of economic caution, the Japan’s action figures market size is bouncing back and is projected to expand steadily through a compound annual growth rate. During the year ended 31 March 2026 (the “**Year**”), revenue from sales of ODM toys increased by approximately 23.3% to approximately HK\$59,581,000 (2025: approximately HK\$48,324,000).

The gross profit margin of the sales of ODM toys has dropped by approximately 15.5%, which was decreased from 11.6% in the year ended 31 March 2025 (“**Prior Year**”) to 9.8% for the Year due to the customers cut back on premium orders and shifted orders toward basic, low-margin general toys.

Distribution of imported toys and related products

Revenue from this segment remains the largest portion of the Group’s sales. The revenue from distribution increased by 21.7% to approximately HK\$67,658,000 during the year (2025: approximately HK\$55,592,000).

The rise of international e-commerce platforms and specialty hobby distributors has made importing exclusive, licensed, or region-specific action figures directly from overseas factories seamless for global consumers. Simultaneously, the Group launched of a new US distribution framework and an online shop in mainland China, the connection becomes clear. This represents a highly calculated, aggressive vertical expansion strategy by major US toys and action figure brands looking to bypass third-party distributors and capture high-margin direct-to-consumer (DTC) sales in China.

Sales of own licensed toys and related products

The Group applied the “SENTINEL/千值練”, “TOPI” and “FLAME TOYS” brands in developing our own licensed toys and related products over the years. The decrease in revenue from sales of own licensed toys and related products during the Year by 13.7%, to approximately HK\$30,410,000 (2025: approximately HK\$35,224,000).

Agency services related to engineering projects

The Group's new revenue stream from agency services related to engineering projects commenced on 8 August 2022, which mainly contributed from providing contraction projects consultancy services in the areas of (i) engineering consultancy; (ii) management consultancy, (iii) progress monitoring and (iv) quality assurance. It contributed the revenue of approximately HK\$3,500,000 for the Year (2025: approximately HK\$4,000,000).

FINANCIAL ANALYSIS

Revenue

Revenue is recognised when the customer takes possession of and accepts the products. Revenue is after deduction of any trade discounts.

Revenue increased by approximately 12.6% to approximately HK\$161,149,000 for the Year from approximately HK\$143,140,000 for the Prior Year. The increase in revenue was mainly due to the Japan action figures market size bounced back and expanded steadily following a prior period of economic caution; and launched a new US distribution framework and established an online shop in Mainland China to capture direct-to-consumer (DTC) sales.

Cost of sales

Our Group's cost of sales, incurred from the ODM toys, distribution of imported toys and related products and own licensed toys and related products comprising of (i) production costs of related products; (ii) license fee; (iii) depreciation of mould and (iv) others.

Cost of sales increased by approximately 13.5% to approximately HK\$131,805,000 for the Year from approximately HK\$116,143,000 for the Prior Year. The increase of cost of sales is in line with the increase of revenue.

Gross profit

Gross profit was increased by approximately 8.7% to approximately HK\$29,344,000 for the Year from approximately HK\$26,997,000 for the Prior Year. The gross profit margin was decreased 3.7% to approximately 18.2% for the Year from approximately 18.9% for the Prior Year.

Other income and other gains, net

Other income, net increased significantly by approximately 108.2% to approximately HK\$12,044,000 for the Year from approximately HK\$5,786,000 for the Prior Year.

The increase was mainly due to: (i) foreign currency exchange gain during the year; and (ii) a disposal gain of a property in the year.

Selling expenses

Our selling expenses comprises (i) advertising; (ii) staff costs which mainly represents the expenses in salary of staff; (iii) freight, postage and delivery; (iv) commission expense for our consignment sales; and (v) other selling and distribution expenses. Selling expenses increased by approximately 6.6% from approximately HK\$7,977,000 for the Prior Year to approximately HK\$8,507,000 for the Year, mainly due to the increase in marketing expenses in online platforms, incurring costs for website development, marketplace fees, and enhanced digital storefronts to sell premium action figures directly to consumers.

Administrative and other expenses

Our administrative and other expenses mainly consists of (i) staff costs which mainly represents the expenses in salary and staff benefit payable to our administrative department including our Directors; (ii) operating lease charges for land and building; (iii) travelling and entertainment expenses; (iv) audit fee; (v) depreciation expenses; (vi) legal and professional fee; (vii) insurance expenses mainly in relation to product liability insurance; and (viii) other administrative expenses.

Administrative expenses increased by approximately 17.4% from approximately HK\$23,103,000 for the Prior Year to approximately HK\$27,131,000 for the Year.

The increase in administrative and other expenses is primarily a direct consequence of the initial operational costs involved in setting up and running the new US sales channels and direct-to-consumer infrastructure in Mainland China. Entering a highly competitive, localized e-commerce market requires substantial investment in terms of both structure and human resources before achieving scale. Launching a localized online shop and distribution network requires substantial expenditure on regulation, compliance and legal matters.

Finance costs

The finance costs arose from our bank loans and fees for electronic payment transactions. Finance costs decreased by approximately 31.2% to approximately HK\$218,000 for the Year from approximately HK\$317,000 for the Prior Year.

The sharp reduction in finance costs is a direct result of the mortgage loan being repaid and cleared in full prior to the disposal of a property during the year.

Income tax expenses

Income tax expenses were increased by approximately 309.6% to approximately HK\$2,335,000 for the Year, as compared to approximately HK\$570,000 for the Prior Year.

The dramatic surge in income tax expenses is primarily driven by under provision in prior years.

Future plans for material investments and capital assets

Save as disclosed in the prospectus of the Company dated 18 May 2018 (the “**Prospectus**”), the Group had no definite future plans for material investments and capital assets.

Significant investments held

(i) 30% of Grand Amuse

As at 31 March 2025, the Group is holding an investment of joint venture which was formed in accordance with the joint venture agreement entered into between Amuse Luck and Grand View Protective Products Limited (“**Grand View**”) (the “**Joint Venture Agreement**”) pursuant to which Amuse Luck and Grand View agreed to jointly establish a joint venture company named Grand Amuse Development Limited (“**Grand Amuse**”) in Hong Kong owned as to 30% by Amuse Luck and 70% by Grand View, which principally engages in manufacturing and sale of protective products (including medical face masks, infrared thermometer, disinfectant spray, protective clothing, etc.) in Hong Kong and PRC markets.

In accordance with the Joint Venture Agreement, Amuse Luck and Grand View have invested in aggregate amount of HK\$10 million to Grand Amuse for setting up the medical face masks production lines in proportion to their respective shareholdings, in which Amuse Luck contributed HK\$3 million to Grand Amuse and Grand View is responsible for the costs of medical face masks production equipment, its installation and the plant renovation which amount to approximately HK\$7 million.

(ii) 30% of DongYiQuan

On 25 April 2022, the Group entered into the Sale and Purchase Agreement with Chu Guigui (褚桂桂) and Zhu Rongzheng (朱榮政) to purchase 30% of DongYiQuan Network Technology Co., Ltd., (“**DongYiQuan**”). The Consideration is HK\$10,000,000 which was fully settled and discharged by the allotment and issue of 192,307,692 Consideration Shares that under General Mandate, at the Issue Price of HK\$0.052 per Consideration Share to the Vendors at Completion.

DongYiQuan is a high-tech enterprise focusing on the development and application of smart healthcare industry solutions. It is principally engaged in the provision of smart health care products and service systems with a vision of “cloud platform, smart hardware and smart service”. DongYiQuan has cumulated solid clientele including local government agencies, hospitals, wellness centres, as well as individual households. It is in line with the Group’s investment objective by riding on the up side potential of the smart elderly care service sector and investing in DongYiQuan.

Gearing Ratio

Gearing ratio is calculated based on the total loans and borrowings divided by total equity at the respective reporting date. As at 31 March 2026, the Group’s gearing ratio was 0 times, while it was 0.02 times as at 31 March 2025. The Group maintain a healthy liquidity position. With available bank balances and cash, the Group has sufficient liquidity to satisfy its funding requirements.

Foreign Exchange Exposure

Certain trade receivables, bank balances and trade payables are denominated in foreign currency of the respective group entities which are exposed to foreign currency risk. Although part of the Group’s revenue and cost are in U.S. Dollar (“**USD**”) and Japanese Yen, the Group does not expect any significant movement in the USD and Japanese Yen exchange rate. The Group currently does not have a foreign currency hedging policy. However, management monitors foreign exchange exposure closely and will consider hedging significant foreign currency exposure should the need arise.

Charge on the Group’s assets

At 31 March 2026, the Group has no asset on charge due to the mortgage for the disposed property being cleared before completion of the disposal in the year (31 March 2025: HK\$5,539,000).

Information on employees

As at 31 March 2026, the Group had 38 employees (31 March 2025: 35) working in Hong Kong. Employees are remunerated according to their performance and work experience. On top of basic salary, commission, discretionary bonus and share option may be granted to eligible staff by reference to the Group's performance as well as individual's performance. The total staff cost (including remuneration of the Directors and mandatory provident funds contributions) for the Year amounted to approximately HK\$18,060,000 (2025: approximately HK\$16,303,000).

Dividend

The Board does not recommend the payment of dividend for the year ended 31 March 2026 (2025: Nil).

Contingent Liabilities

As at 31 March 2026, the Group had no significant contingent liabilities (2025: Nil).

Event After Reporting Period

There is no significant event of the Group after the reporting period.

Purchase, Sale or Redemption of Listed Securities

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Year.

Corporate Governance

The Company and its management are committed to maintain good corporate governance with an emphasis on the principles of transparency, accountability and independence to all shareholders. The Company believes that good corporate governance is essential for continual growth and enhancement of shareholder's value. From the listing date to the date of this announcement, the Company has applied and complied with the code provisions stipulated in the Corporate Governance Report as set out in Appendix 15 to the GEM Listing Rules. The Company periodically reviews its corporate governance practices with reference to the latest development in corporate governance.

Directors' Securities Transactions

The Company has adopted the Model Code as the code of conduct regarding securities transactions by Directors. Following specific enquiry by the Company, all the Directors have confirmed that they have complied with the required standard as set out in the Model Code and its code of conduct regarding directors' securities transactions from the listing date to the date of this announcement.

Audit Committee

The Audit Committee was established in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules and code provision C.3.3 of the CG Code. The main duties of the Audit Committee are to assist the Board in reviewing the Company's financial information, overseeing the Group's financial reporting system, risk management and internal control systems, reviewing and monitoring the effectiveness of the scope of audit and making recommendation to the Board on the appointment of external auditors.

The Audit Committee currently consists of three members, namely Ms. Chow Chi Ling Janice (the Chairlady of the Audit Committee), Mr. Yu Pui Hang and Mr. Tung Man, all being independent non-executive Directors. No member of the Audit Committee is a member of the former or existing independent auditor of the Company. The Audit Committee has reviewed this announcement, including the audited consolidated results of the Group for the year ended 31 March 2026.

Scope of work of CCTH CPA Limited

The figures in respect of the Group's consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position and the related notes thereto for the year ended 31 March 2026 as set out in this announcement have been agreed by the Group's external auditor, CCTH CPA Limited, to the amounts set out in the Group's draft consolidated financial statements for the year ended 31 March 2026. The work performed by CCTH CPA Limited 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 Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by CCTH CPA Limited on this announcement.

Appreciation

On behalf of the Board, the Chairman of the Company, Mr. Li Wai Keung, would like to take this opportunity to express his sincere gratitude to the management and staff of the Group for their hard work and dedication as well as to its shareholders and business companies for their continued support.

By order of the Board
Amuse Group Holding Limited
Li Wai Keung
Chairman and Executive Director

Hong Kong, 30 June 2026

As at the date of this announcement, the Board comprises Mr. Li Wai Keung, Mr. To Hoi Pan and Ms. Lee Kwai Fong as executive Directors; Mr. Chu Wai Tak as non-executive Director; and Mr. Yu Pui Hang, Ms. Chow Chi Ling Janice and Mr. Tung Man as independent non-executive Directors.

This announcement will remain on the website of Stock Exchange at www.hkexnews.hk on the “Latest Information” page for at least 7 days from the date of its posting and will be published on the Company’s website at www.amusegroupholding.com.