MBV INTERNATIONAL LIMITED
中國大人國際有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1957)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

The board (the "**Board**") of directors (the "**Directors**") of MBV International Limited (the "**Company**") is pleased to announce the audited consolidated annual results of the Company and its subsidiaries (collectively, the "**Group**") for the year ended 31 December 2024 (the "**Year**").

FINANCIAL HIGHLIGHTS

- Revenue for the Year decreased by approximately 4.8% year-to-year to approximately RM200.9 million, as compared with revenue of approximately RM211.0 million for the year ended 31 December 2023 (the "**Last Year**");

- Profit for the Year attributable to owners of the Company to approximately RM22.4 million;

- Basic earnings per share for the Year was RM3.57 (cents) as compared with basic earnings per share of RM3.28 (cents) for the Last Year; and

- The Board does not recommend the declaration of any dividend to shareholders of the Company for the Year (2023: Nil).

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 December 2024

	Note	2024 RM'000	2023 RM'000
Revenue	4	**200,929**	211,017
Cost of sales		**(138,327)**	(148,194)
Gross profit		**62,602**	62,823
Other income	5	**2,420**	3,075
Selling and distribution expenses		**(9,720)**	(10,601)
Administrative and other operating expenses	6	**(25,303)**	(22,576)
Reversal of impairment loss of trade receivables, net		**192**	149
Fair value changes in contingent consideration		**–**	(612)
Share of results of associates	10	**2,536**	(1,374)
Finance costs	6	**(74)**	(64)
Profit before tax	6	**32,653**	30,820
Income tax expenses	7	**(8,413)**	(8,654)
Profit for the year		**24,240**	22,166
Other comprehensive (loss) income:			
Items that will not be reclassified to profit or loss			
Exchange differences on translation of the Company's financial statements to presentation currency		**(550)**	974
Items that may be reclassified subsequently to profit or loss			
Exchange differences on consolidation		**(676)**	8
Other comprehensive (loss) income for the year		**(1,226)**	982
Total comprehensive income for the year		**23,014**	23,148
Profit for the year attributable to:			
Owners of the Company		**22,407**	20,623
Non-controlling interests		**1,833**	1,543
		24,240	22,166
Total comprehensive income for the year attributable to:			
Owners of the Company		**21,181**	21,605
Non-controlling interests		**1,833**	1,543
		23,014	23,148
		RM cents	*RM cents*
Earnings per share attributable to owners of the Company			
Basic and diluted	8	**3.57**	3.28

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2024

	Note	2024 *RM'000*	2023 *RM'000*
Non-current assets			
Property, plant and equipment		**54,516**	54,878
Intangible assets		**644**	1,004
Investment in associates	*10*	**34,689**	32,153
Deferred tax assets		**2,075**	1,897
		91,924	89,932
Current assets			
Financial assets at fair value through profit or loss ("**FVPL**")		**720**	1,200
Inventories		**36,921**	41,496
Trade and other receivables	*11*	**15,521**	15,871
Fixed deposit with a licensed bank		**106**	102
Bank balances and cash		**116,506**	93,246
		169,774	151,915
Current liabilities			
Trade and other payables	*12*	**8,640**	7,461
Consideration payable	*13*	**26,156**	–
Contingent consideration payable	*13*	**–**	31,156
Interest-bearing borrowings		**977**	969
Lease liabilities		**777**	651
Tax payable		**1,041**	227
		37,591	40,464
Net current assets		**132,183**	111,451
Total assets less current liabilities		**224,107**	201,383
Non-current liabilities			
Interest-bearing borrowings		**3,944**	4,665
Lease liabilities		**603**	172
		4,547	4,837
NET ASSETS		**219,560**	196,546

	Note	**2024**	2023
		RM'000	*RM'000*
Capital and reserves			
Share capital	*14*	**3,379**	3,379
Reserves		**209,427**	188,246
Equity attributable to owners of the Company		**212,806**	191,625
Non-controlling interests		**6,754**	4,921
TOTAL EQUITY		**219,560**	196,546

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2024

1. CORPORATE INFORMATION AND BASIS OF PREPARATION

MBV International Limited (the "**Company**", together with its subsidiaries are collectively referred to as the "**Group**") was incorporated as an exempted company with limited liability in the Cayman Islands on 3 January 2019. The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 8 July 2020 (the "**Listing**"). The registered office of the Company is situated at Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands. The Company's principal place of business is situated at Unit B, 23/F, Yue Hing Building, 103 Hennessy Road, Wan Chai, Hong Kong and the Group's headquarter is situated at No. 58–66, Jalan Seroja 39, Taman Johor Jaya, 81100 Johor Bahru, Johor, Malaysia.

The Company is an investment holding company and its subsidiaries are principally engaged in the provision of imprintable apparel and gift products in Malaysia and Singapore.

The immediate and ultimate holding company of the Company is MBV Capital Limited, which is incorporated in the British Virgin Islands (the "**BVI**"). In the opinion of the directors of the Company, the ultimate controlling parties are Dato' Tan Meng Seng, Dato' Tan Mein Kwang and Mr. Tan Beng Sen (together the "**Ultimate Controlling Party**"), who have been acting in concert over the course of the Group's business history.

2. PRINCIPAL ACCOUNTING POLICIES

Statement of compliance

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board (the "**IASB**"), which collective term includes all applicable individual IFRS Accounting Standards, IAS Standards and IFRIC Interpretations issued by the IASB. The consolidated financial statements also complies with the disclosure requirements of the Hong Kong Companies Ordinance and the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

The consolidated financial statements are presented in Malaysian Ringgit ("**RM**") and all amounts have been rounded to the nearest thousand ("**RM'000**"), unless otherwise indicated.

The consolidated financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2023 consolidated financial statements except for the adoption of the new/revised IFRS Accounting Standards that are relevant to the Group and effective from the current period.

Changes in accounting policies

The Group has applied, for the first time, the following new/revised IFRS Accounting Standards that are relevant to the Group:

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

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The amendments include clarifying the classification requirements for debt a company might settle by converting it into equity.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

Amendments to IAS 1: Non-current Liabilities with Covenants

The amendments specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require a company to disclose information about these covenants in the notes to the consolidated financial statements.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

Amendments to IAS 7 and IFRS 7: Supplier Finance Arrangements

The amendments introduce new disclosure requirements to enhance the transparency of supplier finance arrangements and their effects on an entity's liabilities, cash flows and exposure to liquidity risk.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

Amendments to IFRS 16: Lease Liability in a Sale and Leaseback

The amendments require a seller-lessee to subsequently determine lease payments arising from a sale and leaseback in a way that it does not recognise any amount of the gain or loss that relates to the right of use it retains. The new requirements do not prevent a seller-lessee from recognising in profit or loss any gain or loss relating to the partial or full termination of a lease.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

Basis of measurement

The measurement basis used in the preparation of these consolidated financial statements is historical cost, except for the listed debt securities and listed equity securities classified as "Financial assets at FVPL" and contingent consideration payables which are measured at fair value, as explained in the accounting policies set out below.

Basis of consolidations

The consolidated financial statements comprise the financial statements of the Company and all of its subsidiaries. The financial statements of the subsidiaries are prepared for the same reporting period as that of the Company using consistent accounting policies.

All intra-group balances, transactions, income and expenses and profits and losses resulting from intra–group transactions are eliminated in full. Unrealised losses are also eliminated unless the transactions provide evidence of an impairment of the asset transferred.

Non-controlling interests are presented, separately from owners of the Company, in the consolidated statement of profit or loss and other comprehensive income and within equity in the consolidated statement of financial position. The non-controlling interests in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in event of liquidation, are measured initially either at fair value or at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. This choice of measurement basis is made on an acquisition-by-acquisition basis. Other types of non-controlling interests are initially measured at fair value, unless another measurement basis is required by IFRS Accounting Standards.

Allocation of total comprehensive income

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income is attributed to the owners of the Company and the non-controlling interest even if this results in the non-controlling interest having a deficit balance.

Changes in ownership interest

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest determined at the date when control is lost and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests at the date when control is lost. The amounts previously recognised in other comprehensive income in relation to the disposed subsidiary are accounted for on the same basis as would be required if the parent had directly disposed of the related assets or liabilities. Any investment retained in the former subsidiary and any amounts owed by or to the former subsidiary are accounted for as a financial asset, associate, joint venture or others as appropriate from the date when control is lost.

3. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being identified as the chief operating decision makers ("**CODM**"), for the purposes of resource allocation and assessment of segment performance focuses on types of goods delivered. No operating segments identified by the CODM have been aggregated in arriving at the reportable operating segments of the Group.

Specifically, the Group's reportable and operating segments are as follows:

1) Wholesaling of imprintable apparel and gift products.

2) Manufacturing of imprintable apparel.

Segment revenue and results

Segment revenue represents revenue derived from wholesaling of imprintable apparel and gift products and manufacturing of imprintable apparel.

Segment results represent the gross profit reported by each segment. This is the measure reported to the CODM of the Group for the purposes of resource allocation and performance assessment.

	Wholesaling *RM'000*	**Manufacturing** *RM'000*	**Total** *RM'000*
Year ended 31 December 2024			
Segment revenue	**184,448**	**16,481**	**200,929**
Segment cost of sales	**(127,324)**	**(11,003)**	**(138,327)**
Segment results	**57,124**	**5,478**	**62,602**
Other income			**2,420**
Selling and distribution expenses			**(9,720)**
Administrative and other operating expenses			**(25,303)**
Reversal of impairment loss of trade receivables, net			**192**
Share of results of associates			**2,536**
Finance costs			**(74)**
Profit before tax			**32,653**
Income tax expenses			**(8,413)**
Profit for the year			**24,240**
Other information			
Depreciation	**(2,480)**	**(60)**	**(2,540)**
Amortisation	**(343)**	**–**	**(343)**
Provision for write-down of inventories, net	**(1,004)**	**–**	**(1,004)**
Reversal of impairment loss of trade receivables, net	**192**	**–**	**192**

	Wholesaling	Manufacturing	Total
	RM'000	*RM'000*	*RM'000*
Year ended 31 December 2023			
Segment revenue	196,515	14,502	211,017
Segment cost of sales	(139,135)	(9,059)	(148,194)
Segment results	57,380	5,443	62,823
Other income			3,075
Selling and distribution expenses			(10,601)
Administrative and other operating expenses			(22,576)
Reversal of impairment loss of trade receivables, net			149
Fair value changes in contingent consideration			(612)
Share of results of associates			(1,374)
Finance costs			(64)
Profit before tax			30,820
Income tax expenses			(8,654)
Profit for the year			22,166
Other information			
Depreciation	(2,228)	(60)	(2,288)
Amortisation	(340)	–	(340)
Provision for write-down of inventories, net	(983)	–	(983)
Reversal of impairment loss of trade receivables, net	149	–	149

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

	Wholesaling	**Manufacturing**	**Unallocated**	**Total**
	RM'000	***RM'000***	***RM'000***	***RM'000***
At 31 December 2024				
Assets				
Reportable segment assets	**79,039**	**3,627**	**179,032**	**261,698**
Liabilities				
Reportable segment liabilities	**7,513**	**1,127**	**33,498**	**42,138**
Other information				
Capital expenditures	**2,352**	**110**	**–**	**2,462**
At 31 December 2023				
Assets				
Reportable segment assets	83,652	4,339	153,856	241,847
Liabilities				
Reportable segment liabilities	6,457	1,004	37,840	45,301
Other information				
Capital expenditures	1,887	1,229	24,255	27,371

For the purposes of monitoring segment performance and allocating resources between segments:

- segment assets include property, plant and equipment, inventories and certain trade and other receivables. Other assets are not allocated to operating segments as these assets are managed on a corporate basis; and

- segment liabilities include certain trade and other payables. Other liabilities are not allocated to operating segments as these liabilities are managed on a corporate basis.

Geographical information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment and intangible assets (the "**Specified Non-current Assets**"). The geographical location of the revenue is presented based on the entity's countries of domicile for the provision of imprintable apparel and gift products. The geographical location of the Specified Non-current Assets is presented based on the location of the assets.

(a) Location of revenue

	Wholesaling	**Manufacturing**	**Total**
	RM'000	***RM'000***	***RM'000***
Year ended 31 December 2024			
Malaysia	**155,274**	**11,546**	**166,820**
Singapore	**29,174**	**4,935**	**34,109**
	184,448	**16,481**	**200,929**
Year ended 31 December 2023			
Malaysia	167,124	8,850	175,974
Singapore	29,391	5,652	35,043
	196,515	14,502	211,017

(b) Location of the Specified Non-current Assets

	2024	2023
	RM'000	*RM'000*
Malaysia	**54,584**	55,408
Singapore	**576**	474
	55,160	55,882

Information about major customers

The Group's revenue from any single external customer did not contribute 10% or more of the total revenue of the Group during the reporting periods.

4. REVENUE

	2024	2023
	RM'000	*RM'000*
Revenue from contracts with customers within IFRS 15		
– at a point in time		
Wholesaling		
– Imprintable apparel	**143,808**	158,148
– Gift products	**40,640**	38,367
Manufacturing	**16,481**	14,502
	200,929	211,017

5. OTHER INCOME

	2024	2023
	RM'000	*RM'000*
Interest income	**1,986**	1,871
Exchange gain, net	**–**	559
Government grants *(Note i)*	**108**	55
Rental income	**87**	87
Sundry income	**163**	503
Gain on disposal of property, plant and equipment	**76**	–
	2,420	3,075

Note:

(i) During the years ended 31 December 2024 and 2023, government grants primarily consist of subsidy for transitional wage support for employers in Singapore.

There was no unfulfilled condition or contingency relating to the government grants.

6. PROFIT BEFORE TAX

This is stated after (crediting) charging:

	2024	2023
	RM'000	*RM'000*
Finance costs		
Interest on interest-bearing borrowings	**9**	9
Interest on lease liabilities	**65**	55
	74	64
Staff costs (including directors' emoluments)		
Salaries, discretionary bonus, allowances and other benefits in kind	**27,691**	27,198
Contributions to defined contribution plans	**3,007**	2,970
	30,698	30,168

	2024	2023
	RM'000	*RM'000*
Other items		
Cost of inventories sold *(Note i)*	**138,327**	148,194
Auditor's remuneration		
– Audit services	**971**	965
– Non-audit services	**114**	114
Amortisation (charged to "administrative and other operating expenses")	**343**	340
Depreciation (charged to "cost of sales" and "administrative and other operating expenses", as appropriate)	**2,540**	2,288
Exchange loss (gain), net	**1,874**	(559)
Lease payments on premises recognised as short-term lease	**243**	290
(Gain) loss on disposal of property, plant and equipment	**(76)**	2
Net fair value loss on financial assets at FVPL	**130**	159
Provision for write-down of inventories, net (included in cost of inventories sold)	**1,004**	983

Note (i): During the year ended 31 December 2024, cost of inventories sold included approximately RM9,246,000 (2023: RM10,293,000) relating to the aggregate amount of certain staff costs and depreciation of property, plant and equipment, which were included in the respective amounts as disclosed above.

7. TAXATION

	2024	2023
	RM'000	*RM'000*
Current tax		
Malaysia corporate income tax		
Current year	**8,111**	8,261
Over-provision in prior year	**(428)**	(774)
	7,683	7,487
Singapore corporate income tax		
Current year	**937**	1,295
(Over) under-provision in prior year	**(29)**	83
	908	1,378
	8,591	8,865
Deferred tax		
Changes in temporary differences	**(178)**	(211)
Total income tax expenses for the year	**8,413**	8,654

No provision for Hong Kong profits tax has been made as the Group had no assessable profits arising in or derived from Hong Kong for the reporting periods.

The group entities established in the Cayman Islands and the BVI are exempted from corporate income tax ("**CIT**") therein.

For the years ended 31 December 2024 and 2023, Malaysia CIT is calculated at 24% of the estimated assessable profits. Malaysia incorporated entities with paid-up capital of RM2.5 million or less and having gross business income of not more than RM50 million enjoy tax rate of 15% on the first RM150,000 and 17% on the next RM450,000 of the estimated assessable profits and remaining balance at tax rate of 24%.

For the years ended 31 December 2024 and 2023, Singapore CIT is calculated at 17% of the assessable profits. The Group's entities incorporated in Singapore can also enjoy 75% tax exemption on the first S$10,000 of normal chargeable income and a further 50% tax exemption on the next S$190,000 of normal chargeable income for the years ended 31 December 2024 and 2023.

Reconciliation of income tax expenses

	2024	2023
	RM'000	*RM'000*
Profit before tax	**32,653**	30,820
Income tax at statutory tax rate applicable in respective territories	**7,646**	7,084
Non-deductible expenses	**1,341**	2,377
Tax concessions	**(117)**	(116)
Over-provision in prior year	**(457)**	(691)
Income tax expenses	**8,413**	8,654

8. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share attributable to owners of the Company is based on the following information:

	2024	2023
	RM'000	*RM'000*
Profit for the year attributable to owners of the Company, used in basic and diluted earnings per share calculation	**22,407**	20,623
	'000	*'000*
Weighted average number of ordinary shares for basic and diluted earnings per share calculation	**628,000**	628,000

Diluted earnings per share are same as the basic earnings per share as there are no potential dilutive ordinary shares in existence for the years ended 31 December 2024 and 2023.

9. DIVIDEND

The directors of the Company did not recommend payment of any dividend for the years ended 31 December 2024 and 2023.

10. INVESTMENT IN ASSOCIATES

	2024	2023
	RM'000	*RM'000*
Unlisted shares, at cost	**34,689**	32,153

Details of the principal associates at the end of the reporting period are as follows:

Name of associates	Principal place of business and place of incorporation	Class of shares held	Proportion of value of issued/registered capital held by the Company		Principal activities
			Directly	Indirectly	
Lordan Group Ltd. ("**Lordan**")	The Cayman Island	Ordinary	–	40% (2023:40%)	Investment holding
China Daren Group Limited ("**China Daren**")	Hong Kong	Ordinary	–	40% (2023:40%)	Investment holding
大仁科技(深圳)有限公司 Daren Technology (Shenzhen) Co., Ltd.* ("**Daren Technology**")	The PRC	Paid-up capital	–	40% (2023:40%)	Investment holding
大人數科(北京)科技集團有限公司 Daren Digital Science (Beijing) Technology Co., Ltd.* ("**Daren Digital**")	The PRC	Paid-up capital	–	40% (2023:40%)	Service provider in digitalisation and e-commerce transformation of physical businesses
北京首科迅達科技有限公司Beijing Shoukexunda Technology Co., Ltd.* ("**Shouke Xunda**")	The PRC	Paid-up capital	–	20.4% (2023:40%)	Inactive
北京極樂互娛科技有限公司 Beijing Jilehuyu Technology Co., Ltd.* ("**Jile Huyu**")	The PRC	Paid-up capital	–	40% (2023:40%)	Inactive
北京昱龍盛世生物科技有限公司 Beijing Yulong Shengshi Biotechnology Co., Ltd.* ("**BYS Biotech**")	The PRC	Paid-up capital	–	20.4% (2023:N/A)	Clinical research and application of cell therapy
宇游國際旅行社(海南經濟特區)有限公司 Yuyou International Travel Agency (Hainan Special Economic Zone) Co., Ltd.* ("**Yuyou International**")	The PRC	Paid-up capital	–	40% (2023:N/A)	Travel agency and tour guide services

* *English translation for identification purposes only.*

All of the above associates are accounted for using the equity method in the consolidated financial statements.

On 1 September 2023, the Group entered into a non-legally binding framework agreement (the "**Framework Agreement**") with Belcher Ventures Investment Ltd., an independent third party incorporated in the BVI (the "**Vendor**") as vendor, pursuant to which the Group intends to acquire 45% of the issued share capital of in Lordan Group Ltd. ("**Lordan**") and its subsidiaries (together the "**Lordan Group**") (the "**Proposed Acquisition**"). Lordan is an exempted company incorporated in the Cayman Islands with limited liability. It is an investment holding company and it was a wholly owned subsidiary of the Vendor.

On 6 November 2023, the Group and the Vendor entered into a conditional share purchase agreement in relation to the Proposed Acquisition (the "**Share Purchase Agreement**"). Pursuant to which, the Group conditionally agreed to acquire, and the Vendor conditionally agreed to sell 20,000 shares in Lordan (the "**Sale Shares**") held by the Vendor, representing 40% of the issued share capital of Lordan at the consideration of HK$57,218,250 (equivalent to approximately RM34,139,000). Upon completion, the Group will hold 40% of the issued share capital of Lordan. The consideration was arrived at after arm's length negotiations between the Vendor and the Group, and assessed by Peak Vision, an independent valuer, adopting the market approach.

All the conditions precedent set out in the Share Purchase Agreement have been fulfilled and the completion took place on 29 November 2023. Upon completion, the Group holds 40% of the issued share capital of the Lordan, and it has become an associate of the Group. Initial cash consideration of HK$5,000,000 (equivalent to approximately RM2,983,000) was paid and fair value of contingent consideration payable of approximately RM30,544,000 were recognised upon completion.

Upon completion of registration of Daren Technology as a wholly foreign-owned enterprise in the PRC (the "**WFOE**"), China Daren hold the entire registered capital of the WFOE. Through certain contractual arrangements, the WFOE has effective control over Daren Digital (the "**OPCO**") and its subsidiaries, including (a) Jile Huyu; and (b) Shouke Xunda (together the "**OPCO VIE Companies**"), and enjoy the economic benefits generated by the OPCO VIE Companies.

During the year ended 31 December 2024, Lordan acquired 51% of the equity interest in BYS Biotech at nominal consideration, making BYS Biotech a non-wholly owned subsidiary of Lordan.

During the year ended 31 December 2024, Lordan acquired 100% of the equity interest in Yuyou International at nominal consideration, making Yuyou International a wholly owned subsidiary of Daren Digital.

The Group is principally engaged in the sale of imprintable apparel and gift products in Malaysia and Singapore. With the re-opening of global economy after the COVID-19 pandemic, the Group's management observes that digitalisation of physical retail businesses and global online sales are the current trends in the sector. In addition, healthcare and travel related businesses are also other important sectors for future growth. The Group has been vigilant to changes in business environment and continuously explore new business opportunities in Asian countries such as the PRC in order to achieve sustained success for the Group's business under the present circumstances.

The Group's management considers that the acquisition of the associates will help broaden the Group's scope of businesses, in particular those OPCO VIE Companies' established software as a service ("**SaaS**") business, introduce new sources of revenue and growth to the Group, enhance the Group's competitive advantage in the e-commerce sector, expand the Group's business into the PRC market.

Relationship with associates

Lordan is an exempted company incorporated in the Cayman Islands with limited liability. It is an investment holding company.

China Daren is a private company incorporated in Hong Kong with limited liability. It is an investment holding company and a wholly owned subsidiary of Lordan.

Daren Technology as a wholly foreign-owned enterprise in the PRC. it is an investment holding company and a wholly owned subsidiary of China Daren.

Daren Digital is a company established in the PRC with limited liability and principally engaged in the business of provision of services in digitalisation and e-commerce transformation of physical businesses in the PRC. Daren Digital is wholly owned by Daren Digital registered shareholders but beneficially owned and controlled by Daren Technology pursuant to certain contractual arrangements signed between Daren Technology and Daren Digital registered shareholders.

Shouke Xunda is a company established in the PRC with limited liability. Shouke Xunda does not have any operations during the financial years ended 31 December 2024 and 2023, it intends to engage in the business of technical development, technical services, e-commerce, supply chain and online marketing services for clients engaged in the upstream supply chain sector in the PRC. Shouke Xunda is a non-wholly owned subsidiary of Daren Digital.

Jile Huyu is a company established in the PRC with limited liability. Jile Huyu does not have any operations during the financial years ended 31 December 2024 and 2023, it intends to engage in the business of technical development, technical services, e-commerce and online marketing services for offline retailers engaged in the cosmetics, hospitality and tourism sectors in the PRC. Jile Huyu is a wholly owned subsidiary of Daren Digital.

BYS Biotech is a company established in the PRC with limited liability and principally engaged in the business of conducting clinical research and application of cell therapy, including treatment of neurological diseases, diabetes and its complications, cancer, heart disease, as well as related technologies and consulting services for sub-health repair and anti-aging of the body.

Yuyou International is a company established in the PRC with limited liability and principally engaged in the business of travel agency and tour guide services in the PRC.

Fair Value of investments

At the end of the reporting period, the Group’s associates are private companies and there is no quoted market price available for the investments.

Impairment testing

The Group has engaged an independent professional valuer, Peak Vision, to perform appraisal of the valuation of the investment in associates for the purpose of impairment assessment. At 31 December 2024 and 2023, based on the valuation report prepared by Peak Vision, the enterprise value of investment in associates was determined based on fair value less cost of disposal ("**FVLCD**") by the Group's management.

In determining the FVLCD of the associate, the Group's has adopted market approach (level 3 fair value measurements). Several companies with business scopes and operations similar to the investment in associates were adopted as comparable companies. The comparable companies were selected mainly with reference to the following selection criteria:

(i) companies that are actively traded and publicly listed in Hong Kong, Taiwan or Mainland China;

(ii) companies that are mainly engaged in the provision of online services, software and advertising and marketing SaaS business, pharmaceuticals and medical research ("**Medical Business**"), travel agency and tour guide services ("**Travel Services Business**");

(iii) companies that are loss making for the SaaS business and companies that focus on stem cells related products for the Medical Business;

(iv) over 70% of the revenue are derived from the provision of e-commerce services and solutions to merchants for the SaaS business and over 70% of the revenue are derived from the provision of travel agency or related services for the Travel Services Business;

(v) mainly operate in Mainland China and/or Hong Kong and/or Taiwan; and

(vi) shares of the comparable companies are listed for more than 1 year.

Key assumptions used for FVLCD calculations for investment in associates are as follows:

	2024	2023
	RM'000	*RM'000*
Enterprise value ("**EV**") divided by sales ratio ("**S**") ("**EV/S**" ratio)	**0.33~20.23**	0.96~6.30
Discounts for lack of marketability ("**DLOM**")	**20.4%**	20.0%

At 31 December 2024, the recoverable amount of investment in associates calculated based on FVLCD exceeded carrying value by approximately RM25,834,000 (2023: RM7,367,000) ("**headroom**"), and no impairment on the investment in associates was recognised.

The following table indicates how the amounts of headroom would have decreased if certain key assumptions used in the FVLCD calculations had changed, assuming all other assumptions remained constant:

Headroom decreased by	**2024**	2023
	RM'000	*RM'000*
If EV/S decreases by 0.5%	**311**	198
If DLOM increases by 0.5%	**80**	49

Financial information of associates

Summarised financial information of the Lordan Group is set out below, which represents amounts shown in the associates' financial statements prepared in accordance with IFRS Accounting Standards and adjusted by the Group for equity accounting purposes including any differences in accounting policies and fair value adjustments.

	2024	2023
Lordan Group	***RM'000***	*RM'000*
Gross amount		
Current assets	**32,943**	33,393
Non-current assets	**19,919**	21,149
Current liabilities	**(57,153)**	(61,164)
Non-current liabilities	**–**	(789)
Non-controlling interests	**3,220**	–
	(1,071)	(7,411)
Group's ownership interests	**40%**	40%
Group's share of equity	**(428)**	(2,964)
Goodwill	**35,117**	35,117
Carrying amount of interests	**34,689**	32,153

	Year ended 2024 RM'000	Period from 29 November 2023 to 31 December 2023 RM'000
Gross amount		
Revenue	**248,898**	5,294
Net Profit/(loss)	**6,340**	(3,435)
Other comprehensive income	**–**	–
Total comprehensive Income/(loss)	**6,340**	(3,435)
Group's ownership interests	**40%**	40%
Group's share of results	**2,536**	(1,374)

11. TRADE AND OTHER RECEIVABLES

	Note	**2024** ***RM'000***	2023 *RM'000*
Trade receivables			
From third parties		**8,101**	9,533
Less: Loss allowances		**(905)**	(1,097)
	11(a)	**7,196**	8,436
Other receivables			
Prepayments		**617**	480
Deposits paid to suppliers *(Note)*		**5,940**	6,198
Other deposits and receivables		**1,768**	757
		8,325	7,435
		15,521	15,871

Note: The balances at 31 December 2024 and 2023 included payment in advance to certain suppliers for the ordered apparels and gifts products to be delivered, upon completion, to the Group.

(a) Trade receivables

The ageing of trade receivables, net of loss allowances, based on invoice date at the end of each reporting period is as follows:

	2024	2023
	RM'000	*RM'000*
Within 30 days	**5,858**	6,476
31 to 60 days	**1,127**	1,784
61 to 90 days	**211**	133
Over 90 days	**–**	43
	7,196	8,436

At the end of each reporting period, the ageing analysis of the trade receivables, net of loss allowances, by due date is as follows:

	2024	2023
	RM'000	*RM'000*
Not yet due	**6,857**	7,531
Past due:		
Within 30 days	**339**	808
31 to 60 days	**–**	97
	339	905
	7,196	8,436

The Group normally grants credit terms up to 60 days (2023: up to 60 days) from the date of issuance of invoices.

12. TRADE AND OTHER PAYABLES

	Note	**2024** **RM'000**	2023 RM'000
Trade payables			
To a related party	*12(a)*	**418**	430
To third parties		**1,235**	1,089
	12(b)	**1,653**	1,519
Other payables			
Salary payables		**4,184**	3,554
Other accruals and other payables		**2,803**	2,388
		6,987	5,942
		8,640	7,461

(a) Trade payables to a related party

The trade payables to a related party are unsecured, interest-free and with normal credit terms up to 30 days (2023: Up to 30 days).

	2024 **RM'000**	2023 RM'000
Forever Silkscreen & Embroidery Sdn. Bhd. ("**Forever Silkscreen**") *(Note)*	**418**	430

Note: At 31 December 2024 and 2023, the Ultimate Controlling Party held 50% equity interests of Forever Silkscreen.

(b) Trade payables

The trade payables are interest-free and with normal credit terms up to 30 days (2023: up to 30 days).

At the end of each reporting period, the ageing analysis of the trade payables based on invoice date is as follows:

	2024	2023
	RM'000	*RM'000*
Within 30 days	**1,408**	1,000
31 to 60 days	**239**	518
61 to 90 days	**6**	1
	1,653	1,519

13. CONSIDERATION PAYABLE/CONTINGENT CONSIDERATION PAYABLE

Contingent consideration payable
Reconciliation of carrying amount

	2024	2023
	RM'000	*RM'000*
At the beginning of the reporting period	**31,156**	–
Arising from acquisition of Lordan *(Note 10)*	**–**	30,544
Change in fair value recognised in profit or loss	**–**	612
Settlement	**(5,000)**	–
Transferred to consideration payable	**(26,156)**	–
At the end of the reporting period	**–**	31,156

Consideration payable
Reconciliation of carrying amount

	2024	2023
	RM'000	*RM'000*
At the beginning of the reporting period	**–**	–
Transferred from contingent consideration payable	**26,156**	–
At the end of the reporting period	**26,156**	–

In connection with the acquisition of Lordan and its subsidiaries during the year ended 31 December 2023 as set out in Note 10 to the consolidated financial statements, the total consideration of HK$57,218,250 (equivalent to approximately RM34,139,000) shall be settled by the Group in cash in the following manner:

(a) the Group shall pay HK$5,000,000 (equivalent to approximately RM2,983,000 (the "**First Payment**") to the Vendor at completion;

(b) if the audited accounts show the consolidated revenue of the OPCO VIE Companies for the year ended 31 December 2023 being no less than RMB100,000,000 (equivalent to approximately RM64,776,000) (the "**2023 Revenue Target**"), then the Group shall pay HK$52,218,250 (equivalent to approximately RM31,156,000), being the balance of the consideration (the "**Second Payment**") to the Vendor on or before 30 April 2024.

The initial valuation of the contingent consideration payable was valued by Peak Vision, an independent valuer and is mainly based on the latest financial information of OPCO VIE Companies for the 11 months ended 30 November 2023 and OPCO VIE Companies' financial performance forecasts for the year ended 31 December 2023 prepared by the management of the OPCO VIE Companies. Accordingly, the fair value of the contingent consideration payable was estimated to be approximately RM30,544,000 as at the acquisition date (i.e. 29 November 2023). Monte Carlo Simulation Method is used for the valuation of contingent consideration payable which is commonly adopted in the market. It was first introduced to finance in 1964 by David B. Hertz through his Harvard Business Review article, and in 1977, Prelim Boyle pioneered the use of simulation in derivative valuation in his seminal Journal of Financial Economics paper.

The First Payment was paid during the year ended 31 December 2023 and the Group shall pay HK$52,218,250 (equivalent to approximately RM31,156,000), being the balance of the consideration to the Vendor on or before 30 April 2024.

Since the OPCO VIE Companies attained the 2023 Revenue Target for the year ended 31 December 2023, the Second Payment would be settled on or before 30 April 2024.

During the year ended 31 December 2024, the Group has partially settled HK$8,500,000 (equivalent to approximately RM5,000,000) to the Vendor. The remaining balance of the consideration payable of HK$43,718,250 (equivalent to approximately RM26,156,000) was mutually agreed by the Group and the Vendor to be settled on or before 31 March 2025.

Key inputs adopted in the calculation of the fair value of contingent consideration payable are summarised below:

	As at 29 November 2023
Discount rate	4.9%
Volatility	4.6%
Time to Maturity	121 days

The description of sensitivity of changes in unobservable inputs for recurring Level 3 fair value measurements, are as follows:

Financial liabilities	Fair value hierarchy	Valuation techniques	Unobservable inputs	Relationship of unobservable inputs to fair value
Contingent consideration payable	Level 3	Monte-Carlo Simulation	Discount rate	The higher the discount rate, the lower the fair value, vice versa
			Volatility	The higher the volatility rate, the lower the fair value, vice versa

The only financial liability subsequently measured at fair value on Level 3 fair value measurement represents contingent consideration payable relating to the acquisition of Lordan. The fair value changes that are recognised in profit or loss for contingent consideration payable amounted to RM612,000 for the year ended 31 December 2023.

14. SHARE CAPITAL

	Number of shares		Equivalent to RM
			approximately
	'000	*HK$'000*	*RM'000*
Ordinary shares of HK$0.01 each			
Authorised:			
At 1 January 2023, 31 December 2023, **1 January 2024 and 31 December 2024**	**5,000,000**	**50,000**	**25,636**
Issued and fully paid:			
At 1 January 2023, 31 December 2023, **1 January 2024 and 31 December 2024**	**628,000**	**6,280**	**3,379**

MANAGEMENT DISCUSSION AND ANALYSIS

COMPANY BACKGROUND

MBV International Limited (the "**Company**", together with its subsidiaries, the "**Group**") is a leading imprintable apparel and gift products provider in Malaysia and Singapore. The Group sells a broad product portfolio of imprintable apparel ranging from t-shirts, uniforms, jackets, and others including other causal wear and accessories in a variety of sizes, colour and styles primarily in "blank" or undecorated form, without imprints or embellishment to customers who may decorate products with designs and logos for sale to a diversified range of consumers. With 29 years presence in the market, the Group has accumulated a large and diverse customer base in Malaysia and Singapore. Leveraging on the established and massive customer base, the Group expanded product portfolio by offering gifts and promotion items mainly for corporate marketing and advertising.

Following the acquisition of 40% shares in Lordan Group Ltd. (the "**Lordan**") in November 2023, the Group, through the entities controlled by Lordan in the People's Republic of China (the "**PRC**"), opened new retail sales channels, strengthened its sales and marketing efforts into the PRC retail market and introduced artificial intelligence in its production and sales process.

The issued shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") since 8 July 2020. To reflect the Group's plan to expand into the PRC market, the Group has adopted "中國大人國際有限公司" as its Chinese name on 4 January 2024. Details on the aforesaid adoption of Chinese name are set out in the Company's announcements dated 4 December 2023, 27 December 2023 and 29 January 2024 and the Company's circular dated 5 December 2023 respectively.

Financial Overview

For the year ended 31 December 2024 (the "**Year**"), the Group's revenue decreased by approximately 4.8% and gross profit decreased by approximately 0.4%, as compared to last corresponding year ended 31 December 2023 (the "**Last Year**"). The decrease in sales was primarily due to weak consumer spending, driven by the challenging macroeconomic environment, including higher interest rates and rising commodity prices. As a result, customers began seeking bargains in the marketplace, which led to a further decline in the Group's sales.

The economic outlook for year 2025 will remain uncertain and challenging. Nevertheless, the Group will continue to remain prudent and maintain a healthy cash flow position as part of our measures to mitigate risks, while ensuring a solid financial position to seize opportunities that will enhance revenue.

DIVIDEND

The Company did not recommend the declaration of any dividend for the Year (2023: Nil).

Revenue by products

The Group's product portfolio is broadly categorised into (i) imprintable apparel; and (ii) gift products. The Group's revenue was primarily generated from Malaysia which accounted for approximately 83.0% (2023: approximately 83.4%) of the Group's total revenue for the Year. With negative impacted by weak consumer spending driven by the challenging macroeconomic environment, the Group's revenue has decreased by approximately RM10.1 million or 4.8% from approximately RM211.0 million in the Last Year to approximately RM200.9 million in the Year.

Imprintable apparel

The imprintable apparel products, the Group's primary product category, are core apparel essentials commonly used for a wide range of consumers across different demographics throughout a year in Malaysia and Singapore. The revenue generated from the imprintable apparel decreased by approximately RM12.3 million or 7.1% from approximately RM172.6 million in the Last Year to approximately RM160.3 million in the Year, which was mainly attributable to the decrease in the quantity sold by approximately 5.6% in the Year compared to the Last Year, primarily due to the negative impacted by weak consumer spending driven by the challenging macroeconomic environment.

Gift products

The Group has broadened gift product portfolio by offering more product categories for the customers to choose from and successfully expanded into the imprintable gift segment since 2015, which are popular corporate marketing and advertising items. The revenue generated from the gift products increased by approximately RM2.2 million or 5.7% from approximately RM38.4 million in the Last Year to approximately RM40.6 million in the Year, which was mainly attributable to the increase in the quantity sold by approximately 3.2% in the Year compared to the Last Year, primarily due to expansion of the gift product range, which suit customer needs lead to success strike for steady growth despite of challenging macroeconomic environment.

Selling and distribution costs

Selling and distribution expenses mainly comprised of (i) employee benefit costs including basic salaries and wages of the sales and marketing staff; (ii) sales commission for the sales and marketing staff; and (iii) advertising and promotions. Selling and distribution costs decreased by approximately RM0.9 million or 8.5% from RM10.6 million in the Last Year to approximately RM9.7 million in the Year, which was in line with the decrement in sales.

Administrative and other operating expenses

Administrative and other operating expenses mainly comprised of staff costs including directors' remuneration and other office staff costs and welfare, transportation and travelling cost, depreciation, utilities, repair and maintenance, rental expenses, and legal and professional fee. Administrative and other operating expenses increased by approximately RM2.7 million or 11.9%, from approximately RM22.6 million in the Last Year to approximately RM25.3 million in the Year, which was mainly due to the increase in directors' remunerations, staff related expenses and realized exchange loss during the year.

Finance costs

Finance costs for the Year mainly represented interest on interest-bearing borrowings and interest on lease liabilities. The Group's finance costs was relatively stable and remained at approximately RM0.1 million in the Year and the Last Year.

Income tax expenses

Income tax expenses primarily consisted of current and deferred income tax at the applicable tax rate in accordance with the relevant laws and regulations in Malaysia and Singapore. No provision for Hong Kong profit tax has been made as the Group has no assessable profits arising in or derived from Hong Kong for the Year. The Group's entities established in the Cayman Islands and the British Virgin Islands are exempted from corporate income tax therein. Income tax expenses for the Year decreased by approximately RM0.3 million or 3.4% to approximately RM8.4 million from approximately RM8.7 million in the Last Year. The decrease in income tax expenses was mainly due to the decrease in profit before tax generated in Malaysia and Singapore in the Year.

Financial Position

As at 31 December 2024, the Group's cash and cash equivalents amounted to approximately RM116.5 million (as at 31 December 2023: approximately RM93.2 million). The increase was mainly due to net cash inflow from operating activities amounted RM29.6 million.

OUTLOOK

For upcoming year, as the ongoing challenges in Global macroeconomic volatility including the dynamic market conditions, inflationary pressures, escalating geopolitical tensions which will result in uncertainties in the global economy. We expect financial year 2025 to remain challenging to the Group. The Directors will focus its efforts to closely monitor and review its business strategies and strive to create long term sustainable value for our Company and the Shareholders.

Notwithstanding that the Group will continue expand its market shares by increasing and enhancing the warehouse capabilities and improving the logistics flow.

LIQUIDITY, CAPITAL RESOURCES AND CAPITAL STRUCTURE

The Group manages its capital structure with the objectives of maintaining a sustainable growth in business and providing a long-term reasonable return to its Shareholders. The Group's financial position remained healthy and stable. It is anticipated that the Group has sufficient working capital to fund its future working capital.

As at 31 December 2024, the Group had bank balances and cash amounting to approximately RM116.5 million (as at 31 December 2023: approximately RM93.2 million), and current assets and current liabilities of approximately RM169.8 million (as at 31 December 2023: approximately RM151.9 million) and approximately RM37.6 million (as at 31 December 2023: approximately RM40.5 million) respectively. It should be noted that net current assets balances as at 31 December 2024 was approximately RM132.2 million (as at 31 December 2023: approximately RM111.5 million).

As at 31 December 2024, there were interest-bearing borrowings of approximately RM4.9 million (as at 31 December 2023: approximately RM5.6 million) and unutilized bank facilities of approximately RM30.7 million.

As at 31 December 2024, the Group's interest-bearing borrowings carried mainly variable rate borrowings with annual effective interest rate of 0.2% (as at 31 December 2023: 0.2%) per annum.

TREASURY POLICIES AND FOREIGN EXCHANGE EXPOSURE

The Group is exposed to foreign currency risk which refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The Group's transactions are mainly denominated in Malaysian Ringgit (or "**RM**") and Singapore dollars (or "**S$**"). Certain financial assets and liabilities of the Group are denominated in currencies other than the functional currency of the respective group entities and therefore exposed to foreign currency risk.

The Group has not experienced any material difficult or liquidity problems resulting from foreign exchange fluctuations. Although the Group does not undertake any hedging activities, it will monitor exchange rate trends from time to time to consider if there is such a need in the future in order to mitigate any risks arising from foreign exchange fluctuation.

GEARING RATIO

As at 31 December 2024, the gearing ratio of the Group, based on total interest-bearing borrowings and lease liabilities to total equity (including all capital and reserves) of the Group was approximately 2.9% (as at 31 December 2023: approximately 3.3%). The decrease in gearing ratio is primarily attributable to the repayment of interest-bearing borrowings and the increase in equity base.

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2024, the Group employed 449 (as at 31 December 2023: 437) full-time employees in Malaysia and Singapore. The Group recognises the importance of maintaining good relationship with its employees and retaining competent staff to ensure operational efficiency and effectiveness. The remuneration packages offered to the Group's employees are based on each employee's qualifications, relevant experience, position and seniority. The Group conducts review on salary increments, bonuses and promotions based on the performance of each employee. The total staff cost (including director's emoluments) for the year ended 31 December 2024 amounted to approximately RM30.7 million (2023: approximately RM30.2 million).

The Group provides on-job training to new employees. During the Year, the Group had not experienced any strike, any significant problems with its employees or other material labour disputes which had materially disrupted its operation. The Group has not experienced any difficulties in the recruitment of experienced and skilled staff.

CAPITAL COMMITMENTS

As at 31 December 2024, the Group has no capital commitments (as at 31 December 2023: Nil).

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND FUTURE PLAN FOR MATERIAL INVESTMENT OR CAPITAL ASSETS

There was no significant investment held, nor were there material acquisition or disposal of subsidiaries during the Year, and the Group did not have any specific plan for material investments or capital assets as at 31 December 2024.

CONTINGENT LIABILITIES

As at 31 December 2024, the Group did not have any material contingent liabilities.

PLEDGE OF ASSETS

The interest-bearing borrowings and lease liabilities of the Group are all secured by certain assets of the Group.

OTHER INFORMATION

Use of proceeds from the initial public offering

On 8 July 2020, the shares of the Company (the "**Shares**") were listed on the Main Board of the Stock Exchange. After deducting share issuance expense and professional fee regarding to the global offering, the net proceeds amounted to approximately HK$60.3 million (the "**Net Proceeds**").

As stated in the Company's announcement dated 6 November 2023, the Board resolved to change in the use of the portion of the Net Proceeds which remains unutilised, amounting to approximately HK$46.5 million, to funding the settlement of the consideration for the acquisition of 20,000 shares in Lordan Group Ltd. (the "**Target Company**"), representing 40% of the issued share capital of the Target Company.

The following sets out the use of Net Proceeds during the Year:

	Balance of unutilized proceeds as at 1 January 2024	**Actual use of proceeds During the Year**	**Balance of unutilized proceeds as at 31 December 2024**	**Expected timeline for unutilized proceeds**
	HK$ million	***HK$ million***	***HK$ million***	
Consideration for the acquisition of the Target Company	41.5	8.5	33.0	March 2025
	41.5	8.5	33.0	

As at 1 January 2024, there were unutilised proceeds of approximately HK$41.5 million. During the Year, the consideration for the acquisition of the Target Company has been partially settled HK$8.5 million to the vendor. The remaining balance of the consideration of approximately HK$33.0 million was mutually agreed by the Group and the vendor to extend the settlement on or before 31 March 2025.

The unutilised portion of the Net Proceeds of approximately HK$33.0 million were deposited in the Group's banks in Malaysia and Hong Kong.

Audit Committee

The Board has established our audit committee (the “**Audit Committee**”) on 28 February 2020 in compliance with the code provisions of the Corporate Governance Code (the “**CG Code**”) set out in Appendix C1 to the Listing Rules.

The Audit Committee consists of three independent non-executive Directors, namely Mr. Au Wing Yuen, Mr. Yu Cheeric and Ms. Chui Sin Heng. Ms. Chui Sin Heng is the chairlady of the Audit Committee and she has professional qualifications and experience in accounting and financial management as stipulated in the Listing Rules.

The Audit Committee’s terms of reference in writing was adopted by the Company pursuant to the board resolution passed on 28 February 2020. The terms of reference requires that the Audit Committee must hold meetings twice a year and the necessary quorum shall be at least two.

The main responsibilities of the Audit Committee include, but not limited to:

1. Making recommendations to the Board on the appointment, reappointment, resignation, dismissal and removal of the external auditors, and to approve the remuneration and terms of engagement of the external auditors; review and monitor the external auditors’ independence and objectivity and the effectiveness of the audit process;

2. Review of financial information of the Group, including changes in accounting policies and practice, major judgemental areas, significant adjustments resulting from audit, going concern consideration, compliance with accounting standards and Listing Rules in relation to financial reporting;

3. Oversight of the Company’s financial reporting system, including review of the adequacy of resources, qualifications and experience of accounting staff, and their training programmes and budget of the Company’s accounting and financial reporting function;

4. Review and monitor the effectiveness and adequacy of the Group’s risk management and internal control measures; ensure that the internal audit function is adequately resourced and has appropriate standing within the Company, and to review and monitor the effectiveness of the internal audit function;

5. Regularly report observations and make recommendations to the Board (if any).

The Audit Committee also acts as the corporate governance function of the Group, and is mainly responsible for:

- developing and reviewing the corporate governance policies and practices of the Company and making recommendations to the Board;
- reviewing and monitoring the training and continuous professional development of Directors and senior management;
- reviewing and monitoring the policies and practices on compliance with legal and regulatory requirements;
- developing, reviewing and monitoring the code of conduct applicable to employees and Directors; and
- reviewing the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

INTERESTS OF DIRECTORS AND THE CHIEF EXECUTIVE

As at 31 December 2024, the interests and short positions of each Director and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Future Ordinance ("**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 and short positions which they are taken or deemed to have taken under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 of the Listing Rules (the "**Model Code**"), were as follows:

Interests and/or short positions in the Company

Director	Capacity/Nature of Interest	Number of Shares Held(1)	Percentage of Interest in the Company
Dato' Tan Meng Seng	Interest in controlled corporation(2)	431,300,000 (L)	68.68%
Dato' Tan Mein Kwang	Interest in controlled corporation(2)	431,300,000 (L)	68.68%
Mr. Tan Beng Sen	Interest in controlled corporation(2)	431,300,000 (L)	68.68%
Datin Kong Siew Peng	Interest of spouse(3)	431,300,000 (L)	68.68%

Notes:

(1) The letter "L" denotes long position in the shares held.

(2) These shares are held by MBV Capital Limited. The issued share capital of MBV Capital Limited is owned as to approximately 33.3% by each of Dato' Tan Meng Seng, Dato' Tan Mein Kwang and Mr. Tan Beng Sen, and therefore, each of Dato' Tan Meng Seng, Dato' Tan Mein Kwang and Mr. Tan Beng Sen are deemed to be interested in all the Shares registered in the name of MBV Capital Limited in the Company under Part XV of the SFO.

(3) Datin Kong Siew Peng is the spouse of Dato' Tan MS. Accordingly, Datin Kong Siew Peng is deemed to be interested in all the Shares held by Dato' Tan MS under Part XV of the SFO.

Save as disclosed above, as at 31 December 2024, none of our Directors nor the chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporation (within the meaning of Part XV of the 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 and short positions which he/she is taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS

As at 31 December 2024, so far as our Directors are aware, the following persons had an interest or short position in the Shares or the underlying Shares as recorded in the register required to be kept under section 336 of the SFO or which were required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO:

Name	Capacity/nature of interest	Number of shares/ positions Held(5)	Approximate percentage of shareholding
MBV Capital Limited(1)	Beneficial Owner	431,300,000 (L)	68.68%
Dato' Tan Meng Seng(1)	Interest in a controlled corporation	431,300,000 (L)	68.68%
Dato' Tan Mein Kwang(1)	Interest in a controlled corporation	431,300,000 (L)	68.68%
Mr. Tan Beng Sen(1)	Interest in a controlled corporation	431,300,000 (L)	68.68%
Datin Kong Siew Peng(2)	Interest of spouse	431,300,000 (L)	68.68%
Ms. Foo Kim Foong(3)	Interest of spouse	431,300,000 (L)	68.68%
Datin Loi Siew Yoke(4)	Interest of spouse	431,300,000 (L)	68.68%

Notes:

1. These shares are held by MBV Capital Limited. The issued share capital of MBV Capital Limited is owned as to approximately 33.3% by each of Dato' Tan MS, Mr. Tan BS and Dato' Tan MK, and therefore, each of Dato' Tan MS, Mr. Tan BS and Dato' Tan MK are deemed to be interested in all the Shares registered in the name of MBV Capital Limited in the Company under Part XV of the SFO.

2. Datin Kong Siew Peng is the spouse of Dato' Tan MS. Accordingly, Datin Kong Siew Peng is deemed to be interested in all the Shares held by Dato' Tan MS under Part XV of the SFO.

3. Ms. Foo Kim Foong is the spouse of Mr. Tan BS. Accordingly, Ms. Foo Kim Foong is deemed to be interested in all the Shares held by Mr. Tan BS under Part XV of the SFO.

4. Datin Loi Siew Yoke is the spouse of Dato' Tan MK. Accordingly, Datin Loi Siew Yoke is deemed to be interested in all the Shares held by Dato' Tan MK under Part XV of the SFO.

5. The letter "L" denotes long position in the shares held.

Save as disclosed above, as at 31 December 2024, the Directors are not aware of any other person (other than the Directors and chief executives of the Company) had a beneficial interest or short position in the Shares as recorded in the register required to be kept under section 336 of the SFO or the underlying Shares which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities for the Year and up to the date of this announcement.

CORPORATE GOVERNANCE CODE

During the Year, the Board considered that the Company has complied with all the code provisions set out in the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Board has adopted the Model Code as the Company's code of conduct for dealings in securities of the Company by the Directors. Having made specific enquiry with all the Company's Directors, the Company has ascertained that all of its Directors have complied with the required standards set out in the Model Code throughout the Year.

POST BALANCE SHEET EVENT

There are no significant post balance sheet events affecting the Company that have occurred since the end of the Year to the date of this announcement.

REVIEW OF FINANCIAL INFORMATION

The Group's annual results for the year ended 31 December 2024, including the accounting principles and practices adopted, have been reviewed by the Audit Committee in conjunction with the Company's external auditors. The figures in respect of the Group's consolidated statement of profit or loss and other comprehensive income, the consolidated statement of financial position and the related notes thereto for the year ended 31 December 2024 as set out in this preliminary results announcement have been agreed by the Company's external auditors, Forvis Mazars CPA Limited ("**Forvis Mazars**"), Certified Public Accountants, Hong Kong, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Forvis Mazars 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 Forvis Mazars on this preliminary results announcement.

On behalf of the Board
MBV International Limited
Dato' Tan Meng Seng
Chairman and Executive Director

Hong Kong, 28 March 2025

As at the date of this announcement, the executive Directors are Dato' Tan Meng Seng, Dato' Tan Mein Kwang and Mr. Tan Beng Sen, Datin Kong Siew Peng and Ms. Hou Yanli; and the independent non-executive Directors are Ms. Chui Sin Heng, Mr. Au Wing Yuen and Mr. Yu Cheeric.