

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



CHINA COME RIDE NEW ENERGY GROUP LIMITED

中國來騎哦新能源集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8039)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2024

CHARACTERISTICS OF THE 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.

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

Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

*This announcement, for which the directors (the “**Board**” or “**Directors**”) of China Come Ride New Energy Group 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.*

SUMMARY

- The revenue of the Company and its subsidiaries (collectively the “**Group**”) amounted to approximately HK\$30.7 million for the year ended 31 March 2024 (2023: approximately HK\$45.4 million), representing a decrease of approximately 32.4% as compared to that of the same period in 2023.
- The net loss of the Group amounted to approximately HK\$4.9 million for the year ended 31 March 2024 (2023: approximately HK\$4.6 million), representing an increase of approximately 6.5% as compared to that of the same period in 2023.
- The Directors do not recommend payment of any dividend for the year ended 31 March 2024 (2023: Nil).

ANNUAL RESULTS

The Board of the Company hereby announces the audited consolidated results of the Group for the financial year ended 31 March 2024 (“**Year**”) together with the comparative figures for the financial year ended 31 March 2023.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2024

	<i>Note</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Revenue	4	30,674	45,369
Cost of services rendered		(24,175)	(38,320)
Gross profit		6,499	7,049
Other income	5	293	924
Administrative expenses		(11,078)	(11,531)
Finance costs	6	(131)	(28)
Impairment losses on trade receivables		(491)	(664)
Reversal of impairment losses/(impairment losses) on contract assets		21	(21)
Loss before tax	6	(4,887)	(4,271)
Income tax credit/(expense)	7	35	(373)
Loss and total comprehensive loss for the year attributable to owners of the Company		(4,852)	(4,644)
Loss per share			
Basic and diluted	8	HK(0.98) cents	HK(0.94) cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2024

	<i>Note</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Non-current assets			
Property, plant and equipment		662	—
Right-of-use assets		856	173
Equity investment at FVTOCI		4,424	4,424
		<u>5,942</u>	<u>4,597</u>
Current assets			
Trade and other receivables and contract assets	<i>10</i>	10,467	7,984
Tax recoverable		—	344
Bank balances and cash		4,838	3,958
		<u>15,305</u>	<u>12,286</u>
Current liabilities			
Trade and other payables	<i>11</i>	13,968	7,339
Term loan	<i>12</i>	1,892	—
Other borrowings	<i>13</i>	5,500	5,500
Lease liabilities		695	180
		<u>22,055</u>	<u>13,019</u>
Net current liabilities		<u>(6,750)</u>	<u>(733)</u>
Total asset less current liabilities		<u>(808)</u>	<u>3,864</u>
Non-current liabilities			
Lease liabilities		180	—
NET (LIABILITIES)/ASSETS		<u>(988)</u>	<u>3,864</u>
Capital and reserves			
Share capital		4,930	4,930
Reserves		(5,918)	(1,066)
(CAPITAL DEFICIENCY)/TOTAL EQUITY		<u>(988)</u>	<u>3,864</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2024

	Attributable to owners of the Company					Total equity HK\$'000
	Issued capital HK\$'000	Share premium HK\$'000	Other reserves HK\$'000	Fair value reserve (non- recycling) HK\$'000	Accumulated losses HK\$'000	
At 1 April 2022	4,930	43,081	5,000	237	(44,740)	8,508
Loss and total comprehensive loss for the year	—	—	—	—	(4,644)	(4,644)
At 31 March 2023	4,930	43,081	5,000	237	(49,384)	3,864
At 1 April 2023	4,930	43,081	5,000	237	(49,384)	3,864
Loss and total comprehensive loss for the year	—	—	—	—	(4,852)	(4,852)
As 31 March 2024	4,930	43,081	5,000	237	(54,236)	(988)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2024

1. GENERAL INFORMATION

China Come Ride New Energy Group Limited (the “**Company**”) is a limited liability company incorporated in the Cayman Islands and its shares are listed on GEM of The Stock Exchange of Hong Kong Limited. The addresses of its registered office and principal place of business are Cricket Square Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and Unit E, 33/F., Legend Tower, 7 Shing Yip Street, Kwun Tong, Kowloon, Hong Kong respectively.

The Company is an investment holding company. The Company and its subsidiaries (collectively, the “**Group**”) are principally engaged in provision of comprehensive architectural and structural engineering consultancy services.

In the opinion of the directors, the immediate and ultimate holding company of the Company is New Energy Business Cluster Company Limited, a company incorporated in the British Virgin Islands.

2. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”), which includes all applicable Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”), accounting principles generally accepted in Hong Kong. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the applicable disclosure requirements of the Hong Kong Companies Ordinance.

All amounts have been rounded to the nearest thousand, unless otherwise indicated.

The Group incurred a loss of approximately HK\$4,852,000 for the year ended 31 March 2024 and, as at 31 March 2024, the Group had net current liabilities and net liabilities of approximately HK\$6,750,000 and HK\$988,000 respectively.

These 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 HKFRSs that are relevant to the Group and effective from the current year as detailed in note 3 to the result announcement.

Based on the net current liability position of the Group, the Group might have financial uncertainties which may cast significant doubt on the Group's ability to continue as a going concern. The directors have given careful consideration to the Group's financial performance, working capital, liquidity position and the stability of the Group's business, operations and relationships with its subcontractors, bankers and financial institutions. The directors have also prepared cash flow forecast of the Group for a period of next 12 months ending on 31 March 2025 and assessed whether any shortfall of funds in meeting the Group's liquidity requirements, and accordingly obtained interest-bearing borrowing facilities from a financial institution to an extend of HK\$10,000,000 (As at 31 March 2024, undrawn facility available for future draw down amounted to approximately HK\$8,108,000) to meet the potential shortfall. The Group has also been taking various cost control measures to tighten the costs of operations and implementing various strategies to enhance the revenue. In view of the above, the directors of the Company have a reasonable expectation that the Group has adequate financial resources to continue in operational existence for the foreseeable future.

3. ADOPTION OF NEW/REVISED HKFRSs

The Group has applied the following amendments to HKFRSs issued by the HKICPA for the first time, which are mandatorily effective for the annual period beginning on or after 1 April 2023 for the preparation of the consolidated financial statements:

HKFRS 17	Insurance Contracts
Amendments to HKAS 8	Definition of Accounting Estimates
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to HKAS 12	International Tax Reform — Pillar Two Model Rules
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies

* *Entities are required to apply the temporary exception to account for deferred taxes related to Pillar Two income taxes immediately upon the issuance of the Amendments, and to provide the new disclosures as set out in the Amendments for annual reporting periods beginning on or after 1 January 2023.*

The application of the Amendments to HKFRSs in the current year had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out these consolidated financial statements.

4. REVENUE AND SEGMENT INFORMATION

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Revenue from contracts with customers within the scope of HKFRS 15		
Contract revenue from provision for comprehensive architectural and structural engineering consultancy services recognised over time	<u>30,674</u>	<u>45,369</u>

The Group's operation is mainly derived from provision for comprehensive architectural and structural engineering consultancy services. For the purpose of resources allocation and performance assessment, the chief operating decision maker (i.e. the directors of the Company) reviews the overall results and financial position of the Group as a whole prepared in accordance with accounting policies which conform to HKFRSs. Accordingly, the Group has only one single operating segment and no further analysis of this single segment is presented.

Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date

The Group has applied the practical expedient in paragraph 121 of HKFRS 15 to its contracts such that the Group does not disclose information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the contracts as all contract works have an original expected duration of one year or less.

Geographical information

All of the Group's external revenue during the Year are derived from services rendered in Hong Kong, the place of domicile of the Group's operating entities.

The geographical location of the non-current assets is based on (i) the physical location of the asset in the case of property, plant and equipment and right-of-use assets; and (ii) the location of the operation to which they are allocated in the case of equity investment at FVTOCI.

Since both the Group's the property, plant and equipment and right-of-use assets and the operation of the investee for which the investment was classified as equity investment at FVTOCI are located in Hong Kong, no geographical information is presented accordingly.

Information about major customers

Revenue from customers contributing individually over 10% or more of the Group's revenue is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Customer A	7,725	—
Customer B	3,744	22,843
	<u>3,744</u>	<u>22,843</u>

5. OTHER INCOME

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Rental income from subleases of right-of-use assets/ rented premises	291	291
Government grants	—	552
Bank interest income	2	1
Sundry income	—	80
	<u>293</u>	<u>924</u>

6. LOSS BEFORE TAX

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Finance costs		
Interest on term loan	78	—
Interest expenses on lease liabilities	53	28
	<u>131</u>	<u>28</u>
Staff costs (including directors' remuneration)		
Salaries, wages and other benefits	13,569	15,681
Contributions to defined contribution plans	776	961
	<u>14,345</u>	<u>16,642</u>
Total staff costs	14,345	16,642
Less: Amount included in cost of services rendered	(9,990)	(12,435)
	<u>4,355</u>	<u>4,207</u>
Other items		
Auditor's remuneration — audit services		
— Group's auditor	550	550
— Statutory auditor for subsidiaries of the Group	—	107
Depreciation of property, plant and equipment	88	78
Depreciation of right-of-use assets	687	691
Impairment losses on trade receivables	491	664
Reversal of impairment losses/(impairment losses) on contract assets	(21)	21
	<u>(21)</u>	<u>21</u>

7. INCOME TAX (CREDIT)/EXPENSE

The Cayman Islands levies no tax on the income of the Company and the Group.

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Current tax		
Hong Kong Profits Tax:		
(Over)/under-provision for prior year	<u>(35)</u>	<u>373</u>

8. LOSS PER SHARE

The calculation of the basic and diluted earnings/(loss) per share is as follows:

(a) Basic loss per share

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Loss attributable to owners of the Company (<i>HK\$'000</i>)	<u>(4,852)</u>	<u>(4,644)</u>
Weighted average number of ordinary shares (<i>'000</i>)	<u>493,000</u>	<u>493,000</u>
Basic loss per share (<i>HK cents</i>)	<u>(0.98)</u>	<u>(0.94)</u>

(b) Diluted loss per share

Diluted loss per share equals to basic loss per share as there was no potential dilutive ordinary shares in issue during the years ended 31 March 2024 and 2023.

9. DIVIDENDS

The directors do not recommend the payment of any dividend for the year ended 31 March 2024 (2023: HK\$Nil).

10. TRADE AND OTHER RECEIVABLES AND CONTRACT ASSETS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade receivables		
Trade receivables from third parties	10,986	4,576
Less: Impairment losses	<u>(1,155)</u>	<u>(664)</u>
	<u>9,831</u>	<u>3,912</u>
Contract assets		
Contract assets	—	1,905
Less: Impairment losses	<u>—</u>	<u>(21)</u>
	<u>—</u>	<u>1,884</u>
Sub-total	<u>9,831</u>	<u>5,796</u>
Other receivables		
Other receivables	134	100
Deposits and prepayments	342	1,928
Due from an investee company	<u>160</u>	<u>160</u>
	<u>636</u>	<u>2,188</u>
	<u>10,467</u>	<u>7,984</u>

(a) **Trade receivables and contract assets**

(i). *Trade receivables*

As of the end of the reporting period, the ageing analysis of trade receivables based on invoice date and net of impairment losses, is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
1–30 days	7,194	1,368
31–60 days	370	1,147
61–90 days	79	474
91–180 days	65	343
Over 180 days	2,123	580
	<u>9,831</u>	<u>3,912</u>

The Group does not allow any credit period to its customers.

(ii). *Contract assets*

The movements (excluding those arising from increases and decreases both occurred within the same year) of contract assets from contracts with customers within HKFRS 15 during the year are as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
At the beginning of the year	1,884	626
Increase due to operation in the year	—	1,905
Reversal of impairment losses/ (impairment losses) recognised during the year	21	(21)
Transferred to trade receivables	<u>(1,905)</u>	<u>(626)</u>
At the end of the reporting period	<u>—</u>	<u>1,884</u>

(b) Due from an investee company

The amount due is unsecured, interest-free and repayable on demand.

11. TRADE AND OTHER PAYABLES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade payables		
Trade payables — third parties	2,238	—
Contract liabilities	216	—
	<u>2,454</u>	<u>—</u>
Other payables		
Accrued charges and other creditors	7,041	5,179
Interest payables	12	—
Amount due to a director	2,490	—
Amount due to ultimate holding company	1,971	2,160
	<u>11,514</u>	<u>7,339</u>
	<u>13,968</u>	<u>7,339</u>

(a) Trade payables

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

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
1–30 days	<u>2,238</u>	<u>—</u>

(b) Amounts due to a director/ultimate holding company

The amounts due are interest free, unsecured and repayable on demand.

(c) **Contract liabilities**

The movements (excluding those arising from increases and decreases both occurred within the same year) of contract liabilities from contracts with customers within HKFRS 15 during the year are as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
At the beginning of the year	—	—
Billings in advance of performance obligation	<u>216</u>	<u>—</u>
At the end of the reporting period	<u><u>216</u></u>	<u><u>—</u></u>

12. TERM LOAN

During the year ended 31 March 2024, the Company entered into an on-demand loan facility agreement with a financial institution to the extent of HK\$10 million. The balance of term loan is unsecured, interest-bearing at 16% per annum and repayable in 6 months from the date of draw down.

At 31 March 2024, the Company had approximately HK\$8,108,000 (2023: Nil) undrawn borrowing facilities available.

13. OTHER BORROWINGS

During the year ended 31 March 2020, the Group received an advance of HK\$5.5 million (“**Alleged Debt**”). The proceeds of the Group’s Alleged Debt were received through a subsidiary of the Company. The then management had been unable to reach certain former directors of the Company, who were also directors (“**Former Directors**”) of the subsidiary, to obtain the loan agreements and representations in relation to the Alleged Debt.

On 20 July 2020, a statutory demand served on the Company by a purported creditor, demanding the Company to settle the Alleged Debt together with accrued interest in an aggregate amount of approximately HK\$5,830,000 within 3 weeks of the service of the statutory demand. If no payment was made by the end of the 3-week period, the purported creditor might present a winding-up petition against the Company. On 23 September 2020, the Company received a writ of summons issued in the Court of First Instance of the High Court of Hong Kong by the same purported creditor. Pursuant to the writ, the plaintiff is claiming from the Company the Alleged Debt with accrued interest.

Notwithstanding the above, the current management has been unable to reach the Former Directors, on 31 July 2020 the Company issued and filed a writ of summons, together with the statement of claim dated 30 July 2020, against the Former Directors for breach of the directors' duties in the High Court of Hong Kong. An application was made to the court to serve the writ out of jurisdiction on the Former Directors in the People Republic of China. The process of serving writs against certain former directors will take years as it involves corresponding court(s) in China. There is no update as of the date of this announcement.

For more details, please refer to the announcements of the Company dated 24 January 2020, 31 July 2020, 31 August 2020 and 8 October 2020.

14. SHARE CAPITAL

	2024		2023	
	No. of shares '000	HK\$'000	No. of shares '000	HK\$'000
Authorised				
Ordinary shares of HK\$0.01 each	<u>2,000,000</u>	<u>20,000</u>	<u>2,000,000</u>	<u>20,000</u>
Issued and fully paid:				
At beginning and at end of the reporting period	<u>493,000</u>	<u>4,930</u>	<u>493,000</u>	<u>4,930</u>

15. EVENT AFTER THE REPORTING PERIOD

Up to the date of this announcement, there was no other significant event relevant to the business or financial performance of the Group that come to the attention of the Directors after the year ended 31 March 2024.

EXTRACT OF THE INDEPENDENT AUDITOR’S REPORT

The following is an extract of the independent auditor’s report on the Group’s consolidated financial statements for the year ended 31 March 2024.

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for Qualified Opinion

1. Scope limitation on other borrowings

As further detailed in note 20 to the consolidated financial statements, the Group had other borrowings of approximately HK\$5.5 million (“**5.5 million Borrowing**”) and stated in the consolidated statement of financial position of the Group as at 31 March 2023 and 2024, that were drawn down by certain former directors (“**Former Directors**”) through a subsidiary of the Company during the year ended 31 March 2020. As represented by the management of the Company, due to a loss of contact with the Former Directors who resigned or were removed from the board of directors, the management of the Company was unable to provide us with sufficient information and explanations to ascertain the completeness, existence, accuracy, rights and obligations of the 5.5 million Borrowing as at 31 March 2023 and 2024. There were no alternative audit procedures that we could adopt to satisfy ourselves the reliability of management’s representation and whether the 5.5 million Borrowing and the interest thereon was fairly stated as at 31 March 2023 and 2024.

A qualified opinion on the same matter was also expressed in the auditor’s report dated 18 April 2024 in respect of the audit of the consolidated financial statements of the Group for the year ended 31 March 2023 (the “**2023 Financial Statements**”).

2. *Scope limitation on the valuation of financial assets at fair value through other comprehensive income (“FVTOCI”)*

As disclosed in note 15 to the consolidated financial statements, the Group invested in unlisted equity securities, being 9.68% equity interest in an investee company, Kin On Engineering (International) Limited (“**Kin On**”) (the “**Investment**”) and accounted for the Investment as financial assets at FVTOCI with fair value of approximately HK\$4,424,000 as at 31 March 2023 and 2024. As at 31 March 2023 and 2024, the fair value assessments of the Investment had been conducted by the management of the Company using an adjusted net assets value approach. The measurement of fair value of the Investment was mainly based on the audited financial statements of Kin On for the years ended 31 March 2023 and 2024 issued by another auditor. However, in the absence of appropriate audit evidence due to (i) our inability to perform audit work on the financial statement of Kin On, in particular the recoverability of the loan to a shareholder as shown as the major assets on the statement of financial position of Kin On as at 31 March 2023 and 2024; and (ii) the appropriateness of 5% adopted by the management for discount of lack of marketability, in assessing the fair value of the Investment we are unable to satisfy ourselves as to whether the fair value of the Investment of approximately HK\$4,424,000 as at 31 March 2023 and 2024 were fairly stated. There were no other satisfactory audit procedures that we could adopt to determine whether any adjustments to the fair value of the Investment as at 31 March 2023 and 2024 were necessary.

Material uncertainty related to going concern

We draw attention to note 2 to the consolidated financial statements which indicates that the Group incurred a loss of approximately HK\$4,852,000 for the year ended 31 March 2024 and, as at 31 March 2024, the Group had net current liabilities and net liabilities of approximately HK\$6,750,000 and HK\$988,000 respectively. Based on the current liquidity position of the Group, the Group might have financial uncertainties which may cast significant doubt on the Group’s ability to continue as a going concern. The consolidated financial statements have been prepared on a going concern basis, the validity of which depends upon the successful implementation of the directors’ plans and measures and the Group’s ability to generate sufficient cash flows to meet its obligations as set forth in note 2 to the consolidated financial statements. Our opinion is not further modified in respect of this matter.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

The Group is principally engaged in the provision of comprehensive architectural and structural engineering consultancy services in Hong Kong. During the financial year ended 31 March 2024, the Group continued to focus on developing business opportunities with existing customers as well as working on those referrals from them. At the same time, the Group plans to expand the types of architectural-related services when opportunities arise.

Revenue of the Group decreased by approximately HK\$14.7 million or 32.4% from approximately HK\$45.4 million for the year ended 31 March 2023 to approximately HK\$30.7 million for the year ended 31 March 2024. The Group recorded a loss for the year ended 31 March 2024 of approximately HK\$4.9 million as compared with a loss of approximately HK\$4.6 million incurred for the year ended 31 March 2023. The reasons of such changes are set out in the section Financial Review below.

Going forward, while actively exploring new businesses opportunities, the Group also plans to extend its business reach and expand service coverage to lay a foundation for our long-term development. These strategic directions aim to capture new business opportunities in the market and contribute satisfactory long-term returns to our shareholders. Riding on the advantageous geographical location and the recovery momentum in both Hong Kong and mainland China economies, the Group will not limit its development in Hong Kong but also explore new business opportunities in mainland China to widen the Group's revenue base.

Despite the fact that there are improvements after the COVID-19 pandemic, the future development of the political and economic environment still remain uncertain. The Group will continue to seek a minimum risk exposure by bargaining better terms from sub-contractors, minimising expenses, securing projects and closely monitoring recoverability of the receivables to keep the operations of the Group as usual.

FINANCIAL REVIEW

Revenue

The Group's revenue is generated from the contract revenue from provision of comprehensive architectural and structural engineering consultancy services in Hong Kong, including licensing consultancy, alteration and addition works and minor works consultancy, inspection and certification and other architectural related consultancy.

The Group's total revenue for the year ended 31 March 2024 was approximately HK\$30.7 million (2023: approximately HK\$45.4 million), representing approximately HK\$14.7 million or 32.4% decrease compared to the financial year ended 31 March 2023. Such decrease was mainly due to the revenue contribution from projects with relatively small contract sum.

The gross profit margin of the Group for the year ended 31 March 2024 was approximately 21.2% (2023: gross profit margin was approximately 15.5%). Such increase was mainly due to the revenue contribution from projects with relatively small contract sum but higher profit margin.

General and administrative expenses

The Group's total general and administrative expenses for the year ended 31 March 2024 was approximately HK\$11.1 million (2023: approximately HK\$11.5 million), representing a decrease of approximately HK\$0.4 million or 3.5% when compared to the corresponding period in 2023. Such decrease was mainly due to decrease in listing compliance fees.

Loss for the year

The Group recorded a net loss attributable to owners of the Company of approximately HK\$4.9 million for the year ended 31 March 2024 (2023: net loss attributable to owners of the Company of approximately HK\$4.6 million), representing an increase of approximately HK\$0.3 million or 6.5%.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

During the year ended 31 March 2024, the Group financed its operations by cash flow from operating activities. As at 31 March 2024, the Group had net current liabilities of approximately HK\$6.8 million (2023: net current liabilities of approximately HK\$0.7 million), including cash and cash equivalents of approximately HK\$4.8 million (2023: approximately HK\$4.0 million). The current ratio, being the ratio of current assets to current liabilities, was approximately 0.7 times as at 31 March 2024 (2023: approximately 0.9 times). The decrease in current ratio mainly due to increase of trade and other payables. The gearing ratio, being total debts over the equity, was not applicable as at 31 March 2024 (2023: 1.4).

The capital of the Group comprises only ordinary shares. Total equity attributable to owners of the Company amounted to approximately HK\$1.0 million deficit as at 31 March 2024 (2023: total equity of approximately HK\$3.9 million).

EMPLOYEE INFORMATION

Total staff and Directors' remuneration for the year ended 31 March 2024 was approximately HK\$14.3 million (2023: approximately HK\$16.6 million). Such decrease was mainly due to the decrease in staffs' salaries. The Group's remuneration policies are formulated on the basis of performance, qualifications and experience of individual employee and make reference to the prevailing market conditions. Our remuneration packages comprise monthly fixed salaries and discretionary year-end bonuses based on individual performance, which are paid to employees as recognition of, and reward for, their contributions.

CHARGES ON THE GROUP'S ASSETS

The Group did not have any charge arranged with any financial institution in Hong Kong as at 31 March 2024 (2023: Nil).

FOREIGN EXCHANGE EXPOSURE

The revenue and business costs of the Group were principally denominated in Hong Kong dollars, and as such the exposure to the risk of foreign exchange rate fluctuations for the Group was minimal. Hence, no financial instrument for hedging was employed.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year ended 31 March 2024, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

CONTINGENT LIABILITIES

No material contingent liability had come to the attention of the Directors in the year ended 31 March 2024 and up to the date of this announcement.

EVENT AFTER THE REPORTING PERIOD

Trading in the shares of the Company on the Stock Exchange was suspended from 9:00 a.m. on 3 July 2023 at the request of the Company. As all conditions set out in the Resumption Guidance have been fulfilled, the Company has applied to the Stock Exchange for the resumption of trading in the shares of the Company with effect from 9:00 a.m. on 4 June 2024 on the Stock Exchange. For detail information please refer to the Company's announcement dated 3 June 2024.

INTERESTS AND SHORT POSITIONS OF THE DIRECTORS AND CHIEF EXECUTIVES IN SECURITIES

As at 31 March 2024, the interests and short positions of the Directors and chief executives of the Company (the "**Chief Executives**") in the ordinary shares with a par value of HK\$0.01 each in the Company ("**Shares**"), underlying Shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**")) as recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of listed issuer set out in rules 5.48 to 5.67 of the GEM Listing Rules (the "**Model Code**") were as follows:

Long position in the Shares

Name of Directors	Capacity/ Nature of interest	Number of share held	Approximate percentage of the issued share capital
New Energy Business Cluster Company Limited (<i>Note</i>)	Beneficial owner	265,865,000	53.93%
Mr. Zhou Renchao (" Mr. Zhou ") (<i>Note</i>)	Interested of the controlled corporation	265,865,000	53.93%

Note:

Mr. Zhou owns 100% equity interest of New Energy Business Cluster Company Limited, which is interested in 265,865,000 shares of the Company, representing approximately 53.93% of the entire issued share capital of the Company.

Save as disclosed above, as at 31 March 2024, none of the Directors or the Chief Executives 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) as recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS OF THE COMPANY IN SECURITIES

So far as is known to the Directors and the Chief Executives, as at 31 March 2024, the interests and short positions of the persons or corporations (other than the Directors and the Chief Executives) in the Shares or underlying Shares as recorded in the register required to be kept under section 336 of the SFO were as follows:

Name of Directors	Capacity/ Nature of interest	Number of share held	Approximate percentage of the issued share capital
New Energy Business Cluster Company Limited (<i>Note</i>)	Beneficial owner	265,865,000	53.93%
Mr. Zhou Renchao (<i>Note</i>)	Interested of the controlled corporation	265,865,000	53.93%

Note:

Mr. Zhou owns 100% equity interest of New Energy Business Cluster Company Limited, which is interested in 265,865,000 shares of the Company, representing approximately 53.93% of the entire issued share capital of the Company.

Save as disclosed above, as at 31 March 2024, there was no person or corporation (other than the Directors and the Chief Executives) who had any interest or short position in the Shares or underlying Shares as recorded in the register of interests required to be kept by the Company under section 336 of the SFO.

COMPETING INTERESTS

As at 31 March 2024, none of the Directors, the controlling Shareholders and their respective associates (as defined in the GEM Listing Rules) had any interest in a business which competes or may compete, either directly or indirectly, with the business of the Group and none of them had or may have any other conflicts of interest with the Group.

COMPLIANCE WITH CORPORATE GOVERNANCE

Corporate Governance Practices

The Company is committed to achieving high standards of corporate governance to safeguard the interests of the shareholders and enhance its corporate value. The Company's corporate governance practices are based on the principles and code provisions as set out in the Corporate Governance Code under Appendix C1 of the GEM Listing Rules (the "CG Code").

The Company had complied throughout the Year with all the code provisions as set out in the CG Code except with the following deviation:—

(i). Rules 5.05(1), 5.28 and 5.34 of GEM Listing Rules

Following the resignation of Ms. Lam Yuen Man Maria on 10 January 2024, the Company failed to meet the requirements of (i) having at least three independent non-executive Directors on the Board under Rule 5.05(1) of the GEM Listing Rules; (ii) having a minimum of three non-executive Directors in the Audit Committee under Rule 5.28 of the GEM Listing Rules; and (iii) the Remuneration Committee chaired by an independent non-executive Director under Rule 5.34 of the GEM Listing Rules.

Following the appointment of Mr. Liu Jianting as independent non-executive Directors and the chairman of the Remuneration Committee, a member of the Audit Committee on 28 February 2024, the Company has complied with the requirements of Rules 5.05(1), 5.28 and 5.34 of the GEM Listing Rules.

(ii). Rule 31.39(1) of GEM Listing Rules

The annual report of the Company for the financial year ended 31 March 2023 was despatched to Shareholders on 19 April 2024, and the annual general meeting for the financial year ended 31 March 2023 was held on 24 May 2024, which both more than 6 months after the end of the financial year, results the Company failed to meet the requirements under the Rule 31.39(1) GEM Listing Rules.

Model Code for Securities Transactions by Directors

The Company has adopted the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules as its code of conduct for dealing in securities of the Company by the Directors (“**Model Code**”). Having made specific enquiries to the Directors, all of them confirmed they had complied with the required standard of dealings as set out in the Model Code throughout the Year.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the year ended 31 March 2024, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities.

SHARE OPTION SCHEME

The purpose of the share option scheme is to enable the Company to grant options to any employee, adviser, consultant, agent, contractor, client, supplier, customer and/or such other person, who in the sole discretion of the Board has contributed or may contribute to our Group (the “**Eligible Participant**”). The Company conditionally adopted a share option scheme (the “**Scheme**”) on 21 November 2016 which has become effective since 12 December 2016 (the “**Effective Date**”) whereby the Board are authorised, at their absolute discretion and subject to the terms of the Scheme, to grant options to subscribe for the shares of the Company to the Eligible Participant. The Scheme will be valid and effective for a period of ten years commencing from the Effective Date. Terms used below shall have the same meaning as those defined in the section “D. Share Option Scheme” in Appendix IV to the Prospectus.

As at the date of this announcement and since the adoption of the Scheme, no share option has been granted by the Company.

DIVIDEND

The Directors do not recommend the payment of dividend for the year ended 31 March 2024 (2023: Nil).

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the best knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the public as at the date of this announcement.

REVIEW OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR

The Audit Committee has been established with written terms of reference in compliance with Rules 5.28 of the GEM Listing Rules and code provision D.3 of the CG Code. The Audit Committee currently comprises three independent non-executive Directors namely Ms. Lai Pik Chi, Peggy, Mr. Leung Tsun Ip and Mr. Liu Jianting and Ms. Lai Pik Chi, Peggy, a Director with the appropriate professional qualifications, serves as the chairlady of the Audit Committee. Among other things, the primary duties of the Audit Committee are to assist the Board in providing an independent view of the effectiveness of our Group's financial reporting process, internal control and risk management system, to oversee the audit process and to perform other duties and responsibilities as assigned by the Board.

The Audit Committee has reviewed the consolidated financial statements of the Group for the year ended 31 March 2024 and recommended approval to the Board.

THE MANAGEMENT’S POSITION, VIEW AND ASSESSMENT ON THE QUALIFIED OPINION

1. Other Borrowings

The management of the Company (the “**Management**”) has considered the auditors’ rationale and understood their consideration in arriving at the qualified opinion on other borrowings. The Company has discussed with the auditors that the qualification on other borrowings will only be removed when the Company is able to provide all the relevant documents related to other borrowings that can satisfy the existence, rights, obligation and completeness of other borrowings or pertaining to the court judgement related to the present litigation on other borrowings to be provided to them or reach a settlement with the purported creditor on other borrowings.

The Management will continue to take all possible steps and efforts in order to retrieve all necessary information especially the receipt record in relation to other borrowings. At the same time, the Company is contesting the litigation on other borrowings by engaging lawyers and counsel on behalf of the Company. The plaintiff and the Company have exchanged their respective witness statements, Mediation took place but was unsuccessful. Case Management Summons hearing is scheduled in 15 October 2024.

2. Valuation of financial assets at fair value through other comprehensive income (“FVTOCI”)

The Company will continue to negotiate with the controlling shareholder of the investee, Kin On, to obtain its financial information at 31 March 2024 for the auditors to assess the recoverability of the loan to it in order to remove this qualification.

AUDIT COMMITTEE’S VIEW ON THE QUALIFIED OPINIONS

Members of the Audit Committee have critically reviewed the basis for qualified opinions, the Management’s position and actions taken by the Management for addressing the basis for qualified opinions. The Audit Committee agreed with the Management’s position and requested the Management to use its best endeavors to resolve the qualified opinions.

SCOPE OF WORK OF MCMILLAN WOODS (HONG KONG) CPA LIMITED

The figures in respect of the preliminary announcement of the Group’s results for the year ended 31 March 2024 have been agreed by the Group’s auditor, McMillan Woods (Hong Kong) CPA Limited (“**McMillan Woods**”), to the amounts set out in the Group’s consolidated financial statements for the year ended 31 March 2024. The work performed by McMillan Woods 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 McMillan Woods on the preliminary announcement.

PUBLICATION OF ANNUAL REPORT ON THE WEBSITES OF THE COMPANY AND THE STOCK EXCHANGE

According to the GEM Listing Rules, the 2023/2024 Annual Report of the Company shall contain all information as required by the GEM Listing Rules and will be published on the Company's website at www.8039.com.hk and the Stock Exchange's website at www.hkexnews.hk in due course.

By order of the Board
China Come Ride New Energy Group Limited
Zhou Renchao
Chairman

Hong Kong, 28 June 2024

As at the date of this announcement, the executive Directors are Mr. Zhou Renchao, Mr. Chung Yuk Lun and Mr. Cao Dayong; and the independent non-executive Directors are Ms. Lai Pik Chi, Peggy, Mr. Leung Tsun Ip and Mr. Liu Jianting.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with 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.

This announcement will remain on the "Latest Listed Company Information" page of the Stock Exchange website at www.hkexnews.hk for a minimum period of 7 days from the date of its publication and on the Company's website at www.8039.com.hk