CIRTEK HOLDINGS LIMITED
常達控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1433)

FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2022 AND UPDATED EXPECTED TIMETABLE FOR USE OF PROCEEDS

The board (the "**Board**") of directors (the "**Directors**") of Cirtek Holdings Limited (the "**Company**") hereby announces the consolidated results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the year ended 31 December 2022 (the "**Reporting Period**") as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2022

	Notes	**2022** ***HK$'000***	2021 *HK$'000*
REVENUE	*3*	**408,572**	362,513
Cost of sales		**(235,116)**	(204,503)
Gross profit		**173,456**	158,010
Other income and gains	*3*	**9,516**	6,550
Selling and distribution expenses		**(53,435)**	(45,790)
Administrative expenses		**(113,424)**	(95,143)
Other operating income/(expenses), net		**4,866**	(120)
Finance costs	*5*	**(2,203)**	(2,253)
PROFIT BEFORE TAX	*4*	**18,776**	21,254
Income tax expenses	*6*	**(6,218)**	(6,270)
PROFIT FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE COMPANY		**12,558**	14,984
EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY		***HK cents***	*HK cents*
– Basic	*8*	**0.63**	0.75
– Diluted		***HK cents***	*HK cents*
	8	**0.63**	0.75

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2022

	2022	2021
	HK$'000	*HK$'000*
PROFIT FOR THE YEAR	**12,558**	14,984
OTHER COMPREHENSIVE INCOME/(LOSS)		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Exchange differences:		
Exchange differences on translation of foreign operations, net	**(17,971)**	29
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE COMPANY	**(5,413)**	15,013

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2022

	Notes	**2022**	2021
		HK$'000	*HK$'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**130,707**	110,800
Right-of-use assets		**36,184**	40,577
Prepayments and deposits		**9,556**	4,766
Goodwill		**361**	1,532
Other intangible assets		**6,055**	977
Financial asset at fair value through profit or loss		**5,803**	5,599
Deferred tax assets		**504**	407
Total non-current assets		**189,170**	164,658
CURRENT ASSETS			
Inventories		**68,758**	65,112
Trade receivables	*9*	**42,923**	53,692
Prepayments, deposits and other receivables		**16,982**	15,385
Pledged deposits		**14,138**	–
Cash and cash equivalents		**62,325**	102,101
Tax recoverable		**771**	80
Total current assets		**205,897**	236,370
CURRENT LIABILITIES			
Trade payables	*10*	**53,572**	55,763
Other payables and accruals		**40,808**	39,932
Interest-bearing bank borrowings		**17,865**	13,622
Lease liabilities		**14,979**	11,417
Tax payable		**8,297**	7,854
Total current liabilities		**135,521**	128,588
NET CURRENT ASSETS		**70,376**	107,782
TOTAL ASSETS LESS CURRENT LIABILITIES		**259,546**	272,440

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

As at 31 December 2022

	2022	2021
	HK$'000	*HK$'000*
NON-CURRENT LIABILITIES		
Other payables	**442**	626
Interest-bearing bank borrowings	**3,017**	–
Lease liabilities	**15,209**	21,109
Deferred tax liabilities	**1,618**	1,039
Total non-current liabilities	**20,286**	22,774
Net assets	**239,260**	249,666
EQUITY		
Equity attributable to owners of the Company		
Share capital	**20,000**	20,000
Reserves	**219,260**	229,666
Total equity	**239,260**	249,666

NOTES TO FINANCIAL STATEMENTS

1.1 CORPORATE AND GROUP INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands. The registered office address of the Company is Third Floor, Century Yard, Cricket Square, P.O. Box 902, Grand Cayman, KY1-1103, Cayman Islands. The principal place of business of the Company is located at 1/F, Wing Ming Industrial Centre, 15 Cheung Yue Street, Lai Chi Kok, Kowloon, Hong Kong.

The Company is an investment holding company. During the year, the Group was principally engaged in the manufacturing and sale of printing products.

On 12 March 2020, the shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

Charming International Limited ("**Charming International**"), a company incorporated in the British Virgin Islands (the "**BVI**") on 2 January 2019, is the immediate holding company of the Company, and in the opinion of the Directors, is also the ultimate holding company of the Company.

1.2 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") (which include all HKFRSs, Hong Kong Accounting Standards ("**HKASs**") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance.

These financial statements have been prepared under the historical cost convention, except for a financial asset at fair value through profit or loss which has been measured at fair value. These financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand (HK$'000) except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "**Group**") for the year ended 31 December 2022. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) the contractual arrangement with the other vote holders of the investee;

(b) rights arising from other contractual arrangements; and

(c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between shareholders of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

1.3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised HKFRSs for the first time for the current year's financial statements.

Amendments to HKFRS 3	*Reference to the Conceptual Framework*
Amendments to HKAS 16	*Property, Plant and Equipment: Proceeds before Intended Use*
Amendments to HKAS 37	*Onerous Contracts – Cost of Fulfilling a Contract*
Annual Improvements to HKFRSs 2018 – 2020	Amendments to HKFRS 1, HKFRS 9, Illustrative Examples accompanying HKFRS 16, and HKAS 41

The nature and the impact of the revised HKFRSs that are applicable to the Group are described below:

(a) Amendments to HKFRS 3 replace a reference to the previous Framework for the Preparation and Presentation of Financial Statements with a reference to the Conceptual Framework for Financial Reporting (the "**Conceptual Framework**") issued in June 2018 without significantly changing its requirements. The amendments also add to HKFRS 3 an exception to its recognition principle for an entity to refer to the Conceptual Framework to determine what constitutes an asset or a liability. The exception specifies that, for liabilities and contingent liabilities that would be within the scope of HKAS 37 or HK(IFRIC)-Int 21 if they were incurred separately rather than assumed in a business combination, an entity applying HKFRS 3 should refer to HKAS 37 or HK(IFRIC)-Int 21 respectively instead of the Conceptual Framework. Furthermore, the amendments clarify that contingent assets do not qualify for recognition at the acquisition date. The Group has applied the amendments prospectively to business combinations that occurred on or after 1 January 2022. As there were no contingent assets, liabilities and contingent liabilities within the scope of the amendments arising in the business combination that occurred during the year, the amendments did not have any impact on the financial position and performance of the Group.

(b) Amendments to HKAS 16 prohibit an entity from deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling any such items, and the cost of those items as determined by HKAS 2 *Inventories*, in profit or loss. The Group has applied the amendments retrospectively to items of property, plant and equipment made available for use on or after 1 January 2021. Since there was no sale of items produced prior to the property, plant and equipment being available for use, the amendments did not have any impact on the financial position or performance of the Group.

(c) Amendments to HKAS 37 clarify that for the purpose of assessing whether a contract is onerous under HKAS 37, the cost of fulfilling the contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract include both the incremental costs of fulfilling that contract (e.g., direct labour and materials) and an allocation of other costs that relate directly to fulfilling that contract (e.g., an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract as well as contract management and supervision costs). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. The Group has applied the amendments prospectively to contracts for which it has not yet fulfilled all its obligations at 1 January 2022 and no onerous contracts were identified. Therefore, the amendments did not have any impact on the financial position or performance of the Group.

(d) *Annual Improvements to HKFRSs 2018-2020* sets out amendments to HKFRS 1, HKFRS 9, Illustrative Examples accompanying HKFRS 16, and HKAS 41. Details of the amendments that applicable to the Group are as follows:

- HKFRS 9 *Financial Instruments:* clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. The Group has applied the amendment prospectively from 1 January 2022. As there was no modification or exchange of the Group's financial liabilities during the year, the amendment did not have any impact on the financial position or performance of the Group.

2. OPERATING SEGMENT INFORMATION

For management purposes, the Group has only one reportable operating segment, which is the manufacture and sale of printing products.

Geographical information

(a) Revenue from external customers

	2022	2021
	HK$'000	*HK$'000*
Mainland China	**137,517**	119,547
Hong Kong	**78,373**	74,336
Bangladesh	**60,481**	46,772
United States	**16,655**	23,238
Vietnam	**43,526**	22,800
Others	**72,020**	75,820
	408,572	362,513

The revenue information above is based on the locations of the customers.

(b) *Non-current assets*

	2022	2021
	HK$'000	*HK$'000*
Mainland China	**80,168**	97,561
Bangladesh	**45,594**	29,422
Vietnam	**9,958**	10,246
Hong Kong	**29,633**	2,714
Other countries	**14,850**	17,353
	180,203	157,296

The non-current asset information above is based on the locations of the assets and excludes financial instruments and deferred tax assets.

Information about a major customer

Revenue from a major customer, including a group of entities which are known to be under common control with that customer, which accounted for 10% or more of the Group's revenue is set out below:

	2022	2021
	HK$'000	*HK$'000*
Customer A	**43,501**	40,853

The revenue from the above major customer was all derived from the sale of printing products.

3. REVENUE, OTHER INCOME AND GAINS

Revenue represents the net invoiced value of goods sold, after allowances for returns, trade discounts and rebates.

An analysis of the Group's revenue, other income and gains is as follows:

	2022	2021
	HK$'000	*HK$'000*
Revenue from contracts with customers		
(i) *Disaggregated revenue with information*		
Types of goods or services		
Sale of printing products	**408,572**	362,513
Geographical markets		
Mainland China	**137,517**	119,547
Hong Kong	**78,373**	74,336
Bangladesh	**60,481**	46,772
United States	**16,655**	23,238
Vietnam	**43,526**	22,800
Others	**72,020**	75,820
	408,572	362,513
Timing of revenue recognition		
Goods transferred at a point in time	**408,572**	362,513

The following table shows the amounts of revenue recognised that were included in the contract liabilities at the beginning of the years:

	2022	2021
	HK$'000	*HK$'000*
Sale of printing products	**10,975**	6,511

(ii) *Performance obligations*

Sale of printing products

The performance obligation is satisfied upon delivery of the printing products and payment is generally due within 30 to 90 days from delivery, except for new customers, where payment in advance is normally required. Some contracts provide customers with a right of return which gives rise to variable consideration subject to constraint.

As the remaining performance obligations (unsatisfied or partially satisfied) as at 31 December 2022 and 2021 are part of contracts that have an original expected duration of one year or less, the transaction price allocated to such is not disclosed, as permitted by the practical expedient in HKFRS 15.

Other income and gains include the following:

	2022	2021
	HK$'000	*HK$'000*
Other income and gains		
Freight and transportation income	**2,365**	1,594
Interest income	**471**	264
Sale of scrap materials	**2,133**	2,188
Government grants*	**2,622**	341
Gain on disposal of items of property, plant and equipment, net	**–**	178
Gain on derecognition of right-of-use assets, net	**–**	5
COVID-19-related rent concessions from lessors	**179**	304
Fair value gain on financial assets at fair value through profit or loss, net	**198**	195
Others	**1,548**	1,481
	9,516	6,550

* As at 31 December 2022 and 2021, there were no unfulfilled conditions or other contingencies attaching to the government grants that had been recognised by the Group.

4. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	2022 HK$'000	2021 HK$'000
Cost of sales#	**235,116**	204,503
Depreciation of property, plant and equipment	**15,433**	16,373
Depreciation of right-of-use assets	**11,919**	10,658
Amortisation of other intangible assets	**345**	38
Short-term lease expenses	**1,161**	777
Employee benefit expense (excluding directors' remuneration)		
Wages and salaries	**138,856**	124,138
Pension scheme contributions (defined contribution scheme)***	**17,843**	12,744
	156,699	136,882
Government grants**	**(2,622)**	(341)
Auditor's remuneration	**2,200**	2,078
Foreign exchange loss/(gain), net*	**(7,228)**	71
Impairment of trade receivables*	**674**	49
Impairment of goodwill*	**1,534**	–
Loss/(gain) on disposal of items of property, plant and equipment, net##	**154**	(276)
Gain on derecognition of right-of-use assets	**–**	(5)
Fair value gain on financial assets at fair value through profit or loss, net	**(198)**	(195)

* These items are included in "Other operating income/(expenses), net" on the face of the consolidated statement of profit or loss for the year ended 31 December 2022 and 2021.

** The government grants have been received from the local government. It mainly represented compensation of the unemployment insurance paid to the local government and the acquisition of the Group's new machines, whose compensation are transferred from deferred income to profit or loss over the useful lives of the relevant assets, and the government grant from the Employee Support Scheme from Hong Kong government in respect of COVID-19 related subsidies during the year. There are no unfulfilled conditions or contingencies relating to these grants.

*** These are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

\# Cost of inventories sold includes HK$72,439,000 (2021: HK$67,082,000) of employee benefit expense, and depreciation of property, plant and equipment and right-of-use assets which are also included in the respective total amounts disclosed above for each of these types of expenses. Included in cost of sales was also reversal of provision for inventories of HK$433,000 (2021: provision of HK$782,000) for the year ended 31 December 2022.

\## This item is included in "Other operating income/(expenses), net" (2021: "Other income and gains") on the face of the consolidated statement of profit or loss for the year ended 31 December 2022.

5. FINANCE COSTS

An analysis of finance costs is as follows:

	2022	2021
	HK$'000	*HK$'000*
Interest on bank loans	**469**	606
Interest on lease liabilities	**1,734**	1,647
	2,203	2,253

6. INCOME TAX

Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax in the Cayman Islands and the BVI. Hong Kong profits tax has been provided at the rate of 16.5% (2021: 16.5%) on the estimated assessable profits arising in Hong Kong during the year, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profit tax rates regime. The first HK$2,000,000 (2021: HK$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2021: 8.25%) and the remaining assessable profits are taxed at 16.5% (2021: 16.5%). PRC tax has been provided at the rate of 25% (2021: 25%) on the estimated assessable profits arising in the PRC during the year. Pursuant to the rules and regulations of the United States, a company which is treated as a corporation for the United States federal income tax purposes was subject to a tax rate of 21% (2021: 21%) at the federal level during the year and was also subject to the statutory corporate income tax in state and local tax jurisdictions. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions which the Group operates.

	2022	2021
	HK$'000	*HK$'000*
Current – Hong Kong		
Charge for the year	**239**	2,415
Overprovision in prior years	**(219)**	–
Current – Elsewhere		
Charge for the year	**5,976**	3,941
Deferred	**222**	(86)
Total tax charge for the year	**6,218**	6,270

7. DIVIDENDS

	2022	2021
	HK$'000	*HK$'000*
Proposed final dividend – HK0.20 cents (2021: HK0.25 cents) per ordinary share	**4,000**	5,000

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

8. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of the basic earnings per share amounts is based on the profit for the year attributable to owners of the Company of HK$12,558,000 (2021: HK$14,984,000) and the weighted average number of ordinary shares of 2,000,000,000 (2021: 2,000,000,000) in issue during the year.

No adjustment has been made to the basic earnings per share amounts presented for the year ended 31 December 2022 and 2021 in respect of a dilution as the impact of the share options outstanding had an anti-dilutive effect on the basic earnings per share amounts presented.

9. TRADE RECEIVABLES

	2022	2021
	HK$'000	*HK$'000*
Trade receivables	**43,777**	53,895
Impairment	**(854)**	(203)
	42,923	53,692

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally within 30 to 90 days from the date of monthly statements. Each customer has a maximum credit limit. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	2022	2021
	HK$'000	*HK$'000*
Within 1 month	**22,278**	32,952
1 to 2 months	**13,485**	15,540
2 to 3 months	**2,809**	2,854
Over 3 months	**4,351**	2,346
	42,923	53,692

The movements in the loss allowance for impairment of trade receivables are as follows:

	2022	2021
	HK$'000	*HK$'000*
At beginning of year	**203**	165
Impairment losses, net	**674**	49
Amount written off as uncollectible	**(23)**	(11)
At end of year	**854**	203

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

10. TRADE PAYABLES

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

	2022	2021
	HK$'000	*HK$'000*
Within 1 month	**16,391**	18,564
1 to 2 months	**15,658**	13,815
2 to 3 months	**8,096**	10,026
Over 3 months	**13,427**	13,358
	53,572	55,763

The trade payables are non-interest-bearing and are normally settled on 30 to 150-day terms.

11. BUSINESS COMBINATION

On 6 May 2022, the Group acquired a 100% interest in Print100 Limited from an independent third party. Print100 Limited is engaged in business of printing. The acquisition was made to expand and diversify the Group's business scope. The purchase consideration for the acquisition was in the form of cash, with HK$5,000,000 paid during the year.

The fair values of the identifiable assets and liabilities of Print100 Limited as at the date of acquisition were as follows:

	Fair value recognised on acquisition *HK$'000*
Property, plant and equipment	844
Right-of-use assets	285
Other intangible assets	5,476
Financial asset at fair value through profit or loss	91
Trade receivables	230
Prepayments, deposits and other receivables	5,500
Cash and cash equivalents	75
Trade payables	(1,179)
Other payables and accruals	(1,238)
Bank overdrafts	(965)
Lease liabilities	(1,060)
Interest-bearing bank borrowings	(3,101)
Deferred tax liabilities	(319)
Total identifiable net assets at fair value	4,639
Goodwill on acquisition	361
Satisfied by Cash	5,000

An analysis of the cash flows in respect of the acquisition of a subsidiary is as follows:

	HK$'000
Cash consideration	(5,000)
Cash and cash equivalents acquired	75
Bank overdrafts acquired	(965)
	(5,890)

Included in the goodwill of HK$361,000 recognised above is an assembled workforce which is not recognised separately. It is not separable and does not meet the criteria for recognition as an intangible asset under HKAS 38 *Intangible Assets*. None of the goodwill recognised is expected to be deductible for income tax purposes.

Since the acquisition, Print100 Limited contributed HK$8,510,000 to the Group's revenue and a loss of HK$2,330,000 to the consolidated profit for the year ended 31 December 2022.

Had the combination taken place at the beginning of the year, the revenue of the Group and the profit of the Group for the period would have been HK$411,147,000 and HK$10,958,000, respectively.

12. EVENTS AFTER THE REPORTING PERIOD

On 24 February 2023, the Company entered into an investment agreement (the "**Investment Agreement**") with the shareholders of Primway S.A.R.L pursuant to which (i) the Company agreed to subscribe for the 17 shares; and (ii) the shareholders agreed to sell and the Company agreed to acquire the 9 shares, for a total consideration of EUR1,095,000 (equivalent to HK$9,060,000). Upon the completion, the Company shall hold 25% of Primway S.A.R.L. Details of the subscription of shares and acquisition of shares in Primway S.A.R.L are disclosed in the Company's announcement dated 24 February 2023.

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF OPERATIONS

Although the first half of 2022 was still clouded by the pandemic, the apparel industry's success in digital transformation encouraged consumption, energising overall consumer sentiment. Yet, in the second half of the year, the market situation took a downturn as China implemented even stricter control measures in response to the intensified pandemic, hindering economic activities and development. However, in other regions, the pandemic was gradually under control and resumed normal, but the market environment are still full of challenges. As a result, the global situation remained burdened by numerous uncertainties. Affected by the rate hike and inflation, American citizens' consumption desires plummeted. This year, the Group strived for success in prudence, as we actively continued to set up sales offices and factories around the globe to enhance productivity, in a bid to fully prepare itself when retail rebounded during the post-pandemic era, so we could be the first among the apparel label and trim product industries to grasp the arising opportunities.

By executing its global strategic arrangement, the Group holds an advantage, allowing us to seize any opportunities immorsed in markets all over the world while limiting the effects brought on by the performances of respective regions. Since the Group has sales offices on every continent and factories in all major apparel manufacturing countries, we could acquire more orders, hence, the Group's revenue for the year ended 31 December 2022 ("**FY2022**") recorded a year-on-year increase of approximately 12.7%, amounting to HK$408.6 million (2021: approximately HK$362.5 million). Despite the fact that the global supply chain and logistics were disrupted and the raw material cost remained expensive, the Group was able to maintain its gross profit margin at 42.5% by countering the elevating cost through the implementation of stringent cost control measures, optimizing productivity structure and setting up a global network. On account of the fact that some of the new sales offices and production bases of the Group were still in the investment phase and that shipping fee was expensive throughout 2022. Barring unforeseen circumstances or any major funding needs, the Company intends to maintain dividend practice. The Board has recommended the payment of a final dividend in cash of HK0.20 cents per ordinary share (2021 : HK0.25 cents) to recognize the continuous support of the Company's shareholders.

In terms of sales, in a general sense, since the global economy was uncertain, there were prudent customers who temporarily reduced orders; individual market performance was also affected by other factors. For example, America was unable to relieve the stress from the rate rise and the inflation in the year, causing consumer sentiment to be fatigued. The Group carried on expanding the China market, successfully gaining various domestic brand customers during the year, but China strengthened its pandemic control measures as the pandemic situation worsened in the second half of the year, affecting the overall order volume and shipping volume. On the other hand, the Group developed a geographical advantage through implementing its global strategy of setting up sales offices in major apparel markets and factories in neighboring regions, which allowed us to grasp more business opportunities. For example, the sales office in Italy that commenced operation in 2021 acquired many new customers and orders during the year. The newly established sales offices in Mexico, Spain and Guatemala were launched this year, serving as entry points for the Group to expand its businesses in Central America and Western Europe.

During the Review Period, the geopolitical situation and pandemic continued to disturb the Group's operation. Production cost was pressured as raw material costs remained high, which was due to the stressed supply chain, and shipping fees rocketed. The Group implemented strict cost control measures, which helped mitigate the adverse effects. The Group had been implementing strategic global arrangements. Under which, we set up factories in the major apparel manufacturing countries, namely China, Vietnam and Bangladesh. In 2022, the Group enhanced the productivity of the major production bases such as the Bangladesh factory, while setting up factories in regions with development potential such as Southeast Asia, Southern Europe and Central America. Earlier on, the Group set up a sales office in India, and then installed equipment to improve productivity after it could acquire a steady volume of orders to meet local needs. Currently, its business in India has become a model for other markets as it has developed an intra-national business cycle of sales and production.

In terms of products, the Italy sales office acquired certain European brands as new clients for its RFID products, bringing forth a consistent increase in order volume. During the year, the Group also invested more in marketing research, and applied for patents for RFID solutions, technologies and products in the Mainland China. Meanwhile, large apparel brands had developed immense need for or interest in products with an environmentally friendly concept as they would like to achieve sustainable development and increase market recognition. In light of this, the Group had invested more in the research and development of this area, in an effort to co-develop diversified environmentally friendly products and solutions with clients.

The Group completed the acquisition of Print100 Limited ("**Print100**") on 6 May 2022 and renamed it Yinyibai* (印100), with the intention to expand the Group's business scope using a brand new image and take up more market share. With the support of the Group's domestic factory and the additional resources the Group invested to install new equipment and enhance market promotion, Yinyibai* (印100)'s sales and operation performance showed improvements. Its new factory in Kwai Chung was also launched in December 2022. Yinyibai* (印100) is currently focusing on developing the fast printing business in the local retail market, and will actively expand its business blueprint and scope in the future.

PROSPECTS

Looking forward into 2023, the global market will continue to be troubled by uncertainties such as volatile economic activities, intense geopolitical situation, rate hikes and stress caused by potential appreciation of Renminbi ("**RMB**"). However, as China and other nations reopened their borders and economic activities began to return to normal, the retail and sales markets of the major economic systems such as America and China may show signs of revival in the first half of the year, rejuvenating the consumption industries, which would also benefit the apparel label and trim product industries. The Group is cautiously optimistic toward the coming year, and will continue to execute the global strategic business arrangement, so we can be well-prepared for any uprising opportunities upon the revival of markets.

On account of the difficult business environment, the industry is still undergoing a price war, which accelerated the restructuring of the market. The Group is committed to act on a business principle that pivots around brand clients and quality mid-to-high-end products, while making use of its strengths and resources, as well as its competitive edges including its global sales and production network, broad customer base, ability to develop new products and healthy financial position to solidify its position in the market during the restructuring where only the strong will survive, and to expand its business scale in the markets of different regions step by step. The Group is also positive about the market trend in the post-pandemic era, so we have already set up sales and production bases, and are waiting for a suitable opportunity to strike. The newly constructed factory in Bangladesh will be put into operation in March 2023, while the factory in Mexico is expected to be put into operation in the second quarter of 2023. The Group will closely monitor the development of different markets, so adjustments can be made to the production network in time to seize the growing opportunities present in different regions.

The Group sees the potential in the fast printing market, thus has been investing resources into developing the business of Yinyibai* (印100). Considering the booming customisation market and the increasing demand for such services, the Group actively optimizes the online retail channel and sets up a new factory, as it strives to develop the business. As countries reopened their borders and economic activities gradually relaunched, more and more events such as various international exhibitions and conferences were held, which boosted the need for fast printing. In order to exploit the opportunity, the Group is exploring ways to introduce the business at the business-to-business (B2B) level.

Looking forward, the Group will continue to operate with its existing businesses as its core, and closely monitor changes in the markets so it can allocate resources and adjust strategies in time, in a bid to be the first to jump on the opportunities brought by the recovery of markets. At the same time, the Group will continue to develop products and explore new opportunities, so as to diversify our income sources and speed up business growth, which in turn will create bigger values for Shareholders.

FINANCIAL REVIEW

Revenue

Revenue of the Group is mainly generated from the sale of apparel labels and trim products, such as hang tags, woven labels, printed labels and heat transfer products. Revenue of our Group increased by approximately HK$46.1 million or 12.7% from approximately HK$362.5 million for FY2021 to approximately HK$408.6 million for FY2022. Such increase was primarily due to the relaxation of COVID-19 restrictions in many countries which in turn led to growth in demand and sales in 2022.

Cost of sales and gross profit

The cost of sales of the Group increased by approximately HK$30.6 million, representing an increase of 15.0% from approximately HK$204.5 million for FY2021 to approximately HK$235.1 million for FY2022, which was driven by the increase in sales volume and increase in procurement price for the major raw material consumed by the Group.

The Group's gross profit increased by approximately HK$15.5 million, or approximately 9.8%, from approximately HK$158.0 million for FY2021 to approximately HK$173.5 million for FY2022. The Group's gross profit margin decreased from approximately 43.6% for FY2021 to 42.5% for FY2022.

Other income and gains

The Group's other income and gains, increased by approximately HK$2.9 million from approximately HK$6.6 million for FY2021 to approximately HK$9.5 million for FY2022. The increase was primarily as a result of the government subsidies received during FY2022 in relation to wages subsidies under the Employment Support Scheme of the Anti-epidemic Fund operated by the Hong Kong government and the freight and transportation income enhance by revenue trend to increase.

Selling and distribution expenses

The Group's selling and distribution expenses increased by approximately HK$7.6 million, or approximately 16.6%, from approximately HK$45.8 million for FY2021 to approximately HK$53.4 million for FY2022, primarily due to increase in (i) marketing and promotion expenses, and (ii) salaries related to salesman, which were generally in line with the increase in revenue during FY2022.

Administrative expenses

The Group's administrative expenses increased by approximately HK$18.3 million, or approximately 19.2%, from approximately HK$95.1 million for FY2021 to HK$113.4 million for FY2022, primarily due to increase in (i) the number of headcount, and (ii) the expansion of overall operation and site offices, which were generally in line with the increase in revenue during FY2022.

Other operation income/(expenses), net

The Group's other operating income was approximately HK$4.9 million in FY2022 compared with the other operating expenses was approximately HK$0.1 million in FY2021. The above change was mainly due to the gain on foreign exchange during the reporting year.

Finance costs

The Group's finance costs represented interest on bank loan and interest on lease liabilities of approximately HK$2.2 million and HK$2.3 million in FY2022 and FY2021, respectively, which remained broadly stable on year-on-year basis.

Taxation

The Group's taxation expense remain constant at approximately HK$6.2 million for both FY2022 and FY2021 respectively, which remained broadly stable on year-on-year basis.

Profit for the year

The operating profit of the Group decreased by approximately HK$2.4 million from approximately HK$15.0 million for FY2021 to approximately HK$12.6 million for FY2022.

CAPITAL STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

The Group had net assets amounted to approximately HK$239.3 million as at 31 December 2022 (31 December 2021: approximately HK$249.7 million). The Group maintained a sound financial position during FY2022. As at 31 December 2022, the Group had cash and bank balances of approximately HK$62.3 million (31 December 2021: approximately HK$102.1 million).

For the cash and bank balances, approximately HK$26.8 million was denominated in Hong Kong Dollars, approximately HK$18.5 million was denominated in US Dollars, approximately HK$5.6 million was denominated in EUR Dollars, and approximately HK$2.7 million was denominated in Renminbi. The Group's cash in Hong Kong Dollars, US Dollars, EUR Dollars and Renminbi was held to support its core operational needs.

As at 31 December 2022, the Group had interest-bearing bank borrowings of approximately HK$20.9 million (31 December 2021: approximately HK$13.6 million) and aggregate banking facilities of approximately HK$122.1 million, of which approximately HK$20.9 million was utilised and approximately HK$101.2 million was unutilised. The Group is not committed to draw down the unutilised amount.

As at 31 December 2022, the Group had property, plant and equipment amounted to approximately HK$130.7 million (31 December 2021: approximately HK$110.8 million). The property, plant and equipment increased by approximately HK$19.9 million, or 18.0%, which was mainly attributable to the acquisition of plant and machinery of approximately HK$48.8 million during FY2022. For further strengthen the Group's market position, increase its market share and capture the growth in the global market, the Group has made additional investments in the machinery and equipment.

Current ratio

As at 31 December 2022, the Group had net current assets of approximately HK$70.4 million, representing a decrease of approximately HK$37.4 million as compared to that of approximately HK$107.8 million as at 31 December 2021. As a result, current ratio (dividing total current assets by total current liabilities at year end date) deteriorated to 1.5 times as at 31 December 2022 (31 December 2021: 1.8 times).

Gearing ratio

The Group's gearing ratio (dividing bank borrowings plus lease liabilities by equity attributable to owners of the Company at year end date) increased from approximately 18.5% as at 31 December 2021 to approximately 21.3% as at 31 December 2022. The increase was mainly due to the increase on interest-bearing bank borrowings during the reporting year.

Treasury policy

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the Reporting Year.

The management of the Group regularly reviews the recoverable amounts and trade receivables by performing ongoing credit assessments and monitoring prompt recovery and, if necessary, making adequate impairment losses for irrecoverable amounts. In order to achieve better cost control and minimise the cost of funds, the Group's treasury activities are centralised and cash is generally deposited with leading licensed banks in Hong Kong and denominated in Hong Kong dollars.

EXPOSURE TO FOREIGN EXCHANGE RISK

The Group's transactions and the monetary assets are principally denominated in Hong Kong dollars, Renminbi, Euro dollars and United States dollars. The Group currently does not use derivative financial instruments to hedge against the volatility associated with foreign currency transactions and other financial assets and liabilities arising in the ordinary course of business. The Group has not experienced any material difficulties or effects on its operations or liquidity as a result of fluctuations in currency exchanges rate during the Reporting Year. The Board will closely monitor the changes of the rate of exchange and government policies from time to time.

CONTINGENT LIABILITIES

As at 31 December 2022, the Group had no material contingent liabilities (31 December 2021: Nil).

EVENTS AFTER THE REPORTING PERIOD

On 24 February 2023 (after trading hours), the Lowatag Limited, an indirect wholly-owned subsidiary of the Company, as the purchaser (the "**Purchaser**") has entered into an investment agreement with Mr. Mickael Berdah, Mr. Dominique Toyer and Mr. Frédéric Wengrow, as the vendors (collectively, the "**Vendors**"), pursuant to which (i) the Purchaser agreed to subscribe for the subscription shares of Primway S.A.R.L, a limited liability company incorporated in France; and (ii) the Vendors agreed to sell and the Purchaser agreed to acquire the sale shares of Primway S.A.R.L, for a total consideration of EUR1,095,000. For details of the acquisition of shares in Primway S.A.R.L, please refer to the Company's announcement dated 24 February 2023.

Save as disclosed above, the Directors are not aware of any significant event requiring disclosure that has taken place subsequent to 31 December 2022 and up to the date of this announcement.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2022, we had a total of 1,164 employees in all regions (2021: 1,050 employees).

The Company's employee benefit expense (excluding directors' remuneration), including salaries, bonuses and other employee's benefits, amounted to approximately HK$156.7 million for FY2022 (FY2021: approximately HK$136.9 million). Remuneration packages are generally structured by reference to market terms and individual qualifications. Salaries and wages are normally reviewed annually based on performance appraisals and other relevant factors.

FINAL DIVIDEND AND DATE OF ANNUAL GENERAL MEETING

The Board recommended the payment of a final dividend in cash of HK0.20 cents per ordinary share for the financial year ended 31 December 2022 (2021: HK0.25 cents per ordinary share). The final dividend is conditional upon the passing of the relevant resolution by the Shareholders at the forthcoming annual general meeting (the "**2023 AGM**") to be held on Friday, 16 June 2023.

Shareholders whose names appear on the register of members of the Company on Friday, 16 June 2023 will be eligible to attend and vote at the 2023 AGM. It is expected that the proposed final dividend, if approved, the final dividend will be paid in Hong Kong dollars and to be paid on Monday, 10 July 2023 to shareholders whose name appeared on the register of members on Monday, 26 June 2023. A notice concerning the annual general meeting will be published and despatched to the shareholders of the Company in due course.

SIGNIFICANT INVESTMENTS AND FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in this announcement, the Group did not hold any significant investments in equity interest in any other companies and had no definite future plans for material investments and capital assets for FY2022.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

On 27 January 2022 (after trading hours), the Company as the purchaser (the "**Purchaser**") entered into a non-legally binding provisional sale and purchase agreement (the "**Provisional SPA**") with Mr. Cheng Chung Fo, the sole shareholder (the "**Vendor**") of Print100 Limited (the "**Target Company**"). Pursuant to the Provisional SPA, the Vendor has provisionally agreed to sell and the Purchaser has provisionally agreed to purchase 100% of the equity interests of the Target Company (the "**Acquisition**"), subject to the entering into a definitive formal sale and purchase agreement to be entered into between the parties (the "**Formal SPA**"). On 6 May 2022 the terms and conditions as set out in the Formal SPA have been fulfilled and the transaction contemplated thereunder was completed. For details of the Acquisition, please refer to the Company's announcements dated on 27 January 2022 and 11 May 2022.

On 31 March 2022 (after trading hours), Charming Trim Lanka (PVT) Ltd, an indirect wholly-owned subsidiary of the Company, as the Lessee (the "**Lessee**"), has entered into the Build & Lease Agreement (the "**Build & Lease Agreement**") with Royal Will Global (Private) Limited as the Lessor (the "**Lessor**"), pursuant to which the Lessor agreed to complete the construction of the building on the land at its cost before the commencement date and the Lessee agreed to lease the leased properties for a term of 15 years commencing from the commencement date. For details of the Build & Lease Agreement, please refer to the Company's announcement dated on 31 March 2022.

On 21 July 2022, (after trading hours), Charming Printing (Boluo) Ltd., an indirect wholly-owned subsidiary of the Company, as the purchaser, entered into the purchase contracts with Heidelberg Graphics (Beijing) Company Limited Shenzhen Branch (the "**Heidelberg Graphics**") , as the vendor, for the purchase of (i) a four-colour offset press printing machine and (ii) a high-speed cutter, at a total contract price of RMB8,935,000 (equivalent to approximately HK$10,364,600). and subsequently, after various discussions between the Charming Printing (Boluo) Ltd. and the Heidelberg Graphics, the purchase contracts were not proceed and the transactions contemplated thereunder. For details of the purchase of machinery, please refer to the Company's announcement dated 21 July 2022 and 1 August 2022.

On 5 August 2022, (after trading hours), Yinyibai Digital Colour Printing (Shenzhen) Co., Ltd., an indirect wholly-owned subsidiary of the Company, as the purchaser, entered into the purchase contracts with Heidelberg Graphics (Beijing) Company Limited Shenzhen Branch, as the vendor, for the purchase of (i) a four-colour offset press printing machine and (ii) a high-speed cutter, at a total contract price of RMB8,935,000 (equivalent to approximately HK$10,364,600). For details of the purchase of machinery, please refer to the Company's announcement dated 5 August 2022.

Save for the above, the Group did not have any material acquisitions and disposals of subsidiaries, associates and joint ventures during the Reporting Year.

USE OF PROCEEDS FROM LISTING

The Company was listed on the Stock Exchange on 12 March 2020 (the "**Listing Date**"). The net proceeds from the initial public offering of the shares, net of underwriting commission in respect of the offering and other relevant expenses, amounted to approximately HK$69.9 million.

As of 31 December 2022, our Company has not yet fully utilised the net proceeds from the global offering was approximately HK$35.4 million.

Updated expected timetable for use of proceeds

The net proceeds which remained unutilised as of 31 December 2022 amounts to approximately HK$35.4 million (the "**Unutilised Net Proceeds**"), all of which are intended to be used for construction of the new Bangladesh factory and purchasing machinery for the new Bangladesh factory.

Reference is made to the circular of Company dated 25 November 2020, the announcement of the Company dated 30 November 2021, the announcement of the Company dated 1 April 2022 to further extend the expected completion date of the Works, and the announcement of the Company dated 10 May 2022 to further extension of the expected completion date of the Works on or before 25 May 2022 (the "**3th Extension Announcement**"). Having consider the prevailing market conditions and the completion schedule of the construction work, the Board was resolved to extend the expected timetable for the use of the Unutilised Net Proceeds from within three years after the Listing Date to on or before 30 September 2023. The utilisation of the net proceeds as at 31 December 2022 and the revised timetable for use of proceeds are set out below:

Set out below is the actual use of net proceeds from the initial public offering.

Use of net proceeds	Percentage of net proceeds	Net proceeds	Amount remaining and brought forward from the year ended 31 December 2021	Amount utilised in the six months ended 30 June 2022	Amount remaining and brought forward from the six months ended 30 June 2022	Amount utilised in the year ended 31 December 2022	Amount remaining and brought forward from the year ended 31 December 2022	Updated expected timeline for utilisation of the unused net proceeds
		HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	
Construction of the New Bangladesh Factory and Purchasing Machinery for the New Bangladesh Factory	98.4%	68,800	49,889	8,240	41,649	6,237	35,412	on or before 30 September 2023
General Working Capital	1.6%	1,100	0	N/A	0	N/A	0	N/A
Total	100%	69,900	49,889	8,240	41,649	6,237	35,412	

Reasons for updated expected timetable for use of proceeds

The reason for the update of expected timetable for use of proceeds are as follows:

(a) As disclosed in the 3rd Extension Announcement, due to the significant impact of COVID-19 pandemic continues to spread around the world during the Reporting Period. The strict COVID-19 quarantine measures or lockdown restrictions implemented in Bangladesh cities have caused the postponement or halt of certain construction operations. Due to the supply of building materials used in the construction work have been interrupted and insufficient numbers of construction workers, the construction works did not immediately resume to the normal level of operations even after the strict quarantine measures or lockdown restrictions was lifted; and

(b) As at the date of this announcement, substantial portion of the construction works of the factory has been completed including certain painting work, aluminium work, sanitary fittings and road work. However, additional time is required for the contractor to finalising the construction, and thereafter, the Company and contractor jointly carry out inspection to the construction work in according to the construction agreement and issue completion certificate.

The Board confirms that there is no material change in the business nature of the Company as set out in the prospectus of the Company dated 28 February 2020 and change in the use of the proceeds as at the date of this announcement.

Save as the changes disclosed above, there are no other proposed changes in the use of the Net Proceeds. The Unutilised Net Proceeds will be applied in a manner consistent with the above planned applications.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries had purchased, redeemed or sold any of the Company's securities throughout FY2022.

CORPORATE GOVERNANCE AND OTHER INFORMATION

The Company is committed to maintaining a high standard of corporate governance practices and procedures. The corporate governance principle of the Company emphasises accountability and transparency and is adopted in the best interests of the Company and the shareholders (the "**Shareholders**"). In addition, the Company will strive to continuously improve these practices and cultivate an ethical corporate culture.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standards of corporate governance to protect the interests of its Shareholders and to enhance corporate value and accountability. The Board has reviewed the Company's corporate governance practices and is satisfied that the Company has complied with all Code Provisions of the Corporate Governance Code ("**CG Code**") as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") during the Reporting Period. The Company has applied the principles of the CG Code to its corporate governance structure and practices as described in this announcement. The Company will continue to enhance its corporate governance practices appropriate to the conduct and growth of its business and to review such practices from time to time to ensure that they comply with the CG Code and align with the latest developments.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF THE COMPANY

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("**Model Code**") as set out in Appendix 10 to the Listing Rules as the Company's code of conduct regarding Directors' and employees' securities transactions. The chairman of the Audit Committee is the person to be notified for securities dealings by Directors and a designated form is used for notification and acknowledgment purpose. All Directors have confirmed, following specific enquiry by the Company, all Directors have confirmed that they have complied with the requirements of the Model Code during the Reporting Period and up to the date of this announcement.

SHARE OPTION SCHEME

The Company has adopted a share option scheme on 21 February 2020 (the "**Share Option Scheme**"). On 15 September 2020, the Company granted a total of 2,000,000 shares options under the Share Option Scheme to one of our senior management carrying rights to subscribe for up to a total of 2,000,000 ordinary shares of the Company under the Share Option Scheme. The exercise price of the share option granted was HK$0.057 and 50% of the 2,000,000 share options granted shall be exercisable from 31 December 2021 to 14 September 2025, and the remaining 50% shall be exercisable from 31 December 2023 to 14 September 2025. The 2,000,000 share options granted are valid for 5 years from the date of grant (up to 14 September 2025). The said share options granted will be lapsed automatically if not exercised within the validity period. The closing price of the Shares before the date of grant of the share options under the Share Option Scheme was HK$0.059. As at the date of this announcement, 200,000,000 Shares are available for issue under the Share Option Scheme, representing approximately 10.0% of the total number of Shares in issue (i.e. 2,000,000,000 Shares as at the date of this announcement). Pursuant to the Share Option Scheme and Rule 17.03(5) of the Listing Rules, the share option granted under the Share Option Scheme must be taken up within 10 years from the date of grant of the option. No share options were granted, exercised, cancelled or lapsed during FY2022.

AUDIT COMMITTEE

The audit committee of the Company comprises three independent non-executive Directors, namely Ms. Luk Mei Yan (Chairman), Mr. Lee Tak Cheong and Mr. Lam Chor Ki Dick. The audit committee of the Company has reviewed the final results of the Group for FY2022 and the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters.

REVIEW OF PRELIMINARY ANNOUNCEMENT

The figures in respect of the Group's results for FY2022 as set out in this preliminary announcement have been agreed by the Group's auditor, Ernst & Young, to the amounts set out in the Group's draft consolidated financial statements for FY2022. The work performed by Ernst & Young in this respect did not constitute an assurance engagement and consequently no assurance has been expressed by Ernst & Young on the preliminary announcement.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 13 June 2023 to Friday, 16 June 2023 (both days inclusive), during which period no transfer of shares will be registered. In order to qualify for attending and voting at the 2023 Annual General Meeting, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Monday, 12 June 2023.

The register of members of the Company will be closed from Friday, 23 June 2023 to Monday, 26 June 2023 (both days inclusive), during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Wednesday, 21 June 2023.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

The Company's annual results announcement for FY2022 is published on the website of Hong Kong Exchange and Clearing Limited at www.hkexnews.hk and the Company's website at www.cirtek.com. The annual report of the Company for FY2022, containing information required by the Listing Rules, will be despatched to shareholders of the Company and published on the above websites in due course in compliance with the requirements under the Listing Rules.

APPRECIATION

The Board would like to express its sincere appreciation to the shareholders, business partners and staff for their continuous support to the Group.

By Order of the Board
Cirtek Holdings Limited
CHAN Sing Ming Barry
Chairman and Executive Director

Hong Kong, 30 March 2023

As at the date of this announcement, the Board comprises Mr. Chan Sing Ming Barry, Ms. Law Miu Lan and Mr. Chan Tsz Fung as executive Directors; and Mr. Lam Chor Ki Dick, Mr. Lee Tak Cheong and Ms. Luk Mei Yan as independent non-executive Directors.

* *for identification purposes only*