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(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 223)

**ANNOUNCEMENT OF FINAL RESULTS
FOR THE YEAR ENDED 31 MARCH 2023**

The board (the “**Board**”) of directors (the “**Directors**”) of Elife Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) hereby announces the audited consolidated results of the Group for the year ended 31 March 2023 together with the comparative figures for the year ended 31 March 2022 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2023

	<i>Notes</i>	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Continuing operations			
Turnover	4	238,840	152,600
Cost of sales		(236,973)	(144,751)
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Gross profit		1,867	7,849
Other income	5	1,579	1,469
Other gains, net	5	701	678
Selling expenses		(1,898)	(832)
Other operating expenses		(23,452)	(24,017)
Equity-settled share-based payment		(697)	(12,684)
Net allowance for expected credit losses on trade and other receivables		(442)	(14,889)
Impairment losses on property, plant and equipment and right-of-use assets		(599)	–
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Loss from operating activities	6	(22,941)	(42,426)
Finance costs	7	(2,262)	(2,489)
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Loss before tax		(25,203)	(44,915)
Taxation	8	(33)	(1,645)
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Loss for the year from continuing operations		(25,236)	(46,560)
Discontinued operation			
Loss for the period from a discontinued operation		–	(2,815)
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Loss for the year		(25,236)	(49,375)
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Other comprehensive (loss)/income			
Items that will not be reclassified to profit or loss:			
Change in fair value of financial asset at fair value through other comprehensive income		(173)	390
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations		(3,964)	2,616
Reclassification of cumulative translation reserve upon disposal of a foreign operation		–	(1,014)
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Other comprehensive (loss)/income for the year		(4,137)	1,992
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Total comprehensive loss for the year		(29,373)	(47,383)
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	<i>Notes</i>	2023 HK\$'000	2022 HK\$'000
Loss for the year attributable to owners of the Company			
– from continuing operations		(21,673)	(38,025)
– from a discontinued operation		–	(2,815)
		<u>(21,673)</u>	<u>(40,840)</u>
Loss for the year attributable to non-controlling interests			
– from continuing operations		(3,563)	(8,535)
– from a discontinued operation		–	–
		<u>(3,563)</u>	<u>(8,535)</u>
		<u>(25,236)</u>	<u>(49,375)</u>
Total comprehensive loss attributable to owners of the Company			
– from continuing operations		(27,788)	(35,027)
– from a discontinued operation		–	(2,815)
		<u>(27,788)</u>	<u>(37,842)</u>
Total comprehensive loss attributable to non-controlling interests			
– from continuing operations		(1,585)	(9,541)
– from a discontinued operation		–	–
		<u>(1,585)</u>	<u>(9,541)</u>
		<u>(29,373)</u>	<u>(47,383)</u>
Loss per share			
From continuing and discontinued operations			
– Basic and diluted	10	<u>(3.0) cents</u>	<u>(6.3) cents</u>
From continuing operations			
– Basic and diluted	10	<u>(3.0) cents</u>	<u>(5.9) cents</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2023

	<i>Notes</i>	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Non-current assets			
Property, plant and equipment		3,599	2,086
Right-of-use assets		639	5,912
Financial asset at fair value through other comprehensive income		274	483
		<u>4,512</u>	<u>8,481</u>
Current assets			
Inventories		2,701	512
Trade receivables	11	7,705	19,775
Deposits, prepayments and other receivables	12	60,949	61,769
Cash and cash equivalents		2,283	10,807
		<u>73,638</u>	<u>92,863</u>
Total current assets			
Less: Current liabilities			
Trade payables	13	2,318	261
Accrued liabilities and other payables	14	20,139	24,725
Contract liabilities		1,015	1,912
Lease liabilities		888	2,334
Amounts due to shareholders		5,849	16,973
Amounts due to non-controlling interests		7,560	8,851
Tax payables		1,154	1,244
		<u>38,923</u>	<u>56,300</u>
Total current liabilities			
		<u>34,715</u>	<u>36,563</u>
Net current assets			
		<u>39,227</u>	<u>45,044</u>
Total assets less current liabilities			

	<i>Notes</i>	2023 HK\$'000	2022 HK\$'000
Less: Non-current liabilities			
Lease liabilities		515	1,659
Amounts due to shareholders		12,034	–
Amounts due to non-controlling interests		1,066	–
		<u>13,615</u>	<u>1,659</u>
Net assets		<u>25,612</u>	<u>43,385</u>
Capital and reserves			
Share capital		75,269	67,853
Reserves		23,556	49,782
		<u>98,825</u>	<u>117,635</u>
Equity attributable to owners of the Company		98,825	117,635
Non-controlling interests		(73,213)	(74,250)
		<u>25,612</u>	<u>43,385</u>
Total equity		<u>25,612</u>	<u>43,385</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2023

1. CORPORATE INFORMATION

Elife Holdings Limited (the “**Company**”) is a limited liability company incorporated in the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited. The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business of the Company is located at Unit 806, Level 8, Core D, Cyberport 3, 100 Cyberport Road, Hong Kong. The Directors consider that Ms. Liu Qihua, Mr. Gao Feng and Mr. Zhu Qian are the substantial shareholders of the Company.

The principal activity of the Company is investment holding. The principal activities of its subsidiaries include engaging commodities trading, sales, marketing and brand building of the anti-epidemic, daily cleaning products and licensed branded watches businesses. During the year ended 31 March 2023, the Group entered into a new business through a wholly-owned subsidiary Aishang e-buy, for the engagement of licensed branded watches through television networks and online shopping channels. The Group is actively expanding its businesses into the consumer products market including but not limited to health food and supplements, functional food and food additives in the PRC conforming to the Group’s business principle and mission of delivering “an easier life, greater health and better livelihood” (易生活，大健康，惠民生).

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

2. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“**HKFRSs**”)

Amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 April 2022 for the preparation of the consolidated 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
Amendments to HKFRSs	Annual Improvements to HKFRSs 2018-2020

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

New and amendments to HKFRSs that have been issued but are not yet effective

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

HKFRS 17 (including the October 2020 and February 2022 Amendments to HKFRS 17)	Insurance Contracts ¹
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ²
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback ³
Amendments to HKAS 1	Classification of liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) ¹
Amendments to HKAS 1	Non-current Liabilities with Covenants ³
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies ¹
Amendments to HKAS 8	Definition of Accounting Estimates ¹
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction ¹

¹ Effective for annual periods beginning on or after 1 January 2023.

² Effective for annual periods beginning on or after a date to be determined.

³ Effective for annual periods beginning on or after 1 January 2024.

The directors anticipate that the application of all the new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements of Hong Kong Limited include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and by the Hong Kong Companies Ordinance.

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within HKFRS 2 *Share-based Payment*, leasing transactions that are accounted for in accordance with HKFRS 16 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 *Inventories* or value in use in HKAS 36 *Impairment of Assets*.

For financial instruments which are transacted at fair value and a valuation technique that unobservable inputs are to be used to measure fair value in subsequent periods, the valuation technique is calibrated so that at initial recognition the results of the valuation technique equals the transaction price.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

4. SEGMENT INFORMATION

Information reported to the chief operating decision maker (“CODM”) for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided.

For commodities trading business operation, the information reported to the CODM is further categorised into different major type of products, each of which is considered as a separate operating segment by the CODM. Accordingly, daily cleaning, anti-epidemic and other consumable products is separately considered as a reporting segment by the CODM. No operating segments have been aggregated in arriving at the reportable segments of the Group. In addition, licensed branded watches is separately considered as a reporting segment by the CODM during the year.

The Group organised into four operating divisions: commodities trading business, daily cleaning, anti-epidemic and other consumable products business, licensed branded watches and e-smart digital services. These divisions are the basis on which the Group reports its segment information.

The four operating and reportable segments under HKFRS 8 are as follows:

Commodities trading business	Provision of agency services and commodities trading in the PRC, Hong Kong and overseas
Daily cleaning, anti-epidemic and other consumable products business	Engaged in the sales, marketing and brand building of daily cleaning, anti-epidemic and other consumable products in the PRC and overseas
Licensed branded watches business	Engaged in the trading and online sales via television network and online shopping channels of the licensed branded watches in the PRC and overseas
E-smart digital services	Provision of e-smart digital services in the PRC

Revenue represents the aggregate of the amounts received and receivable from third parties, income from commodities trading business, sales of daily cleaning, anti-epidemic and other consumable products, licensed branded watches and esmart digital services. Revenue recognised during the years are as following:

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Disaggregation of revenue from contracts with customers		
Recognised at a point in time		
Commodities sales	223,759	111,152
Sales of daily cleaning, anti-epidemic and other consumable products	8,191	41,448
Sale of licensed branded watches	6,890	–
Total revenue from contracts with customers	238,840	152,600

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable segment:

2023

Continuing operations

	Commodities trading business <i>HK\$'000</i>	Daily cleaning, anti-epidemic and other consumable products business <i>HK\$'000</i>	Licensed branded watches <i>HK\$'000</i>	Esmart digital services <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Turnover					
Turnover from external customers	<u>223,759</u>	<u>8,191</u>	<u>6,890</u>	<u>-</u>	<u>238,840</u>
Result					
Segment loss	<u>(2,877)</u>	<u>(2,337)</u>	<u>(4,050)</u>	<u>(439)</u>	<u>(9,703)</u>
Unallocated other income					1,443
Unallocated corporate expenses					(13,984)
Equity-settled share-based payment					(697)
Finance costs					<u>(2,262)</u>
Loss before tax					(25,203)
Taxation					<u>(33)</u>
Loss for the year					<u>(25,236)</u>

2022

Continuing Operations

	Commodities trading business <i>HK\$'000</i>	Daily cleaning, anti-epidemic and other consumable products business <i>HK\$'000</i>	Esmart digital services <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Turnover				
Turnover from external customers	<u>111,152</u>	<u>41,448</u>	<u>–</u>	<u>152,600</u>
Result				
Segment (loss)/profit	<u>(11,837)</u>	<u>54</u>	<u>(7,476)</u>	(19,259)
Unallocated other income				1,469
Unallocated corporate expenses				(11,952)
Equity-settled share-based payment				(12,684)
Finance costs				<u>(2,489)</u>
Loss before tax				(44,915)
Taxation				<u>(1,645)</u>
Loss for the year				<u>(46,560)</u>

Turnover reported above represents revenue generated from external customers. There were no inter-segment sales during the years ended 31 March 2023 and 2022.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in the note to the consolidated financial statements. Segment results represent the profit or loss from each segment without allocation of certain other income, equity-settled share-based payment, corporate expenses, finance costs and taxation. This is the measure reported to the CODM for the purposes of resource allocation and assessment of segment performance.

Segment assets and liabilities

	Commodities trading business <i>HK\$'000</i>	Daily cleaning, anti-epidemic and other consumable products business <i>HK\$'000</i>	Licensed branded watches <i>HK\$'000</i>	Esmart digital services <i>HK\$'000</i>	Total <i>HK\$'000</i>
31 March 2023					
Segment assets	<u>25,513</u>	<u>21,245</u>	<u>2,457</u>	<u>5,438</u>	<u>54,653</u>
Segment liabilities	<u>985</u>	<u>3,343</u>	<u>2,855</u>	<u>9,397</u>	<u>16,580</u>
	Commodities trading business <i>HK\$'000</i>	Daily cleaning, anti-epidemic and other consumable products business <i>HK\$'000</i>	Esmart digital services <i>HK\$'000</i>	Total <i>HK\$'000</i>	
31 March 2022					
Segment assets	<u>38,143</u>	<u>26,802</u>	<u>6,948</u>	<u>71,893</u>	
Segment liabilities	<u>5,172</u>	<u>5,415</u>	<u>10,475</u>	<u>21,062</u>	

Reconciliation of reportable segment assets and liabilities:

	2023	2022
	HK\$'000	HK\$'000
Assets		
Total assets of reportable segments	54,653	71,893
Unallocated and other corporate assets:		
Property, plant and equipment	1,284	1,648
Right-of-use assets	350	1,399
Deposits, prepayments and other receivables	21,368	23,801
Cash and cash equivalents	495	2,603
	<hr/>	<hr/>
Consolidated total assets	78,150	101,344
	<hr/> <hr/>	<hr/> <hr/>
Liabilities		
Total liabilities of reportable segments	16,580	21,062
Unallocated and other corporate liabilities:		
Accrued liabilities and other payables	8,944	9,164
Lease liabilities	505	1,909
Amounts due to shareholders	17,883	16,973
Amounts due to non-controlling interests	8,626	8,851
	<hr/>	<hr/>
Consolidated total liabilities	52,538	57,959
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For the purpose of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable segments other than unallocated corporate assets (mainly comprising certain property, plant and equipment, certain right-of-use assets, certain deposits, prepayments and other receivables and certain cash and cash equivalents); and
- all liabilities are allocated to reportable segments other than unallocated corporate liabilities (mainly comprising certain accrued liabilities and other payables, certain lease liabilities, amounts due to shareholders and amounts due to non-controlling interests).

Other segment information

For the year ended 31 March 2023

Continuing operations

	Commodities trading business <i>HK\$'000</i>	Daily cleaning, anti-epidemic and other consumable products business <i>HK\$'000</i>	Licensed branded watches business <i>HK\$'000</i>	Esmart digital services <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Total <i>HK\$'000</i>
Depreciation of property, plant and equipment	543	34	–	119	393	1,089
Depreciation of right-of-use assets	587	87	18	–	1,049	1,741
Gain on lease termination and modification	(138)	–	–	–	(581)	(719)
Net allowance for expected credit losses on trade and other receivables	(776)	2,069	218	(528)	(541)	442
Impairment loss on property, plant and equipment	–	–	13	–	–	13
Impairment loss on right-of-use assets	–	–	586	–	–	586
Additions to non-current assets*	–	–	13	–	29	42
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

For the year ended 31 March 2022

Continuing operations

	Commodities trading business <i>HK\$'000</i>	Daily cleaning, anti-epidemic and other consumable products business <i>HK\$'000</i>	Esmart digital services <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Total <i>HK\$'000</i>
Depreciation of property, plant and equipment	560	37	453	453	1,503
Depreciation of right-of-use assets	752	85	–	1,050	1,887
Gain from sales and leaseback transaction	(475)	–	–	–	(475)
Gain of disposal of property, plant and equipment	–	–	–	(60)	(60)
Loss on written-off of property, plant and equipment	–	–	154	–	154
Gain on waiver of other payables	(129)	–	–	(135)	(264)
Net allowance for expected credit losses on trade and other receivables	6,539	6,506	5,158	(3,314)	14,889
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

* Additions to non-current assets excluding right-of-use assets, and financial asset at fair value through other comprehensive income.

Geographical information

The Company is domiciled in Hong Kong. The Group's operations are mainly located in the PRC and Hong Kong. The following analysis of the Group's turnover by geographical area is disclosed for the years ended 31 March 2023 and 2022.

Continuing Operations

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
The PRC	234,039	152,515
Overseas	4,801	85
	<u>238,840</u>	<u>152,600</u>

The following is an analysis of the carrying amount of non-current assets (excluding financial asset at fair value through other comprehensive income) analysed by the geographical area in which the assets are located:

Continuing operations

	Carrying amount of non-current assets	
	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
The PRC	331	1,002
Hong Kong	3,907	5,800
Overseas	–	1,196
	<u>4,238</u>	<u>7,998</u>

Information about major customers

For the year ended 31 March 2023, the Group's largest customer (2022: largest six) individually contributed over 10% of total revenue of approximately HK\$223,113,000 (2022: approximately HK\$126,924,000), which represent approximately 93.4% (2022: approximately 83.2%) of total turnover.

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Customer A (<i>Note (i) & (ii)</i>)	–	21,770
Customer B (<i>Note (i) & (ii)</i>)	–	27,036
Customer C (<i>Note (i) & (ii)</i>)	–	22,825
Customer D (<i>Note (i)</i>)	223,113	21,497
Customer E (<i>Note (i) & (ii)</i>)	–	18,269
Customer F (<i>Note (i) & (ii)</i>)	–	15,527
	<u>–</u>	<u>117,924</u>

Notes:

- (i) Revenue generated from commodities trading business.
- (ii) No information on revenue is disclosed for the customers since it did not contribute any or contributed less than 10% to the Group's revenue for the year ended 31 March 2023.

5. OTHER INCOME AND OTHER GAINS/(LOSSES) – NET

	2023	2022
Continuing Operations	HK\$'000	HK\$'000
Other income		
Interest income on:		
Bank deposits	3	26
Other receivables	1,092	1,255
	<u>1,095</u>	<u>1,281</u>
Government grant (<i>Note</i>)	249	–
Sundry income	235	188
	<u>1,579</u>	<u>1,469</u>
Other gains/(losses) – net		
Net exchange (losses)/gains	(157)	1
Gain on waiver of other payables	–	264
COVID-19-related rent concession	–	32
Gain on disposal of property, plant and equipment	3	60
Loss on written-off of property, plant and equipment	–	(154)
Gain on lease termination and modification	719	–
Gain on disposal of subsidiaries	41	–
Gain from sales and leaseback transaction	–	475
Others	95	–
	<u>701</u>	<u>678</u>

Notes:

During the year ended 31 March 2023, the Group recognised government grants of HK\$192,000 under the Employment Support Scheme launched by the Hong Kong Government. The Group also recognised government grants of approximately HK\$57,000. The grant is generally made for business support on promoting economic growth by the PRC government. There are no unfulfilled conditions or contingencies relates to these subsidies.

6. LOSS FROM OPERATING ACTIVITIES

	2023	2022
Continuing Operations	HK\$'000	HK\$'000
The Group's loss from operating activities is arrived at after charging/(crediting):		
Auditors' remuneration*		
– audit services	700	700
Cost of inventory sold	236,973	144,751
Depreciation of property, plant and equipment*	1,089	1,503
Depreciation of right-of-use-assets*	1,741	1,887
Expenses relating to short-term lease*	566	588
Impairment loss on property, plant and equipment	13	–
Impairment loss on right-of-use assets	586	–
Legal and professional fee*	3,847	2,948
Net allowance for expected credit losses (“ECL”)		
– allowance for ECL on trade receivables	3,581	18,597
– allowance for ECL on other receivables	78	21
– reversal of allowance for ECL on trade receivables	(2,671)	(38)
– reversal of allowance for ECL on other receivables	(546)	(3,691)
	<u>442</u>	<u>14,889</u>
Staff costs (including directors' remuneration)		
– wages and salaries*	13,185	12,663
– equity-settled share-based payment	697	12,684
– retirement benefits scheme contributions*	813	350
	<u>14,695</u>	<u>25,697</u>

* Expenses included in the “other operating expenses”

7. FINANCE COSTS

	2023	2022
Continuing Operations	HK\$'000	HK\$'000
Interest on lease liabilities	314	450
Imputed interests on amount due to shareholders	1,659	1,532
Imputed interests on amounts due to non-controlling interests	289	507
	<u>2,262</u>	<u>2,489</u>

8. TAXATION

	2023	2022
Continuing operations	HK\$'000	HK\$'000
Current tax		
– PRC	33	1,645
	<u>33</u>	<u>1,645</u>

No provision for taxation in Hong Kong has been made as the Group's income neither arises in, nor is derived from, Hong Kong for the years ended 31 March 2023 and 2022.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards.

Taxation in other jurisdictions are calculated at the rates prevailing in the respective jurisdictions. No provision in other jurisdictions has been made as the Group had no assessable profit for the years ended 31 March 2023 and 2022.

9. DIVIDENDS

The directors of the Company do not recommend the payment of any dividend in respect of the year ended 31 March 2023 (2022: Nil).

10. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

(a) Basic

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

	2023	2022
Loss for the year attributable to owners of the Company (<i>HK\$'000</i>)		
– From continuing operations	(21,673)	(38,025)
– From discontinued operation	–	(2,815)
	<u>(21,673)</u>	<u>(40,840)</u>
Weighted average number of ordinary shares in issue (<i>'000</i>)	728,685	641,533
Basic and diluted loss per share (HK cents per share)		
– From continuing operations	(3.0)	(5.9)
– From discontinued operation	–	(0.4)
	<u>(3.0)</u>	<u>(6.3)</u>

(b) Diluted

The basic and diluted loss per share are the same for the years ended 31 March 2023 and 2022. The calculation of the diluted loss per share does not assume the exercise of the Company's share options because the exercise price of those share options was higher than the average market price for the shares for the years ended 31 March 2023 and 2022.

11. TRADE RECEIVABLES

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Trade receivables (<i>Note</i>)	33,691	44,851
Less: allowance for ECL	(25,986)	(25,076)
	<u>7,705</u>	<u>19,775</u>

The following is an ageing analysis of trade receivables, based on past due date, at the end of reporting period.

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
0 to 30 days	2,362	1,475
31 to 60 days	169	59
61 to 90 days	61	175
90 to 365 days	218	19,336
Over 365 days	30,881	23,806
	<u>33,691</u>	<u>44,851</u>

Note: According to the credit rating of different customers, the Group allows a range of credit periods within 30 days to its trade customers. Trade receivables are denominated in HK\$ and RMB.

12. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	2023 HK\$'000	2022 HK\$'000
Deposits	912	856
Prepayments	33,032	32,058
Other receivables (<i>Note (i) & (ii)</i>)	<u>103,442</u>	<u>105,760</u>
	137,386	138,674
Less: allowance for ECL on other receivables (<i>Note (iii)</i>)	<u>(76,437)</u>	<u>(76,905)</u>
	<u><u>60,949</u></u>	<u><u>61,769</u></u>

Notes:

As at 31 March 2023, included the other receivables are several significant items as follows:

(i) *Outstanding consideration for sale of minority interest in an associated Company*

Pursuant to the sale and purchase agreement dated 2 June 2015 (as supplemented and amended by two supplemental agreements thereto dated 23 June 2017 and 28 November 2017) (the “**Disposal Agreement**”) between Elife Investment Holdings Limited (formerly known as Sino Rich Energy Holdings Limited) (a wholly-owned subsidiary of the Company) (“**Elife Investment**”) and Jetgo Group Limited (“**Jetgo**”), Elife Investment agreed to dispose of 10.5% of the issued share capital of an associated company to Jetgo at the consideration of HK\$150,000,000. The first and second instalments of the consideration of approximately HK\$75,304,000 were settled in accordance with the schedule.

In relation to the third instalment of the consideration of approximately HK\$74,696,000 due on 31 December 2018, Jetgo settled HK\$200,000 in June 2018 and approximately HK\$74,496,000 has remained outstanding as at 31 March 2023 and 2022.

The Group will seek legal advice for the repayment action plan if necessary. As at 31 March 2023 and 2022, a full provision was made.

(ii) *Loan to Graceful Ocean International Group Holding Limited (“Graceful Ocean”)*

On 11 September 2014, Sino Talent Holdings Limited (“**Sino Talent**”), a wholly-owned subsidiary of the Company, as lender, entered into a loan agreement (the “Loan Agreement”) with Graceful Ocean, as borrower and Mr. Ma Haike (“**Mr. Ma**”) as first guarantor whereby Sino Talent agreed to advance to Graceful Ocean a term loan in the principal amount of HK\$18 million (the “**Loan**”) with interest accrued at the rate of 13% per annum. The parties entered into five supplemental agreements to the Loan Agreement between April 2015 and June 2018 to, among other things, postpone the maturity date of the Loan to 31 March 2019. On 24 June 2019, the parties and Mr. Gao Feng (“**Mr. Gao**”), an executive director and the vice-chairman of the Board, entered into the sixth supplemental agreement to the Loan Agreement with the interest rate of 10% per annum, to further postpone the maturity date of the Loan to 31 March 2020. Meanwhile, as an additional security of the repayment obligations of the borrower under the Loan Agreement (as supplemented by the six supplemental agreements), Mr. Gao, entered into a second guarantee contract (“**Mr. Gao’s Second Guarantee**”) with Sino Talent and Graceful Ocean whereby Mr. Gao agreed to act as the second guarantor and in the event and only when Mr. Ma failed to or refused to fulfill its guarantee obligations as the first guarantor, guarantee the due performance of Graceful Ocean in respect of its repayment obligations under the Loan Agreement (as supplemented by the six supplemental agreements). On 12 June 2020, the Seventh supplemental agreement entered into the parties to further postpone the maturity date of the Loan to 31 March 2021. On 23 April 2021, Mr. Gao entered into a repayment agreement with Sino Talent to take up responsibilities to repay the outstanding balances according to the repayment schedule on behalf of Graceful Ocean when Mr. Ma failed to settle of the Loan. The repayment schedule has been agreed and due on 31 December 2022. The interest rate was changed to 5% per annum.

On 17 January 2023, Mr. Gao entered into an amendment agreement to the repayment agreement with Sino Talent to extend Mr. Gao’s payment schedule in respect of the outstanding balance of the Loan. The repayment schedule has been agreed and due on 31 December 2023. The interest rate is remained 5% per annum.

As at 31 March 2023, the total outstanding amount of the Loan and the interest accrued thereon was approximately HK\$21,936,000 (2022: approximately HK\$24,655,000) and included in other receivables. The loan was repaid in the amounts of approximately HK\$3,811,000 (2022: approximately HK\$3,982,000) during the year ended 31 March 2023 and approximately HK\$300,000 (2022: approximately HK\$200,000) subsequent to year ended 31 March 2023 and up to date of this announcement.

(iii) In respect of the sales consideration in Note (i), on 28 November 2018, 2 January 2019 and 25 April 2019, the Group (either by itself or through its legal advisers) issued demand letters to Jetgo while the management of both parties continued to discuss the means to settle the outstanding amount. The Company sought legal advices from two separate Hong Kong law firms on the viability and pros and cons of taking legal action against Jetgo on its failure to make the repayment in accordance with the Disposal Agreement. The Company will further instruct professionals to assess the assets and financial conditions of Jetgo, its associated companies and the sole shareholder of Jetgo in Hong Kong and elsewhere and will then decide whether or not to take legal action against Jetgo or explore other options including but not limited to disposal of the outstanding amount.

Due to the expected possibility of repayment from Jetgo in short period of time is very low and its ECL was assessed at a very high level by an independent firm of professional valuers, after thorough consideration, the Board decided to make a full provision of allowance for ECLs on the respective receivables during the year ended 31 March 2019.

Regarding the loan balance in Note (ii), the ECLs are relatively low as supported by the repayment schedules and the personal guarantees, the provision allowance for ECL on other receivables is approximately HK\$1,762,000 as at 31 March 2023 (2022: HK\$2,302,000).

13. TRADE PAYABLES

The following is an ageing analysis of trade payables, based on the invoice date, at the end of the reporting period.

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
0 to 30 days	228	1
31 to 60 days	77	2
61 to 90 days	103	–
91 to 180 days	460	49
Over 180 days	<u>1,450</u>	<u>209</u>
	<u>2,318</u>	<u>261</u>

The average credit period on purchases of certain goods is 30 days. The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

14. ACCRUED LIABILITIES AND OTHER PAYABLES

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Accrued liabilities	7,151	7,016
Other payables	<u>12,988</u>	<u>17,709</u>
	<u>20,139</u>	<u>24,725</u>

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is principally engaged in commodities trading, sales, marketing and brand building of anti-epidemic, daily cleaning products and licensed branded watches businesses. It has also been expanding its businesses into the consumer products market including but not limited to health food and supplements, functional food and food additives in the PRC conforming to the Group’s business principle and mission of delivering “an easier life, greater health and better livelihood” (易生活，大健康，惠民生).

The Group has been managing the following businesses:

COMMODITIES TRADING BUSINESS

During the year ended 31 March 2023, the Group continued to focus on sourcing domestic quality products as well as metals commodities for sale to retail channels or lower-tier agents in the PRC.

DAILY CLEANING AND ANTI-EPIDEMIC PRODUCTS BUSINESS

On 31 July 2020, the Company and Mr. Zhu Qian (“**Mr. Zhu**”) entered into the cooperation agreement to establish a joint venture group which possesses the brand “易安生”/“E’ANSN” and the supply chain including the formula, brand and package design of the anti-epidemic and daily cleaning products and is principally engaged in the sale, marketing and brand building of such products in the PRC and overseas.

LICENSED BRANDED WATCHES BUSINESS

Shenzhen Aishang e-buy Technology Co., Ltd (“**Aishang e-buy**”), a wholly-owned subsidiary of the Company and the principal operating subsidiary of the licensed branded watches business, has established a presence on television shopping channels throughout the nation since re-organizing its team in April 2022. Currently Aishang e-buy has commenced cooperation with several television networks in Beijing, Jiangxi, Hangzhou, Shandong and Guangxi, three of which are nationwide. Moreover, it has completed its registration on TikTok, an online live-streaming platform, and has preliminarily setup a brand website as well as a WeChat Mini Shop, enabling Aishang e-buy to receive customer flow from live-streaming once TikTok approved the transaction of watches.

Aishang e-buy is exploring and developing new product lines such as ladies handbag, mini tote bag, sport and casual shoes, etc.

As China’s economy has gradually resumed to normal since February 2023, we foresee that Aishang e-buy will be able to elaborate with more television networks and online platforms for its existing watches business and other different fashion products.

RESULTS ANALYSIS

Revenue

For the year ended 31 March 2023, the Group recorded a turnover of approximately HK\$238,840,000 from continuing operations (2022: approximately HK\$152,600,000), representing an increase of 56.5%. The revenue was generated from the commodities trading business segment and the daily cleaning, anti-epidemic and other consumable products segment and licensed branded watches segment.

The increase in revenue during the year was primarily due to an increase in the commodities trading business with a turnover of approximately HK\$223,759,000 (2022: approximately HK\$111,152,000) as a result of more resources being put by the Group to boost the sales of copper rod. The revenue from daily cleaning, anti-epidemic and other consumable products business decreased to approximately HK\$8,191,000 for the year (2022: approximately HK\$41,448,000) due to the stringent pandemic control measures in the PRC. The lockdowns in Shanghai and other major cities in Jiangsu Province led to the temporary shutdown of the factories operated by our suppliers as well as trade barriers on the export sales of our trading customers. The licensed branded watches business has started generating revenue during the year and contributed a turnover of approximately HK\$6,890,000 (2022: Nil) to the Group.

More details of the Company's performance by business segments are set out in Note 4 to the consolidated financial statements as set out in this announcement.

Cost of Sales

For the year ended 31 March 2023, the cost of sales of the Group amounted to approximately HK\$236,973,000 (2022: approximately HK\$144,751,000), representing an increase of approximately 63.7% which was generally in line with the increased revenue from commodities trading business segment and licensed branded watches business segment offset by the decreased revenue from daily cleaning, anti-epidemic and other consumable products segment.

Gross Profit and Gross Profit Margin

The Group's gross profit for the year ended 31 March 2023 was approximately HK\$1,867,000 (2022: approximately HK\$7,849,000) representing a decrease of approximately HK\$5,982,000. For the year ended 31 March 2023, the overall gross profit margin has dropped to approximately 0.8% (2022: approximately 5.1%) mainly due to the reduced margin in daily cleaning, anti-epidemic and other consumable segment. The gross profit margin in daily cleaning, anti-epidemic and other consumable segment has dropped to approximately 5.0% (2022: approximately 18.6%) as a result of decreased sales to export trading customers which is of generally higher margin.

Selling Expenses

During the year ended 31 March 2023, the Group recorded selling expenses of approximately HK\$1,898,000 (2022: approximately HK\$832,000). The increase was mainly due to the launch of licensed branded watches business during the year, thus more marketing resources were put into the promotion and advertisement of our new products in different channels.

Other Operating Expenses

Other operating expenses incurred by the Group for the year decreased by approximately 2.3% to approximately HK\$23,452,000 (2022: approximately HK\$24,017,000). Other operating expenses incurred for the year represented approximately 9.8% (2022: approximately 15.7%) of the Group's total revenue. The Group has implemented stringent cost control policy to lower the operating costs and streamline the workforce for cost savings during the year.

Equity-settled Share-based Payment

Equity-settled share-based payment incurred by the Group for the year decreased significantly to approximately HK\$697,000 (2022: approximately HK\$12,684,000) due to the vesting of issued awarded shares in past year and the fact that no new share award or share options were granted during the year.

Net Allowance for Expected Credit Losses on Trade and Other Receivables

The Group performs impairment assessment on its trade and other receivables under expected credit loss (“ECL”) model in accordance with HKFRS 9. The amount of ECL is updated at each year end to reflect any changes in credit risk. Net impairment losses has been recognised during the year in respect of trade and other receivables of approximately HK\$442,000 (2022: approximately HK\$14,889,000) which are non-cash items.

Impairment Loss on Property, Plant and Equipment and Right-of-use Assets

The Group performs impairment assessment on the carrying amounts of its property, plant and equipment and right-of-use assets at the end of each reporting period. During the year ended 31 March 2023, the Group recognized impairment loss of approximately HK\$13,000 and HK\$586,000 on property, plant and equipment and right-of-use assets respectively (2022: Nil) in the consolidated statement of profit or loss and other comprehensive income which are also non-cash items.

Finance Costs

The finance costs incurred by the Group for the year ended 31 March 2023 was approximately HK\$2,262,000 (2022: approximately HK\$2,489,000), representing a decrease of approximately 9.1%. The decrease was mainly due to a lower imputed interest on amounts due to non-controlling interests; and a reduced interest expenses on lease liabilities due to the approaching of the end of lease term over time.

Loss for the Year Attributable to Owners of the Company

For the year ended 31 March 2023, the Group recorded a loss attributable to owners of approximately HK\$21,673,000 (2022: approximately HK\$40,840,000), representing a decrease of approximately 47.0%. Basic and diluted loss per share of the Company from continuing operations were approximately HK3.0 cents (2022: approximately HK5.9 cents) for the year ended 31 March 2023. The decrease was primarily attributable to the reduced equity-settled share-based payment to approximately HK\$697,000 (2022: approximately HK\$12,684,000) and the reduced net impairment losses recognised in respect of trade and other receivables to approximately HK\$442,000 (2022: approximately HK\$14,889,000) for the year. In addition, the Group no longer shared losses from the discontinued operation for the year (2022: approximately HK\$2,815,000).

FINANCIAL REVIEW

Liquidity, Financial Resources and Capital Structure

The Group derived its working capital mainly from financing activities.

For the year ended 31 March 2023, the Group had net cash used in operating activities of approximately HK\$14,489,000 (2022: approximately HK\$14,733,000), net cash used from investing activities of approximately HK\$41,000 (2022: net cash generated of approximately HK\$5,851,000) and net cash generated from financing activities of approximately HK\$8,018,000 (2022: approximately HK\$5,066,000). As at 31 March 2023, the Group had available cash and cash balances of approximately HK\$2,283,000 (2022: approximately HK\$10,807,000).

As at 31 March 2023, surplus on shareholders' funds of the Group in aggregate amounted to approximately HK\$25,612,000 (2022: approximately HK\$43,385,000). Net current assets of the Group amounted to approximately HK\$34,715,000 (2022: approximately HK\$36,563,000). The Group's total current assets and current liabilities were approximately HK\$73,638,000 (2022: approximately HK\$92,863,000) and HK\$38,923,000 (2022: approximately HK\$56,300,000) respectively, while the current ratio was approximately 1.9 times (2022: approximately 1.6 times). The Group's assets-liabilities ratio (total liabilities to total assets) was approximately 0.7 times (2022: approximately 0.6 times).

As at 31 March 2023, the Group's gearing ratio (total debts to total equity) was approximately 109.0% (2022: approximately 68.7%).

Capital Structure

Placing of new shares under general mandate announced on 17 May 2022 (the “May 2022 Placing”)

On 17 May 2022, the Company entered into a placing agreement with DL Securities (HK) Limited (the “**Placing Agent**”) whereby the Placing Agent conditionally agreed to place on a best effort basis up to 132,985,742 new shares to not less than six placees at the placing price of HK\$0.103 per placing share. The placing shares shall be allotted and issued pursuant to the general mandate granted to the Directors at the annual general meeting held on 23 September 2021. On 15 July 2022, the Placing Agent successfully placed 74,160,000 shares and the entire net proceeds of approximately HK\$7,300,000 (after deducting the placing commission, professional fees and all related expenses) was used for working capital and developing the Group’s businesses.

For details of the May 2022 Placing, please refer to the announcements dated 17 May 2022, 14 June 2022, 22 June 2022, 28 June 2022 and 15 July 2022 (collectively, the “**May 2022 Placing Announcements**”).

Placing of new shares under general mandate announced on 12 December 2022 (the “December 2022 Placing”)

On 12 December 2022, the Company entered into another placing agreement with the Placing Agent, pursuant to which the Placing Agent conditionally agreed to place on a best effort basis up to 150,537,742 new shares to no less than six placees at the placing price of HK\$0.135 per placing share. The placing shares shall be allotted and issued pursuant to the general mandate granted to the Directors at the annual general meeting held on 29 September 2022.

On 27 June 2023, the Placing Agent successfully placed 150,520,000 placing shares at the placing price of HK\$0.103 (after the adjustment of placing price in the eight supplemental agreement to the placing agreement) and the entire net proceeds from the December 2022 Placing of approximately HK\$14,578,000 (after deducting the placing commission, professional fees and all related expenses) will be used for working capital and developing the Group’s businesses.

For details of the December 2022 Placing, please refer to the announcements dated 12 December 2022, 5 January 2023, 20 January 2023, 16 February 2023, 10 March 2023, 31 March 2023, 21 April 2023, 12 May 2023, 2 June 2023, 23 June 2023 and 27 June 2023 (collectively, the “**December 2022 Placing Announcements**”).

Use of Net Proceeds from the Placings

The May 2022 Placing was completed on 15 July 2022 with net proceeds received by the Company in the amount of approximately HK\$7,300,000 after deducting the placing commission and related expenses. The net proceeds from the May 2022 Placing were fully utilized up to 31 March 2023. Further, the December 2022 Placing was completed on 27 June 2023 with net proceeds received by the Company in the amount of approximately HK\$14,578,000 after deducting the placing commission and related expenses. The net proceeds from the December 2022 Placing are intended to be used as to HK\$8,000,000 for replenishing the working capital of the Group and as to HK\$6,578,000 for developing the Group's business. For details, please refer to the May 2022 Placing Announcements and the December 2022 Placing Announcements.

Capital Expenditures and Capital Commitments

During the year ended 31 March 2023, the capital expenditures mainly comprised property, plant and equipment which was approximately HK\$42,000 (2022: Nil). These capital expenditures were funded by internal cash flow from operating activities.

As at 31 March 2023, the Group had capital commitments of approximately HK\$174,339,000 (2022: approximately HK\$188,568,000) in respect of the authorised and contracted capital contributions payable to subsidiaries.

Exposure to Fluctuations in Exchange Rates and Related Hedges

The Group operates mainly in China and Hong Kong and a majority of transactions conducted by the Group are denominated in Hong Kong dollars (“**HK\$**”) and Renminbi (“**RMB**”). The Group is exposed to limited foreign exchange risk as most of the commercial transactions, assets and liabilities are denominated in a currency same as the functional currency of each entity of the Group. Therefore, the Group will only be exposed to foreign exchange risk arising from the assets and liabilities which are denominated in currencies other than the functional currency of the entity to which it is related. The conversion of RMB into foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the PRC government.

The Group currently does not have a foreign currency hedging policy in respect of foreign currency assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise. The Group does not have significant exposure to foreign currency risk.

Key Risk Factors and Uncertainties

The Group monitors the development of the industry on a regular basis and timely assesses different types of risks in order to formulate proper strategies to minimise the adverse impact on the Group.

For details, please refer to Note 5 “Financial Instruments” to the consolidated financial statements in the Company's annual report for the year ended 31 March 2023.

Pledge of Assets of the Group

There was no pledge of assets of the Group as at 31 March 2023 (2022: Nil).

Contingent Liabilities

The Group did not have any material contingent liabilities as at 31 March 2023.

Dividend

The Board did not recommend any payment of final dividend to the shareholders for the year ended 31 March 2023 (2022: Nil).

OTHER EVENTS

Employees and Remuneration Policy

As at 31 March 2023, the Group had a total of 44 employees (2022: 45 employees) in Hong Kong and the PRC. All employees are remunerated according to their performance, experience and the prevailing industry practices.

The Group also participates in retirement benefit scheme for its staff in Hong Kong and the PRC.

The Group adopted a share option scheme and a share award scheme for eligible participants including Directors, employees and other parties. Details of the schemes will be set out in Note 33 to the consolidated financial statements in the Company's annual report for the year ended 31 March 2023.

Continuing Connected Transactions

On 9 November 2020, Smart Challenger Global Limited (“**Smart Challenger**”), an indirect non wholly-owned subsidiary of the Company, entered into the procurement framework agreement with Yangzhou Yiyuantang Commodity Co., Ltd. (“**Yangzhou Yuanda**”) whereby Smart Challenger or its subsidiaries would procure and Yangzhou Yuanda would supply daily cleaning and anti-epidemic products for a term of two years and four months from 1 September 2020 to 31 December 2022 (both days inclusive) (the “**2020 Procurement Framework Agreement**”). As Mr. Zhu controls more than 30% of the voting power in general meetings of Yangzhou Yuanda, and Mr. Zhu was also a substantial shareholder of Century Smart Group Limited (“**Century Smart**”) and Smart Challenger, both of which are non wholly-owned subsidiaries of the Company, Mr. Zhu was, therefore, a connected person of the Company. The transactions contemplated under the Procurement Framework Agreement constitute continuing connected transactions of the Company under the Listing Rules.

As the 2020 Procurement Framework Agreement expired on 31 December 2022 and the Group intends to continue carrying out the existing transactions under the 2020 Procurement Framework Agreement in the ordinary and usual course of business of the Group, Smart Challenger, Yangzhou Yuanda and Mr. Zhu entered into a renewal agreement on 9 January 2023, for a term of three years from 1 January 2023 to 31 December 2025 (the “**2023 Procurement Framework Agreement**”). The annual caps for the transactions as contemplated under the 2023 Procurement Framework Agreement for the three years ending 31 December 2023, 31 December 2024 and 31 December 2025 are RMB15,000,000, RMB20,000,000 and RMB25,000,000 respectively.

Our independent non-executive Directors had reviewed the terms and conditions of the 2020 Procurement Framework Agreement and the 2023 Procurement Framework Agreement during the year, and considered that both of the said agreements and the transactions contemplated therein were in the ordinary and usual course of business of the Group, on normal commercial terms and are fair and reasonable and in the interests of the Company and its shareholders as a whole.

Material Acquisition And Disposal

The Group did not have any material acquisition and disposal for the year ended 31 March 2023.

Material Related Party Transactions

Details of material related party transactions of the Group as at 31 March 2023 will be set out in Note 38 to the consolidated financial statements in the Company’s annual report for the year ended 31 March 2023.

Significant Investment

The Group did not hold any significant investment for the year ended 31 March 2023.

Environmental Policies And Performance

For further information about the environmental policies and performance of the Company for this financial year, please refer to the Environmental, Social and Governance Report to be released in due course.

EVENTS AFTER THE REPORTING PERIOD

On 15 May 2023, the Company entered into a strategic cooperation framework agreement with Guangzhou Htrip Info Tech Inc. (“**Guangzhou Htrip**”) to initiate an in-depth cooperation in the areas of brand marketing digitization, brand communication and advertising businesses as well as supply chain business in the cultural and business travel industry and Non-Fungible Rights systematization of member rights. The Company and Guangzhou Htrip will collaborate to lay out the contextual marketing of hotels, selling products in all of Guangzhou Htrip offline hotel contexts, broadcast video advertisements of products and direct business interactively, market products through multiple channels online and offline, and enhance user experience.

Details of the strategic cooperation framework agreement were disclosed in the announcement of the Company dated 15 May 2023.

FUTURE PROSPECT

Adhering to our principle of delivering quality products and services to the consumer market, we will be continuously focusing on the best long-term opportunities across the region to create synergy with our Group and meet the evolving expectations of our shareholders. The Company has entered into the aforesaid strategic cooperation framework agreement with Guangzhou Htrip, an integrated technology group in hotel and travel industry. Guangzhou Htrip was established in 2016 with its core business in hotel digital intelligence upgrade, integrated marketing application, business travel services, cultural travel digital integration, corporate business travel investment integration, and international business travel services. Up to now, Guangzhou Htrip has signed service contracts with 59 of the top 100 hotel chains in the PRC, serving more than 190 mid- to high-end hotel brands involving 2.44 million rooms, with a market share of 40% in mid- to high-end segment and reaching almost 500 million users nationwide, making it a leading service provider in the hotel and travel industry in the PRC and the largest offline new retail platform in terms of business travel. In view of high business compatibility between the Group and Guangzhou Htrip, we will make full use of our respective resource advantage to perform in-depth exploration and pursue innovative practice in various business segments such as brand digitization in cultural and business travel industry, brand communication and advertising, and the supply chain business in cultural and business travel industry, with an aim to achieving joint development and an all-win harmony and enabling broader cooperation.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

The Company or any of its subsidiaries had not purchased, redeemed or sold any of the Company's listed securities during the year.

AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”) comprises three independent non-executive Directors, chaired by Mr. Lam Williamson and the other two members are Mr. Cheng Wing Keung, Raymond and Mr. Wong Hoi Kuen. The Audit Committee has reviewed and discussed with the Company's management regarding the annual results of the Group for the year ended 31 March 2023.

Scope of work of HLB Hodgson Impey Cheng Limited

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, and the related notes thereto for the year ended 31 March 2023 as set out in this announcement have been agreed by the Group's auditors, HLB Hodgson Impey Cheng Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by HLB Hodgson Impey Cheng Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by HLB Hodgson Impey Cheng Limited on this announcement.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company applied the principles and complied with the code provisions in Part 2 – Principles of Good Corporate Governance, Code Provisions and Recommended Best Practices of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules for the year ended 31 March 2023.

ANNUAL GENERAL MEETING

The annual general meeting (the "AGM") of the Company will be held after despatch of the annual report. The notice of the AGM will be published and despatched to the shareholders in due course.

PUBLICATION OF ANNUAL REPORT

The Company's annual report for the year ended 31 March 2023 containing all information required by Appendix 16 to the Listing Rules will be published on the website of the Stock Exchange at <http://www.hkexnews.hk> and the Company's appointed website at <http://www.capitalfp.com.hk/eng/index.jsp?co=223>, and will be despatched to the shareholders in due course.

By Order of the Board
Elife Holdings Limited
Zhang Xiaobin
Chairman

Hong Kong, 29 June 2023

As at the date of this announcement, the executive Directors are Mr. Zhang Xiaobin, Mr. Gao Feng and Mr. Chiu Sui Keung, and the independent non-executive Directors are Mr. Cheng Wing Keung Raymond, Mr. Lam Williamson, Mr. Wong Hoi Kuen and Dr. Lam Lee G.