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ALLAN INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 684)

INTERIM RESULTS 2023/2024

RESULTS

The board of directors of Allan International Holdings Limited (the “**Company**”) announces the unaudited condensed consolidated results of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 September 2023 together with the comparative figures for the six months ended 30 September 2022, as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

		Six months ended	
		30 September	
		2023	2022
	<i>NOTES</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
		(Unaudited)	(Unaudited)
Revenue	3	276,401	246,388
Cost of sales		(255,130)	(232,072)
Gross profit		21,271	14,316
Other income	4	20,477	16,754
Other gains and losses		166	5,504
Selling and distribution expenses		(6,795)	(10,492)
Administrative expenses		(38,438)	(46,252)
(Loss) gain on fair value changes of investment properties		(15,660)	1,517
(Impairment loss) reversal of impairment loss under expected credit model, net		(138)	55
Impairment loss on property, plant and equipment	9	–	(24,879)
Finance costs on bank loan		(360)	(148)
Loss before tax		(19,477)	(43,625)
Income tax expense	5	(1,354)	(1,855)
Loss for the period	6	(20,831)	(45,480)

	Six months ended	
	30 September	
	2023	2022
<i>NOTE</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Other comprehensive expense:		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences arising on translation of foreign operations	(19,635)	(39,573)
Net fair value loss on debt instruments measured at fair value through other comprehensive income	(13)	(83)
Reclassification of investment revaluation reserve upon disposal of debt instruments measured at fair value through other comprehensive income	–	(64)
Other comprehensive expense for the period	(19,648)	(39,720)
Total comprehensive expense for the period	(40,479)	(85,200)
Loss per share		
Basic	<i>6</i>	
	<u>HK(6.25) cents</u>	<u>HK(13.65) cents</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 30 SEPTEMBER 2023

		30 September	31 March
		2023	2023
	<i>NOTES</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
		(Unaudited)	(Audited)
Non-current assets			
Investment properties	8	481,140	512,990
Property, plant and equipment	9	4,589	6,583
Right-of-use assets		3,673	3,765
Club debentures		10,343	10,343
Debt instruments at fair value through other comprehensive income (“FVTOCI”)		3,761	7,662
		<u>503,506</u>	<u>541,343</u>
Current assets			
Inventories		46,007	41,066
Trade receivables	10	153,818	72,968
Other receivables		21,185	23,117
Mould deposits paid		5,031	5,869
Financial assets at fair value through profit or loss (“FVTPL”)		1,493	7,349
Debt instruments at FVTOCI		5,417	1,529
Tax recoverable		478	1,381
Short-term deposits		339,065	367,684
Bank balances and cash		170,022	186,575
		<u>742,516</u>	<u>707,538</u>
Current liabilities			
Trade payables	11	91,400	51,240
Other payables and accruals		76,331	76,425
Mould deposits received		27,782	28,784
Tax liabilities		33,679	32,460
Secured bank loan		5,124	5,124
		<u>234,316</u>	<u>194,033</u>
Net current assets		<u>508,200</u>	<u>513,505</u>
Total assets less current liabilities		<u>1,011,706</u>	<u>1,054,848</u>

		30 September	31 March
		2023	2023
	<i>NOTE</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
		(Unaudited)	(Audited)
Non-current liabilities			
Deferred tax liabilities		36,743	36,844
Secured bank loan		8,103	10,665
		<u>44,846</u>	<u>47,509</u>
Net assets		<u>966,860</u>	<u>1,007,339</u>
Capital and reserves			
Share capital	<i>12</i>	33,305	33,305
Reserves		933,555	974,034
		<u>966,860</u>	<u>1,007,339</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 (“**HKAS 34**”) “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis, except for certain investment properties and financial instruments, which are measured at fair values, as appropriate.

Other than additional accounting policies resulting from application of new and amendments to Hong Kong Financial Reporting Standards (“**HKFRSs**”), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2023 are the same as those presented in the Group’s annual financial statements for the year ended 31 March 2023.

Application of new and amendments to HKFRSs

In the current interim period, the Group has applied the following new and amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatorily effective for the annual period beginning on 1 April 2023 for the preparation of the Group’s condensed consolidated financial statements:

HKFRS 17 (including the October 2020 and February 2022 Amendments to HKFRS 17)	Insurance Contracts
Amendments to HKAS 8	Definition of Accounting Estimates
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to HKAS 12	International Tax Reform-Pillar Two Model Rules

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

3. REVENUE AND SEGMENT INFORMATION

The principal activities of the Group are manufacturing and trading of household electrical appliance. Revenue of the Group is sales of household electrical appliance.

As at 30 September 2023, all received purchase orders are expected to be completed within 1 year.

Information reported to the Company's executive directors, the chief operating decision maker ("CODM"), for the purposes of resource allocation and assessment of segment performance focuses on geographical regions.

The Group is currently organised into four operating divisions – Europe sales, America sales, Asia sales and other regions sales. The information reported to the Group's CODM for the purposes of resource allocation and assessment of performance is based on these operating divisions. During the six months ended 30 September 2023, the Group had no material change in segment assets and segment liabilities.

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

Six months ended 30 September 2023

	Europe HK\$'000 (Unaudited)	America HK\$'000 (Unaudited)	Asia HK\$'000 (Unaudited)	Other regions HK\$'000 (Unaudited)	Consolidated HK\$'000 (Unaudited)
Segment revenue (<i>Note a</i>)	<u>71,101</u>	<u>179,530</u>	<u>21,991</u>	<u>3,779</u>	<u>276,401</u>
Segment loss	<u>(4,080)</u>	<u>(10,302)</u>	<u>(1,261)</u>	<u>(217)</u>	<u>(15,860)</u>
Other gains and losses (except net foreign exchange loss)					283
Depreciation					(1,258)
Loss on fair value changes of investment properties					(15,660)
Finance costs on secured bank loan					(360)
Unallocated income and expenses, net (<i>Note b</i>)					<u>13,378</u>
Loss before tax					<u>(19,477)</u>

Six months ended 30 September 2022

	Europe <i>HK\$'000</i> (Unaudited)	America <i>HK\$'000</i> (Unaudited)	Asia <i>HK\$'000</i> (Unaudited)	Other regions <i>HK\$'000</i> (Unaudited)	Consolidated <i>HK\$'000</i> (Unaudited)
Segment revenue (<i>Note a</i>)	<u>48,329</u>	<u>161,728</u>	<u>31,563</u>	<u>4,768</u>	<u>246,388</u>
Segment loss	<u>(3,735)</u>	<u>(12,500)</u>	<u>(2,439)</u>	<u>(369)</u>	(19,043)
Other gains and losses (except net foreign exchange gain)					(1,162)
Depreciation (except moulds)					(5,926)
Gain on fair value changes of investment properties					1,517
Finance costs on secured bank loan					(148)
Impairment loss on property, plant and equipment					(24,879)
Unallocated income and expenses, net (<i>Note b</i>)					<u>6,016</u>
Loss before tax					<u>(43,625)</u>

Notes:

- (a) The allocation of segment revenue is determined based on destinations of shipment of products.
- (b) Unallocated income and expenses, net, mainly represented certain other income, central administration costs and directors' salaries.

Segment loss represents the loss from each segment without allocation of certain other income, central administration costs and directors' salaries, other gains and losses (except net foreign exchange difference), depreciation (except moulds), (loss) gain on fair value changes of investment properties, impairment loss on property, plant and equipment and finance costs on secured bank loan. This is the measure reported to the Group's CODM for the purposes of resource allocation and performance assessment. Revenue reported above represents revenue generated from external customers. There is no inter-segment sales in both periods.

4. OTHER INCOME

	Six months ended	
	30 September	
	2023	2022
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Rental income	8,561	10,297
Interest income	8,637	1,120
Building management fee income	3,095	3,483
Others	184	1,854
	<u>20,477</u>	<u>16,754</u>

5. INCOME TAX EXPENSE

	Six months ended	
	30 September	
	2023	2022
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Current tax:		
Hong Kong	61	133
People's Republic of China ("PRC") Enterprise Income Tax	<u>1,394</u>	<u>1,288</u>
	1,455	1,421
Deferred taxation	<u>(101)</u>	<u>434</u>
	<u>1,354</u>	<u>1,855</u>

6. LOSS PER SHARE

The calculation of the basic loss per share attributable to the owners of the Company is based on the following data:

	Six months ended	
	30 September	
	2023	2022
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Loss for the purpose of basic loss per share:		
– Loss for the period attributable to owners of the Company	<u>(20,831)</u>	<u>(45,480)</u>

	Six months ended	
	30 September	
	2023	2022
	Number of	Number of
	shares	shares
	'000	'000
	(Unaudited)	(Unaudited)
Weighted average number of ordinary shares for the purpose of basic loss per share	<u>333,055</u>	<u>333,081</u>

No diluted loss per share has been presented for both periods as there were no potential ordinary shares in issue.

7. DIVIDENDS

	Six months ended	
	30 September	
	2023	2022
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Dividends recognised as distribution during the period:		
Final dividend		
2023: HKnil cents (2022: HK2 cents) per ordinary share	<u>–</u>	<u>6,661</u>

Subsequent to 30 September 2023, the board of directors has declared that an interim dividend of HK2 cents per share (2022: nil per share) and an interim special dividend of HK13 cents per share (2022: nil per share) amounting to HK\$49,958,000 in aggregate (2022: nil) will be paid on 8 January 2024 to the shareholders of the Company whose names appear on the Register of Members on 15 December 2023.

8. INVESTMENT PROPERTIES

The Group's investment properties as at the end of the current interim period were fair valued by RHL Appraisal Ltd., a firm of independent qualified professional surveyor not connected to the Group. The fair value of investment properties located in Hong Kong was determined based on the direct comparison method by reference to market evidence of transaction prices for properties in the similar location and conditions, and the fair value of investment properties located in the PRC was determined based on term and reversion analysis of investment method by capitalising rental income on a fully leased basis and the potential reversionary rental income at market level. The resulting decrease in fair value of investment properties of HK\$15,660,000 (six months ended 30 September 2022: increase of HK\$1,517,000) has been recognised directly in profit or loss for the six months ended 30 September 2023.

9. PROPERTY, PLANT AND EQUIPMENT

During the current interim period, the Group has no material addition on property, plant and equipment (six months ended 30 September 2022: HK\$4,103,000). During the six months ended 30 September 2022, additions mainly comprised HK\$505,000 on plant and machinery, HK\$1,969,000 on furniture, fixtures and equipment, and HK\$1,629,000 on moulds and tools. No material disposal of property, plant and equipment was made during both periods.

At 30 September 2023 and 31 March 2023, the Group has no material capital commitments.

Impairment assessment

At the end of each reporting period, the management assesses whether there is any indication for impairment and conducted impairment assessment on carrying amount of certain classes of property, plant and equipment. If any such indication exists, the management is required to estimate the recoverable amount of the asset which requires significant judgment.

In view of the adverse global business environment and the abrupt downturn in sales turnover from weakened demand and customer sentiments during the six months ended 30 September 2022, some orders placed by customers were deferred or cancelled. Management of the Group assessed that the estimated recoverable amount of property, plant and equipment determined under the value-in-use method are lower than their carrying amounts and the Group recognised impairment loss of HK\$24,879,000. No further impairment or reversal of impairment have been made in the current period.

The impairment amount has been allocated to each category of property, plant and equipment such that the carrying amount of each category is not reduced below the highest of its fair value less cost of disposal, its value-in-use and zero. Key assumptions used in the value-in-use calculations for the recoverable amount of property, plant and equipment include expected product sales, gross profit margin and operating costs.

10. TRADE RECEIVABLES

	30 September 2023 HK\$'000 (Unaudited)	31 March 2023 HK\$'000 (Audited)
Trade receivables		
– sales of goods	154,254	73,266
Less: Allowance for credit loss	(436)	(298)
	<u>153,818</u>	<u>72,968</u>

The Group allows credit period ranging from 30 to 180 days to its trade customers. The following is an analysis of trade receivables by age, presented based on the invoice date, which approximated the revenue recognition date:

	30 September 2023 HK\$'000 (Unaudited)	31 March 2023 HK\$'000 (Audited)
0 – 90 days	119,723	62,409
91 – 120 days	14,592	4,827
> 120 days	19,503	5,732
	<u>153,818</u>	<u>72,968</u>

11. TRADE PAYABLES

The following is an analysis of trade payables by age, presented based on the invoice date:

	30 September 2023 HK\$'000 (Unaudited)	31 March 2023 HK\$'000 (Audited)
0 – 90 days	81,229	50,216
91 – 120 days	9,085	219
> 120 days	1,086	805
	<u>91,400</u>	<u>51,240</u>

12. SHARE CAPITAL

	Number of shares	Amount HK\$'000
Ordinary shares of HK\$0.10 each		
Authorised:		
At 1 April 2022, 30 September 2022, 1 April 2023 and 30 September 2023	<u>600,000,000</u>	<u>60,000</u>
Issued and fully paid:		
At 1 April 2022	333,154,520	33,315
Shares cancelled (<i>Note</i>)	<u>(100,000)</u>	<u>(10)</u>
At 30 September 2022, 1 April 2023 and 30 September 2023	<u>333,054,520</u>	<u>33,305</u>

Note: The Company repurchased 100,000 of its own ordinary shares through The Stock Exchange of Hong Kong Limited in March 2022, the shares were cancelled in May 2022.

MANAGEMENT DISCUSSION AND ANALYSIS

For the six months ended 30 September 2023, the Group's sales turnover increased by 12% to HK\$276.4 million (2022: HK\$246.4 million) and the consolidated net loss was HK\$20.8 million (2022: HK\$45.5 million). Basic loss per share of the Group for the period ended 30 September 2023 was HK6.25 cents (2022: HK13.65 cents). In return for shareholders' long-term support and to celebrate the 60th anniversary of the Group, the Board has resolved to declare the payment of an interim dividend of HK2 cents (2022: nil) and an interim special dividend of HK13 cents (2022: nil) per share for the six months ended 30 September 2023 to be paid on 8 January 2024 to shareholders registered on 15 December 2023.

BUSINESS REVIEW

The Group is engaged in design, manufacturing and trading of a wide range of household electrical appliances.

Founded in 1963, the Group celebrates its 60th anniversary this year.

For the six months ended 30 September 2023, we continued to face tough and uncertain global business environment against the backdrop of intensifying geopolitical situations, high inflation and high interest rates. All these adverse factors have led to sluggish demand and consumer sentiments.

Sales turnover increased by 12% to HK\$276.4 million. The Group's sales turnover had taken a drastic downturn for the six months ended 30 September 2022 due to a series of adverse factors such as high inflation, high interest rates, geopolitical tensions under Russia-Ukraine conflict. The increase for the current period under review only recovered part of the sales turnover loss suffered in the previous period as the adverse factors are still lingering on. Sales turnover to Europe increased by 47% to HK\$71.1 million representing 26% of the Group's sales turnover. Sales turnover to America increased by 11% to HK\$179.5 million representing 65% of the Group's sales turnover. Sales turnover to Asia decreased by 30% to HK\$22.0 million representing 8% of the Group's sales turnover. Sales turnover to other markets decreased by 21% to HK\$3.8 million representing 1% of the Group's sales turnover.

Gross profit for the six months ended 30 September 2023 increased by 48.6% to HK\$21.3 million. Gross profit margin increased from 5.8% to 7.7%. We continued to apply stringent control on all costs as well as streamline and optimize the manufacturing processes to enhance production efficiency and reduce labour costs.

Other income primarily comprises rental and building management fee income, interest income and subsidies received from government. The increase of HK\$3.7 million in the period under review was mainly due to an increase in interest income partly offset by a reduction in rental and building management income and the absence of subsidies received from the HKSAR government under the 2022 Employment Support Scheme.

The Group continued to apply strict control and measures on all overhead costs and expenses. Selling and distribution expenses decreased by 35.2% to HK\$6.8 million. As a percentage to sales turnover, selling and distribution expenses decreased from 4.3% to 2.5% compared to corresponding period last year. Administrative expenses decreased by 16.9% to HK\$38.4 million. As a percentage to sales turnover, administrative expenses decreased from 18.8% to 13.9% compared to corresponding period last year.

At 30 September 2023, the investment property located in Wanchai, Hong Kong was revaluated at HK\$265 million (31 March 2023: HK\$280 million) and the investment property located in the PRC at Hui Nam Hi-Tech Industrial Park was revaluated at RMB202,000,000 (HK\$216,140,000) (31 March 2023: RMB202,600,000 (HK\$232,990,000)) resulting in an decrease in fair value of HK\$15,660,000 and a translation loss of HK\$16,190,000 for the period.

In view of the adverse global business environment and the loss situation of the Group brought about by the abrupt downturn in sales turnover, there was indication for impairment of property, plant and equipment of the Group at 30 September 2022. An assessment for impairment was conducted to assess the recoverable amount with reference to the higher of the assets' fair value less costs to disposal and value in use. An impairment loss was recognized for the amount by which the assets' carrying amount exceeds its recoverable amount. As a result, the Group made a provision of impairment to property, plant and equipment of approximately HK\$24.9 million for the period ended 30 September 2022. No further provision of impairment to property, plant and equipment was made for the period ended 30 September 2023.

Net loss for the six months ended 30 September 2023 was HK\$20.8 million (2022: HK\$45.5 million). Net loss margin improved from -18.5% to -7.5% compared to last year.

BUSINESS OUTLOOK

Although the threat of COVID-19 has lessened, consumer sentiments did not improve significantly. Several other adverse factors continued to affect the global economy. High interest rates, high inflation, difficult macroeconomic situation, volatile and intensifying geopolitical conflicts in Russia-Ukraine and in Israel-Palestine together led to a frail global economy and weak consumer demand and sentiments. As a result, we expect consumer spending will be cut back inevitably.

Through continuous improvement, streamlining and consolidation across all aspects of operations, prudent supply chain management and stringent cost control measures, we will strive to further improve in cost reduction and efficiency. We will stay vigilant and versatile in our manufacturing capacity and resources planning in response to fluctuations in market demand. We will proactively seek growth opportunities through new customers and new product categories as well as the mainland China market and online sales channels. We will also look for business opportunities to create higher value for our shareholders.

With our prudent and pragmatic business approach, financial strength and commitment to excel, we will strive on and tread cautiously to ride through the current and coming difficulties and challenges.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 September 2023, the Group had total assets of HK\$1,246.0 million (31 March 2023: HK\$1,248.9 million) which was financed by current liabilities of HK\$234.3 million (31 March 2023: HK\$194.0 million), long-term liabilities and taxation of HK\$44.8 million (31 March 2023: HK\$47.5 million) and shareholders' equity of HK\$966.9 million (31 March 2023: HK\$1,007.3 million).

The Group continued to maintain a strong balance sheet and a healthy liquidity position. As at 30 September 2023, the Group held HK\$509.1 million (31 March 2023: HK\$554.3 million) in cash and bank deposits. They were mainly placed in Renminbi, HK dollar and US dollar short term deposits, except for temporary balances held in other currencies as required pending specific payments. For the six months ended 30 September 2023, the Group has net cash outflow in operating activities of HK\$50.5 million (2022: inflow of HK\$69.2 million). As at 30 September 2023, total borrowings were HK\$13.2 million (31 March 2023: HK\$15.8 million) and the gearing ratio (ratio of total borrowings to shareholders' equity) was 1.4% (31 March 2023: 1.6%).

We continue to apply stringent control over the working capital cycle. The inventory balance as at 30 September 2023 was HK\$46.0 million (31 March 2023: HK\$41.1 million). As compared with the corresponding period last year, inventory balance decreased by HK\$14.4 million and inventory turnover decreased from 61 days to 31 days. The trade receivables balance as at 30 September 2023 was HK\$153.8 million (31 March 2023: HK\$73.0 million). As compared with the corresponding period last year, trade receivables increased by HK\$64.1 million and trade receivables turnover increased from 66 days to 102 days. The trade payables balance as at 30 September 2023 was HK\$91.4 million (31 March 2023: HK\$51.2 million). As compared with the corresponding period last year, trade payables increased by HK\$45.3 million and trade payables turnover increased from 36 days to 65 days.

Funding for day-to-day operational working capital and capital expenditures are to be serviced by internal cash flow and available banking facilities. For the period ended 30 September 2023, there had not been significant investment in plant and machinery, moulds and tools, equipment, computer systems and other tangible assets. With a healthy financial position and available banking facilities, the Group is able to provide sufficient financial resources for our current commitments, working capital requirements, further expansions of the Group's business operations and future investment opportunities, as and when required.

The majority of the Group's assets and liabilities and business transactions were denominated in Hong Kong dollars, US dollars, Renminbis. Currently the Group does not implement hedging activity to hedge against foreign currency exposure. However, we will closely monitor foreign currency exposure and consider hedging significant foreign currency exposure should the need arise.

CONTINGENT LIABILITIES

As at 30 September 2023, the Group did not have any significant contingent liabilities.

EMPLOYEE AND REMUNERATION POLICIES

As at 30 September 2023, the Group employed approximately 1,640 employees (2022: 1,680). The majority of our employees work in the PRC. The Group remunerated our employees based on their performance, experiences and prevailing market rates while performance bonuses are granted on a discretionary basis.

CLOSURE OF REGISTER

The Register of Shareholders will be closed from 13 December 2023 to 15 December 2023, both days inclusive, during which period no transfer of shares will be effected.

All transfers, accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrars, Tricor Standard Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:00 p.m. on 12 December 2023 in order to qualify for the interim dividend and interim special dividend above mentioned.

PURCHASE, SALE OR REDEMPTION OF SHARES

During the six months ended 30 September 2023, there was no purchase, sale or redemption of the shares by the Company or any of its subsidiaries.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has applied the principles and complied with all the applicable code provisions of the Corporate Governance Code (the “**CG Code**”) as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”) for the six months ended 30 September 2023.

COMPLIANCE WITH MODEL CODE

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as its Code of Conduct regarding directors' securities transactions. Having made specific enquiry of all directors, the directors have confirmed that they have complied with the required standards set out in the Model Code as provided in Appendix 10 of the Listing Rules.

REVIEW OF UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The Audit Committee of the Company has reviewed and discussed with the management of the Company on the unaudited condensed consolidated interim results of the Group for the Reporting Period including the report of the Company and the accounting principles and practices adopted by the Group and is of the view that the financial information and report have been prepared in compliance with the applicable accounting standards, the Listing Rules and other applicable legal requirements, and that adequate disclosure has been made. During the Reporting Period, the Audit Committee comprises three independent non-executive directors, namely, Ms. Choy Wai Shuen, Susan, Mr. Lai Ah Ming, Leon, and Mr. Lo Chor Cheong, Colin.

PUBLICATION OF FINANCIAL INFORMATION

This results announcement is published on the website of The Stock Exchange of Hong Kong Limited at <http://www.hkexnews.hk> (the “**HKEx website**”) and the Company’s website at <http://www.allan.com.hk>.

The Company’s interim report containing all information required by the Listing Rules will also be available for viewing on the HKEx website and the Company’s website, and dispatched to shareholders in due course.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express our sincere appreciation to our employees, shareholders and business associates for their continual contribution and support.

By Order of the Board
Allan International Holdings Limited
Cheung Lai Chun, Maggie
Chairman

Hong Kong, 29 November 2023

As at the date of this announcement, the Executive Directors are Ms. Cheung Lai Chun, Maggie (Chairman), Mr. Cheung Shu Wan (Managing Director), Ms. Cheung Lai See, Sophie and Dr. Cheung Shu Sang, William. The Independent Non-Executive Directors are Ms. Choy Wai Sheun, Susan, Mr. Lai Ah Ming, Leon and Mr. Lo Chor Cheong, Colin.