沪港联合

HONG KONG SHANGHAI ALLIANCE HOLDINGS LIMITED
滬港聯合控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1001)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31ST MARCH 2024

The board of directors (the "Board") of Hong Kong Shanghai Alliance Holdings Limited (the "Company") hereby announces the consolidated results of the Company and its subsidiaries (collectively, the "Group") for the year ended 31st March 2024 (the "Year").

FINANCIAL HIGHLIGHTS

For the year ended 31st March

	2024 *HK$ million*	2023 *HK$ million*	**Change**
Revenue	**2,303.2**	2,658.5	**-13.4%**
Gross profit	**384.1**	352.0	**+9.1%**
Operating profit	**199.9**	180.8	**+10.6%**
Profit for the year	**77.0**	82.2	**-6.3%**
Profit attributable to owners of the Company	**78.8**	82.8	**-4.9%**
Basic earnings per ordinary share (HK cents)	**12.31**	12.94	**-4.9%**
Interim dividend per ordinary share (HK cent(s))	**1.50**	1.00	**+50.0%**
Proposed final dividend per ordinary share (HK cent(s))	**1.00**	1.50	**-33.3%**
Gross profit margin	**16.7%**	13.2%	**+3.5 p.p.**
Operating profit margin	**8.7%**	6.8%	**+1.9 p.p.**
Net profit margin	**3.3%**	3.1%	**+0.2 p.p.**

CONSOLIDATED INCOME STATEMENT

For the year ended 31st March 2024

	Note	**2024** **HK$'000**	2023 HK$'000
Revenue	3	**2,303,176**	2,658,481
Cost of sales	5	**(1,919,099)**	(2,306,497)
Gross profit		**384,077**	351,984
Selling and distribution expenses	5	**(25,111)**	(13,501)
Reversal of/(provision for) impairment loss on financial assets - net	5	**2,404**	(3,634)
General and administrative expenses	5	**(149,133)**	(153,668)
Other gains - net	4	**1,062**	3,803
Net fair value loss on investment properties		**(13,356)**	(4,206)
Operating profit		**199,943**	180,778
Finance income	6	**916**	755
Finance costs	6	**(92,255)**	(76,852)
Share of results of investments accounted for using the equity method		**(22,750)**	(11,297)
Profit before income tax		**85,854**	93,384
Income tax expense	7	**(8,844)**	(11,201)
Profit for the year		**77,010**	82,183
Profit/(loss) attributable to:			
– Owners of the Company		**78,782**	82,846
– Non-controlling interests		**(1,772)**	(663)
		77,010	82,183
Earnings per ordinary share attributable to owners of the Company for the year			
Basic earnings per ordinary share	9	**HK12.31 cents**	HK12.94 cents
Diluted earnings per ordinary share	9	**HK12.31 cents**	HK12.94 cents

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31st March 2024

	2024	2023
	HK$'000	*HK$'000*
Profit for the year	**77,010**	82,183
Other comprehensive income/(loss):		
Items that may be reclassified subsequently to profit or loss:		
– (Loss)/gain on cash flow hedge	**(1,668)**	484
– Release of exchange reserve upon deregistration of subsidiaries	**631**	—
– Currency translation differences	**(84,371)**	(109,035)
Item that will not be reclassified to profit or loss:		
– Change in fair value of financial asset at fair value through other comprehensive income	**(2,907)**	1,903
Other comprehensive loss for the year	**(88,315)**	(106,648)
Total comprehensive loss for the year	**(11,305)**	(24,465)
Total comprehensive loss attributable to:		
– Owners of the Company	**(1,111)**	(13,676)
– Non-controlling interests	**(10,194)**	(10,789)
	(11,305)	(24,465)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31st March 2024

	Note	2024 HK$'000	2023 HK$'000
ASSETS			
Non-current assets			
Property, plant and equipment		**46,969**	38,766
Investment properties		**1,281,131**	1,376,991
Right-of-use assets		**40,337**	10,996
Investments accounted for using the equity method	*10*	**281,176**	313,118
Prepayments, deposits and receivables		**18,917**	11,681
Deferred income tax assets		**29,493**	38,894
Financial asset at fair value through profit or loss		**3,914**	3,701
Financial asset at fair value through other comprehensive income		**1,745**	4,652
Total non-current assets		**1,703,682**	1,798,799
Current assets			
Prepayments, deposits and other receivables		**51,449**	94,058
Inventories		**380,586**	473,057
Trade and bill receivables	*11*	**367,077**	430,674
Derivative financial instruments		**—**	1,668
Pledged bank deposits		**1,804**	11,680
Cash and cash equivalents		**145,304**	147,485
Total current assets		**946,220**	1,158,622
Total assets		**2,649,902**	2,957,421

	Note	**2024**	2023
	Note	***HK$'000***	*HK$'000*
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital		**63,860**	64,041
Reserves		**876,714**	897,108
		940,574	961,149
Non-controlling interests		**101,285**	111,504
Total equity		**1,041,859**	1,072,653
Liabilities			
Non-current liabilities			
Accrued liabilities and other payables		**11,633**	8,136
Deferred income tax liabilities		**86,228**	98,129
Borrowings	*13*	**343,354**	64,530
Lease liabilities		**9,349**	138
Total non-current liabilities		**450,564**	170,933
Current liabilities			
Trade and bill payables	*12*	**100,579**	204,056
Contract liabilities		**47,830**	38,979
Accrued liabilities and other payables		**64,265**	61,090
Provisions		**316**	25,876
Current income tax liabilities		**8,458**	10,563
Borrowings	*13*	**916,147**	1,368,789
Lease liabilities		**19,884**	4,482
Total current liabilities		**1,157,479**	1,713,835
Total liabilities		**1,608,043**	1,884,768
Total equity and liabilities		**2,649,902**	2,957,421

NOTES:

1 General information

The Company is a limited liability company incorporated in Bermuda on 12th January 1994 as an exempted company under the Companies Act 1981 of Bermuda (as amended). The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 18th February 1994. Its registered office is at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and its principal place of business in Hong Kong is located at Rooms 1103-05, 11th Floor, East Town Building, 41 Lockhart Road, Wanchai, Hong Kong.

The Group is principally engaged in distribution and processing of construction materials such as steel products; trading of sanitary wares and kitchen cabinets; and property investment and fund management businesses.

These consolidated financial statements are presented in Hong Kong dollar ("HK$"), unless otherwise stated. These consolidated financial statements have been approved for issue on 27th June 2024 by the Board.

2 Basis of preparation and change in accounting policy

These consolidated financial statements of the Group have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). They have been prepared under the historical cost convention, as modified by financial assets/liabilities (including derivative financial instruments) at fair value through profit or loss and other comprehensive income and investment properties, which are carried at fair values.

The preparation of these consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

2.1 Going Concern Basis

As at 31st March 2024, the Group's current liabilities exceeded its current assets by approximately HK$211.3 million while the Group's cash and cash equivalents amounted to approximately HK$145.3 million.

In view of such circumstances, the directors of the Company have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern. Certain plans and measures have been taken to mitigate the liquidity pressure and to improve its financial position which include, but not limited to, the following:

- As at 31st March 2024, the Group had unutilised banking facilities of HK$825.4 million and utilised banking facilities of HK$1,006.3 million that are subject to standard annual review process by the banks. Management maintains on-going communication with the relevant banks, and these facilities are under normal utilisation in accordance with their terms and conditions. In the opinion of the directors, these banking facilities will continue to be available to the Group for supporting its operation for the next twelve months from 31st March 2024; and

- Management is actively negotiating with various existing banks for increasing the amounts of credit facilities as well as new banks for new credit facilities. Subsequent to 31st March 2024, the Group has signed new credit facilities amounting to HK$75.0 million, of which HK$20.0 million has been drawn.

The directors of the Company have reviewed the Group's cash flow projections prepared by management and the cash flow projections covering a period of not less than twelve months from 31st March 2024. They are of the opinion that, taking into account the anticipated cash flow generated from the Group's operations, the possible changes in its operating performance, the availability of the Group's bank borrowings, as well as the Group's ability to draw down from its existing banking facilities, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within twelve months from 31st March 2024. Accordingly, the directors consider that it is appropriate to prepare the Group's consolidated financial statements on a going concern basis.

2.2 New standards and amendments to existing standards adopted by the Group

The Group has applied the following new standards and amendments to existing standards for the first time for their annual reporting period commencing on 1st April 2023:

Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies
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
HKFRS 17	Insurance Contracts
Amendments to HKFRS 17	Amendments to HKFRS 17
HKFRS 17	Initial Application of HKFRS 17 and HKFRS 9 – Comparative Information

The adopted new standards and amendments to existing standards listed above did not have any material impact on the results and financial position of the Group.

2.3 Amended standards and interpretation not yet adopted by the Group

The following amendments to existing standards and interpretation have been issued but are not effective for the financial year beginning on 1st April 2023 and have not been early adopted by the Group:

		Effective for accounting periods beginning on or after
HK (IFRIC) – Int 5 (Revised)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1st January 2024
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current	1st January 2024
Amendments to HKAS 1	Non-current Liabilities with Covenants	1st January 2024
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback	1st January 2024
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements	1st January 2024
Amendments to HKAS 21	Lack of Exchangeability	1st January 2025
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The Group will adopt the above amendments to existing standards and interpretation when they become effective. The Group has already commenced an assessment of the related impact of adopting the above amendments to existing standards and interpretation, none of which is expected to have a significant effect on the consolidated financial statements of the Group.

2.4 Change in accounting policy

Change in accounting policy on offsetting arrangement in long service payment scheme in Hong Kong

In June 2022, the Hong Kong Government enacted the Employment and Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) Ordinance 2022 (the "Amendment Ordinance") which will take effect on 1st May 2025 (the "Transition Date"). Under the Amendment Ordinance, any accrued benefits attributable to the employer's mandatory contributions under mandatory provident fund scheme ("MPF Benefits") would no longer be eligible to offset against its obligations on long service payment ("LSP") for the portion of the LSP accrued on or after the Transition Date. There is also a change in the calculation basis of last monthly wages for the portion of the LSP accrued before the Transition Date.

Prior to 1st April 2023, the Group applied practical expedient in HKAS 19 paragraph 93(b) (the "practical expedient") to account for the offsetable MPF Benefits as deemed contributions by the employee to reduce the current service costs in the period in which the related services were rendered.

In July 2023, the HKICPA published "Accounting implications of the abolition of the MPF-LSP offsetting mechanism in Hong Kong" (the "Guidance") which provides clarified and detailed guidance on the accounting considerations relating to the abolition of the offsetting mechanism. The Guidance clarified that following the enactment of the Amendment Ordinance, LSP is no longer a 'simple type of contributory plans' to which the practical expedient had been intended to apply.

By following the Guidance, the Group has therefore changed its accounting policy and ceased to apply the practical expedient and reattribute the deemed contributions by the employee on a straight-line basis from the date when the services by the employees first lead to their benefits in terms of the LSP legislation in accordance with HKAS 19 paragraph 93(a).

The abolition of the offsetting mechanism did not have a material impact on the Group's profit or loss for the year ended 31st March 2023 and the Group's financial position as at 31st March 2023. In light of the immaterial impact, the Group did not apply the change in its accounting policy retrospectively.

3 Revenue and segment information

The Group's revenue consists of the following:

	2024	2023
	HK$'000	*HK$'000*
Recognised at a point in time - Sales of goods	**2,219,974**	2,546,875
Recognised over time - Service income	**37,623**	63,313
Rental income	**45,579**	48,293
Total revenue	**2,303,176**	2,658,481

The Group's businesses are managed according to the nature of their operations and the products and services they provide.

Management has determined the operating segments based on the reports reviewed by the Group's chief operating decision-maker ("CODM") that are used to making strategic decisions. The CODM is identified as the Executive Directors of the Company who consider the business from a customer perspective and assess the performance of the operating segments based on the segment revenue and segment results for the purposes of allocating resources and assessing performance. These reports are prepared on the same basis as these consolidated financial statements. The CODM considers the Group operates predominantly in three operating segments:

(i) Steels Distribution and Processing Business;

(ii) Building Products Distribution Business; and

(iii) Property Investment and Fund Management Business.

The CODM assesses the performance of operating segments based on a measure of profit before income tax.

The revenue from external parties reported to the CODM is measured in a manner consistent with that in the consolidated financial statements.

Segment assets by geographical market consist primarily of property, plant and equipment, investment properties, right-of-use assets, investments accounted for using the equity method, prepayments, deposits and other receivables. They exclude financial instruments and deferred income tax assets.

Capital expenditure comprises additions to investment properties and property, plant and equipment for the Year.

Analysis of the Group's results by business segment for the year ended 31st March 2024 is as follows:

	Steels Distribution and Processing Business	Building Products Distribution Business	Property Investment and Fund Management Business	Unallocated	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Revenue from contracts with customers					
– Recognised at a point in time	**1,879,527**	**340,447**	**—**	**—**	**2,219,974**
– Recognised over time and rental income	**15**	**—**	**83,187**	**—**	**83,202**
	1,879,542	**340,447**	**83,187**	**—**	**2,303,176**
Operating profit/(loss)	**178,403**	**35,779**	**35,530**	**(49,769)**	**199,943**
Finance income	**359**	**253**	**293**	**11**	**916**
Finance costs	**(62,770)**	**(5,501)**	**(23,636)**	**(348)**	**(92,255)**
Share of results of investments accounted for using the equity method	**—**	**—**	**(22,750)**	**—**	**(22,750)**
Profit/(loss) before income tax	**115,992**	**30,531**	**(10,563)**	**(50,106)**	**85,854**
Other gains - net	**91**	**157**	**106**	**708**	**1,062**
Fair value loss on investment properties	**(90)**	**—**	**(13,266)**	**—**	**(13,356)**
Capital expenditure	**7,746**	**6,459**	**619**	**1,054**	**15,878**
Depreciation and amortisation	**(4,542)**	**(5,048)**	**(546)**	**(6,324)**	**(16,460)**

Analysis of the Group's results by business segment for the year ended 31st March 2023 is as follows:

	Steels Distribution and Processing Business	Building Products Distribution Business	Property Investment and Fund Management Business	Unallocated	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Revenue from contracts with customers					
– Recognised at a point in time	2,221,336	325,539	—	—	2,546,875
– Recognised over time and rental income	27	—	111,579	—	111,606
	2,221,363	325,539	111,579	—	2,658,481
Operating profit/(loss)	123,127	36,987	73,150	(52,486)	180,778
Finance income	334	130	280	11	755
Finance costs	(39,313)	(5,107)	(31,359)	(1,073)	(76,852)
Share of results of investments accounted for using the equity method	—	—	(11,297)	—	(11,297)
Profit/(loss) before income tax	84,148	32,010	30,774	(53,548)	93,384
Other (losses)/gains - net	(515)	(375)	3,552	1,141	3,803
Fair value loss on investment properties	—	—	(4,206)	—	(4,206)
Capital expenditure	496	671	1,164	453	2,784
Depreciation and amortisation	(4,244)	(5,072)	(446)	(7,105)	(16,867)

The Group's main business is domiciled in Hong Kong and Mainland China. Analysis of the Group's revenue by geographical market is as follows:

	2024	2023
	HK$'000	*HK$'000*
Hong Kong	**1,694,352**	2,094,021
Mainland China	**608,824**	564,460
	2,303,176	2,658,481

Non-current assets, other than financial instruments and deferred income tax assets, by geographical market is as follows:

	2024	2023
	HK$'000	*HK$'000*
Hong Kong	**371,152**	365,018
Mainland China	**1,297,378**	1,386,534
	1,668,530	1,751,552

(a) Revenue recognition in relation to contract liabilities

As at 31st March 2024, contract liabilities included receipts in advance and deferred revenue amounting to HK$47,830,000 (2023: HK$38,979,000). The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities:

	2024	2023
	HK$'000	*HK$'000*
Revenue recognised that was included in contract liabilities at the beginning of the year	**38,979**	78,080

(b) Unsatisfied long-term contract

The following table shows unsatisfied performance obligations resulting from fixed-price long-term sales contracts recognised at a point in time:

	2024	2023
	HK$'000	*HK$'000*
Aggregate amount of the transaction price allocated to long-term sales contracts that are partially or fully unsatisfied as at 31st March	**653,173**	1,119,521

Management expects that 85.6% (2023: 89.2%) of the transaction price, totalling HK$558,994,000 (2023: HK$998,195,000) allocated to unsatisfied performance obligations as of 31st March 2024 will be recognised as revenue during the next reporting period. The remaining 14.4% of approximately HK$94,179,000 will be recognised in the 2025/26 financial year (2023: remaining 10.8% of approximately HK$121,326,000 will be recognised in 2024/25 financial year).

All other contracts are for the periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

4 Other gains - net

	2024	2023
	HK$'000	*HK$'000*
Dividend income	**—**	394
Net exchange losses	**(2,053)**	(4,784)
Gain on modification of lease	**842**	1,290
Compensation for unfulfilled contracts	**195**	2,059
Release of exchange reserve upon deregistration of subsidiaries	**(631)**	—
Unrealised fair value gain/(loss) on financial assets at fair value through profit or loss	**213**	(207)
Income from selling solar energy	**980**	449
Government subsidies	**229**	858
Sundry income	**1,287**	3,744
	1,062	3,803

5 Expenses by nature

Expenses included in "cost of sales", "selling and distribution expenses", "(reversal of)/provision for impairment loss on financial assets - net" and "general and administrative expenses" are analysed as follows:

	2024	2023
	HK$'000	*HK$'000*
Cost of finished goods sold	**1,799,193**	2,204,338
Provision for/(reversal of) written-down of inventories	**846**	(71)
Reversal of onerous contracts provision	**(24,371)**	(8,380)
Depreciation of property, plant and equipment	**6,966**	6,600
Depreciation of right-of-use assets	**9,494**	10,267
(Gain)/loss on disposals of property, plant and equipment	**(361)**	36
Employee benefit expenses (Note)	**130,474**	117,708
Expenses relating to short-term or low-value leases	**5,832**	1,946
Property tax for investment properties	**7,039**	6,459
(Reversal of)/provision for impairment of trade and bill receivables - net	**(2,404)**	3,634
Auditor's remuneration		
– Audit services	**2,669**	2,669
– Non-audit services	**230**	230
Legal and professional fees	**4,043**	3,904
Freight charges	**95,527**	82,236
Storage and handling charges	**11,388**	8,519
Others	**44,374**	37,205
Total	**2,090,939**	2,477,300

Note:

During the year ended 31st March 2023, wage subsidies of HK$1,056,000 and HK$2,198,000 granted from the Employment Support Scheme under Anti-Epidemic Fund was recognised in "cost of sales" and "general and administrative expenses", respectively, and had been offset with the employee benefit expenses.

6 Finance income and costs

	2024	2023
	HK$'000	*HK$'000*
Finance income		
Interest income:		
– short-term bank deposits	**916**	755
Finance costs		
Interest expenses:		
– borrowings and hire purchase liabilities	**(88,825)**	(73,688)
– transfer from hedging reserve		
– interest rate swaps designated as cash flow hedges	**1,780**	952
– lease liabilities	**(871)**	(472)
Bank charges	**(4,339)**	(3,644)
	(92,255)	(76,852)
Net finance costs	**(91,339)**	(76,097)

7 Income tax expense

Taxation on overseas profits has been calculated on the estimated assessable profit for the Year at the rates of taxation prevailing in the countries in which the Group operates.

Hong Kong profits tax has been provided at the rate of 16.5% (2023: 16.5%) except for one of the Hong Kong incorporated subsidiaries which is subject to 8.25% for its first HK$2,000,000 of assessable profits under the two-tiered profits tax regime during the Year (2023: Same). Subsidiaries established in Mainland China are subject to China corporate income tax at 25% (2023: 25%).

The amount of income tax expense recorded in the consolidated income statement represents:

	2024	2023
	HK$'000	*HK$'000*
Current income tax		
– Hong Kong profits tax	**3,215**	5,503
– China corporate income tax	**2,160**	719
Deferred income tax	**3,184**	6,042
Under/(over)-provision in prior years	**285**	(1,063)
	8,844	11,201

8 Dividends

	2024	2023
	HK$'000	*HK$'000*
Interim dividend of HK1.50 cents (30th September 2022: HK1.00 cent) per ordinary share *(Note (a))*	**9,606**	6,404
Proposed final dividend of HK1.00 cent (31st March 2023: HK1.50 cents) per ordinary share *(Note (b))*	**6,386**	9,606

Notes:

(a) An interim dividend in respect of the six months ended 30th September 2023 of HK1.50 cents per ordinary share (six months ended 30th September 2022: HK1.00 cent per ordinary share) was paid in cash on 8th January 2024 to shareholders whose names appeared on the register of members of the Company at the close of business on 20th December 2023.

(b) A final dividend in respect of the year ended 31st March 2024 of HK1.00 cent per ordinary share (2023: HK1.50 cents per ordinary share), amounting to approximately total dividend of HK$6,386,000 (2023: HK$9,606,000), is to be proposed for payment at the forthcoming annual general meeting of the Company. The amount of the proposed final dividend is based on 638,604,315 ordinary shares in issue as at 31st March 2024 (2023: 640,414,315 ordinary shares). These consolidated financial statements do not reflect this proposed final dividend payable for the year ended 31st March 2024.

9 Earnings per ordinary share

(a) Basic

Basic earnings per ordinary share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

	2024	2023
Profit attributable to owners of the Company (HK$'000)	**78,782**	82,846
Weighted average number of ordinary shares in issue ('000)	**640,246**	640,414
Basic earnings per ordinary share (HK cents)	**12.31**	12.94

(b) Diluted

Diluted earnings per ordinary share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company's dilutive potential ordinary shares arising from share options, for which a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options. Diluted earnings per ordinary share for the years ended 31st March 2024 and 2023 equal to basic earnings per ordinary share as there were no potentially dilutive ordinary shares as at both years end.

10 Investments accounted for using the equity method

The movements of investments accounted for using the equity method are as follows:

	2024	2023
	HK$'000	*HK$'000*
At beginning of year	**313,118**	347,775
Share of loss of investments accounted for using the equity method	**(22,750)**	(11,297)
Contributions	**12,202**	8,429
Currency translation differences	**(21,394)**	(31,789)
At end of year	**281,176**	313,118

11 Trade and bill receivables

	2024	2023
	HK$'000	*HK$'000*
Trade receivables		
– from third parties	**375,943**	433,347
– from an associate	**3,925**	7,593
– from a joint venture	**321**	—
Bill receivables	**5,918**	8,663
Less: Provision for impairment	**(15,312)**	(18,929)
Trade and bill receivables - net	**370,795**	430,674
Less: Non-current	**(3,718)**	—
Trade and bill receivables under current assets	**367,077**	430,674

Sales are either covered by letters of credit or open account with credit terms of 0 to 90 days.

Ageing analysis of trade and bill receivables by invoice date is as follows:

	2024	2023
	HK$'000	*HK$'000*
0 to 60 days	**288,966**	358,802
61 to 120 days	**48,620**	29,443
121 to 180 days	**11,612**	4,154
181 to 365 days	**14,298**	17,810
Over 365 days	**22,611**	39,394
	386,107	449,603
Less: Provision for impairment	**(15,312)**	(18,929)
	370,795	430,674

The carrying amounts of net trade and bill receivables approximated their fair values as at 31st March 2024 and 2023.

12 Trade and bill payables

Payment terms with suppliers are either on letters of credit or open account with credit period of 30 to 180 days.

Ageing analysis of trade and bill payables by invoice date is as follows:

	2024	2023
	HK$'000	*HK$'000*
0 to 60 days	**96,946**	178,746
61 to 120 days	**29**	630
121 to 180 days	**640**	24,645
181 to 365 days	**2,040**	11
Over 365 days	**924**	24
	100,579	204,056

The carrying amounts of trade and bill payables approximated their fair values as at 31st March 2024 and 2023.

13 Borrowings

	2024	2023
	HK$'000	*HK$'000*
Current		
– Trust receipts bank loans	**691,193**	785,127
– Short-term bank loans	**145,584**	100,707
– Current portion of long-term bank loans, secured	**68,049**	475,741
– Current portion of hire purchase liabilities, secured	**1,584**	892
– Other loans	**9,737**	6,322
	916,147	1,368,789
Non-current		
– Long-term bank loans, secured	**334,180**	55,910
– Hire purchase liabilities, secured	**3,967**	2,432
– Other loan	**5,207**	6,188
	343,354	64,530
Total borrowings	**1,259,501**	1,433,319

14 Commitments

(a) Commitments under operating leases

(i) Lessor

The Group leases investment properties under non-cancellable operating lease agreements. The lease agreements are renewable at the end of the lease period at market rate. As at 31st March 2024, the Group had total commitments receivable under various non-cancellable operating lease agreements in respect of rented premises of HK$26,541,000 (2023: HK$27,658,000).

(ii) Lessee

As at 31st March 2024, the Group had total commitments payable under various non-cancellable operating lease agreements in respect of short-term and low-value leases of HK$2,084,000 (2023: HK$622,000) which will be recognised as an expense in the forthcoming consolidated income statement.

(b) Capital commitments

As at 31st March 2024, the Group had total capital commitment of approximately HK$114,979,000 (2023: HK$130,874,000), mainly including contracted but not provided for in respect of property, plant and equipment and investment property of approximately HK$2,165,000 (2023: HK$5,695,000) and commitment in respect of investments accounted for using equity method, if called, of approximately HK$112,814,000 (2023: HK$125,179,000).

MANAGEMENT DISCUSSION AND ANALYSIS

Overall Performance

As the pandemic became under control in early 2023, the global economy picked up its recovery momentum, with high hopes on retail consumption and project investment. Yet, the initial positivism shortly faded, as stringent monetary policies, interest rate hikes, weak global trade, and fluctuating investment markets took over, casting doubts on the strength of the global economy. In Hong Kong, the sustained high interest rate has greatly increased the borrowing cost of corporates, leading to a weak investment appetite, especially for new home renovation and construction projects in the private sector. In Mainland China, despite reporting a moderate GDP growth of 5.2% in 2023, the sluggish market sentiment and new supplies have led to low lease absorption, putting pressure on rent rates in the commercial leasing market. These have in turn, brought notable challenges to the Group's operations across Hong Kong and Shanghai.

In the face of the difficult environment, the Group swiftly adapted its business strategy and execution to maintain profitability. On the one hand, the Group continued to boost its offsite cut-and-bend processing efficiency and maintained its cost-effective steel sourcing mechanism; on the other hand, the Group refined its properties' positioning and leasing approach to improve its capital and cashflow management. Supported by these efforts, the Group was able to deliver another set of sustainable financial results for the Year.

During the Year, the Group's revenue decreased by 13.4% year-on-year, from approximately HK$2,658.5 million last year to approximately HK$2,303.2 million for the Year, as a result of the decrease in average steel price and the absence of a one-off milestone fee income from one of its properties under management. Nonetheless, gross profit increased from approximately HK$352.0 million to approximately HK$384.1 million, with gross profit margin improved from 13.2% to 16.7%, due to favourable movement in steel price, as well as the rising revenue contribution of its Steels Processing Business. The gain in gross profit was partially offset by the prevailing high interest rate, with finance cost for the Year increased by HK$15.4 million and fair value loss of investment properties of approximately HK$13.4 million. Overall, the Group's profit attributable to owners of the Company decreased to HK$78.8 million, representing a modest decrease of 4.9% as compared with the same period last year.

Amidst the dynamic market environment, the Group's business segments also had varying performances during the Year. Thanks to the proven procurement strategy as well as the growing adoption of offsite prefabricated solutions, notwithstanding that the Group's Steels Distribution and Processing Business suffered a decline in revenue of 15.4% year-on-year, profit before income tax achieved a remarkable increase from approximately HK$84.1 million to approximately HK$116.0 million. For its Building Products Distribution Business, the performance remained robust, with a modest increase in revenue from approximately HK$325.5 million to HK$340.4 million, and profit before income tax reporting a slight decrease from approximately HK$32.0 million to approximately HK$30.5 million. For Property Investment and Fund Management Business, due to the absence of a one-off milestone fee income, along with a fair value loss of investment properties of approximately HK$13.3 million triggered by the weak investment sentiment, the segment reported a loss before income tax of approximately HK$10.6 million.

For the Year, the basic earnings per ordinary share was HK12.31 cents, as compared with HK12.94 cents in the same period last year.

BUSINESS REVIEW

Steels Distribution and Processing Business

Steels Distribution and Processing Business mainly offers construction and industrial steels in Hong Kong and Mainland China. In addition to its procurement and distribution model, it operates one of the five approved steel reinforcing bar prefabrication yards in Hong Kong, providing customised offsite cut-and-bend services to its customers. The prefabricated steel reinforcing bars are then ready for immediate use, with consistent product quality and full traceability that would reduce the works on site, thus yielding better safety and less construction wastage.

During the Year, the Group's Steels Processing Business continued to gain popularity in the Hong Kong market, with delivery quantity recording a significant increment, supported by growing adoption across private and public projects. Unfortunately, due to the notable fluctuation in steel prices, segment revenue for the Year decreased as a whole, from approximately HK$2,221.4 million last year to approximately HK$1,879.5 million. Yet, benefiting from its proven procurement strategy as well as the rising contribution of the Steel Processing Business, the segment reported a 37.8% year-on-year growth in segment profit before income tax, from approximately HK$84.1 million to approximately HK$116.0 million, fully offsetting the impact from decreasing revenue and rising in interest cost.

The Group has participated in various civil infrastructure works and private projects during the Year, including the commercial complex in Hong Kong West Kowloon Railway Station, Chinese Medicine Hospital and Joint-user Government Office Building in Tseung Kwan O, Shek Wu Hu Effluent Polishing Plant, the restructuring of Prince of Wales Hospital, Hong Kong Airport Third Runway Concourse, public housing project in Kwun Tong, and private residential projects in Ting Wing station and Sai Kung, etc.

Building Products Distribution Business

Building Products Distribution Business represents a comprehensive value proposition for architects and designers. It offers an extensive, well-designed, and popular portfolio of branded sanitary wares, smart toilet solutions, as well as fitting and kitchenware products, catering the needs of hotels, residential, shopping malls, airports and commercial buildings. It strives to provide a full chain of services covering design, installation, logistics, and technical support.

During the Year, the segment saw a steady performance, supported by the stable revenue contributions from various renovation projects. Revenue for the Year reached HK$340.4 million, representing an increase of approximately 4.6% year-on-year (FY2022/23: HK$325.5 million). Profit before income tax decreased slightly by 4.6% year-on-year, from approximately HK$32.0 million last year to HK$30.5 million this year. Several iconic projects delivered by the segment during the Year included the renovation work for Hong Kong Airport and Four Seasons Hotel, a new hotel development in Hung Hom, new commercial building developments in Kwun Tong and Central, and residential developments in Kai Tak and Wong Chuk Hang.

Property Investment and Fund Management Business

Positioned as a niche market specialist with a proven track record in asset revitalisation and value optimisation, the Group continues to embrace its "asset-light" model when developing its investment projects in Shanghai. As at 31st March 2024, the Group manages a total gross floor area ("GFA") of approximately 161,724 square meters, with its assets value under management of approximately HK$8.4 billion. Among the three Central Park projects under management, Central Park • Pudong is wholly-owned by the Group, with a view to generating sustainable rental and property management fee income, as well as achieving capital appreciation in the medium-to-long term; the Group is also partnering with leading investment funds for the other two revitalisation projects, namely Central Park • Jing'an and Central Park • Huangpu, where the Group takes an equity stake and acts as a general partner and/or investment manager.

During the Year, the competition for commercial leasing in Shanghai remained fierce, as a result of weakened investment and business sentiment, along with the rising supply of new office space in the post-pandemic era. This has also created notable pressure on occupancy and rent rates, hindering the Segment's performance for the Year. To ease the situation, the Group refined its leasing strategies, expanded its leasing network by focusing on particular industry verticals, strengthened its landlord-tenant communication, and improved its value-added services to retain and attract tenants.

Segment revenue for the Year was approximately HK$83.2 million, as compared with approximately HK$111.6 million last year, due to the absence of a one-off milestone fee income of approximately HK$15.2 million during the Year. Compounded by the increase in fair value loss of investment properties of approximately HK$9.1 million to approximately HK$13.3 million, and the increase in share of loss in investments under equity method from approximately HK$11.5 million to approximately HK$22.8 million, the segment recorded a loss before income tax of approximately HK$10.6 million for the Year, versus a profit before income tax of approximately HK$30.8 million last year. Nonetheless, the Group's rental income remained stable during the Year, which should serve as a solid foundation for future financial performance.

OUTLOOK

Looking ahead, the global economy continues to lack visibility, signified by increasingly frequent geopolitical events and sustained high interest rates. Global steel prices may continue to swing, and new home renovation and private construction demand may need more time to recover. On the other hand, property investment and business expansion may be slow, putting pressure on both occupancy and rent rates in short run as the market welcomes new supply.

Nevertheless, the Group remains cautiously optimistic on the economic development of both Shanghai and Hong Kong. In Hong Kong, various demand-side policies were introduced by Hong Kong Government to boost the local residential property market. The cancellation of special stamp duty, buyer stamp duty and new residential stamp duty, the introduction of the Admission Scheme for Mainland Talents and Professionals, as well as the relaxation of supervisory measures for property mortgage loans, are all expected to immediately raise appetite for homebuyers and property developers. On the supply side, the proposed 50% increase in overall public housing supply over the coming five years is also expected to further push annual construction volume to a new high. All these, together with infrastructure initiatives such as Northern Metropolis and other road and transportation projects, should bring ample opportunities to the Group's Steels Distribution and Processing Business and Building Products Distribution Business.

In Shanghai, the Central Government launched various policies to stabilise market volatility and to attract foreign investment. Specifically for the real estate sector, the People's Bank of China announced the reduction of the 5-year loan prime rate by 25 basis point in early 2024, which was an enormous cut since the introduction of the loan prime rate. This is expected to significantly increase real estate transactions, favouring properties valuation and market liquidity, and in turn, supporting the development of the Group's Property Investment and Fund Management Business.

To maintain a stable performance in rental income, the Group will also further refine its properties' positioning and leasing approach, targeting specific industry verticals such as medical and healthcare, in order to transform its properties into industrial agglomeration buildings that would support high occupancy rates. One of the examples is Central Park • Huangpu, where one of its major tenants has set up a translational medicine innovative industrial park in the building for the commercialisation of medical clinical results. By leveraging the property's close proximity to Grade A tertiary hospitals in Shanghai and its comprehensive conferencing and F&B facilities, the Group saw an increasing tenants from medical-related enterprises during the Year. The surge in occupancy would not only boost rental income of the property, but its expanding medical sector presence should also boost the property's valuation, generating gains in the medium-to-long term.

Overall, the Group remains well on track to deliver sustainable profit. The Group will continue to maintain its prudent capital management measures, so as to mitigate risks and headwinds ahead, and deliver sustainable business growth and long-lasting values to its customers and shareholders.

CORPORATE FINANCE AND RISK MANAGEMENT

Financial Position

Compared with the financial year ended 31st March 2023, the Group's total assets decreased from approximately HK$2,957.4 million to approximately HK$2,649.9 million as at 31st March 2024, mainly as a result of the translation difference of the Group's investment in Mainland China and the reduction in working capital. As steel price declined, the Group's inventories decreased from approximately HK$473.1 million to approximately HK$380.6 million, while the Group's trade and bill receivables also decreased from approximately HK$430.7 million to approximately HK$370.8 million. The average inventory days of supply and overall days of sales outstanding remained at 81 days and 57 days respectively. Net asset value of the Group reduced to approximately HK$1,041.9 million, mainly attributable to the translation difference arising from the depreciation of Renminbi ("RMB") for the Group's net investments in Mainland China. Net asset value per ordinary share was equivalent to approximately HK$1.47 as at 31st March 2024.

Compared with the financial position as at 31st March 2023, the Group's cash and cash equivalents and pledged bank deposits decreased to approximately HK$147.1 million. The Group's borrowings decreased by approximately HK$173.8 million to approximately HK$1,259.5 million as at 31st March 2024. Gearing ratio (net debt, which is total borrowings minus pledged bank deposits and cash and cash equivalents, divided by capital and reserves attributable to owners of the Company plus net debt) was slightly decreased from 57.0% to 54.2%.

During the Year, the Group completed the refinancing of long-term bank loans of approximately HK$352.6 million, improving its current ratio from 0.68 to 0.82. To fulfil the Group's other short-term commitment, management continued to negotiate with various banks for short-term and/or long-term credit facilities. In the opinion of the directors, after due and careful consideration and taking into account of the internally generated funds and all the banking facilities presently available to the Group, the Group has sufficient financial resources to meet its liabilities as they fall due and is able to carry on its business without significant disruption.

The Group will continue to closely monitor its liquidity performance and the turnover of its working capital and will take various cost containment and efficiency enhancement measures to minimise the impact of macro factors such as interest rate hikes.

Financial Resources

The Group's financing and treasury activities are centrally managed and controlled at the corporate level. The Group's overall treasury and funding policies focus on managing financial risks including interest rate and foreign exchange risks; cost-efficient funding of the Company and its subsidiaries; and yield enhancement from time to time when the Group's cash position allows. The Group has always adhered to prudent financial management principles, including the selection of appropriate security investments according to the Group's treasury investment policy.

The Group's financing remained primarily supported by its bank trading and revolving facilities for Steels Distribution and Processing Business and Building Products Distribution Business and term loans for Property Investment and Fund Management Business. As at 31st March 2024, approximately 67.0% of the Group's interest-bearing borrowings were denominated in HK dollar, approximately 32.5% in RMB and approximately 0.5% in US dollar. These facilities are either secured by pledged bank deposits and/or corporate guarantees provided by the Company or the Group's machineries and investment properties. All of the above borrowings were on a floating rate basis. Interest costs were levied on interbank offered rates plus a very competitive margin. RMB loans of the Group have been obtained from domestic and foreign banks in the amount of RMB380.2 million. Interest costs of RMB banking facilities were based on Loan Prime Rate adjusted with competitive margin. The maturity of the Group's borrowings as at 31st March 2024 was as follows:

Maturity Profile

Within 1 year	1-2 years	2-5 years	Over 5 years	Total
72.7%	2.0%	7.5%	17.8%	100%

Charges on Assets

As at 31st March 2024, the Group had certain charges on assets which included (i) bank deposits of approximately HK$1.8 million (31st March 2023: bank deposits of approximately HK$11.7 million and bill receivables of approximately HK$6.8 million), which were pledged as collateral for the Group's bill payables; (ii) investment properties of approximately HK$1,280.7 million (31st March 2023: approximately HK$1,376.4 million and buildings of approximately HK$5.7 million which was included in property, plant and equipment), were pledged as collaterals for certain bank borrowings of the Group; and (iii) machineries of approximately HK$9.1 million (31st March 2023: approximately HK$5.5 million), which was included in property, plant and equipment, and was used to secure the Group's hire purchase liabilities.

Foreign Exchange Risk

The Group's businesses are primarily transacted in HK dollars, US dollars and RMB. As the exchange rate between HK dollars and US dollars is pegged, the Group believes its exposure to exchange rate risk arising from US dollars is not material. Facing the volatility of RMB, the Group will, among others, continue to match RMB payments with RMB receipts to minimise realised exchange exposure.

Forward foreign exchange contracts would be entered into when suitable opportunities arise and when management of the Group considers appropriate, in order to hedge against major non-HK dollars currency exposures. It is the Group's policy not to enter into any derivative transaction for speculative purposes.

Capital Expenditure

During the Year, the Group's total capital expenditure amounted to approximately HK$15.9 million (2023: approximately HK$2.8 million), which was primarily financed through cash generated from operating activities and hire purchase arrangement.

Capital Commitments

As at 31st March 2024, the Group's total capital commitments amounted to approximately HK$115.0 million (31st March 2023: approximately HK$130.9 million).

Contingent Liabilities

As at 31st March 2024, the Group had no material contingent liabilities (31st March 2023: Same).

Material Acquisitions and Disposals

The Group did not have any material acquisitions and disposals of subsidiaries and associated companies during the Year (2023: Same).

Events after the reporting period

The Group did not have any material events after the reporting period (31st March 2023: Same).

HUMAN CAPITAL

The Group puts a strong emphasis on nurturing talents, with its growth strategy built around its strong commitment to people. The Group provides competitive remuneration package, along with a safe and pleasant working environment with constant learning and growth opportunities, so as to attract and motivate employees. As at 31st March 2024, the Group employs 250 staff (31st March 2023: 226 staff). Total staff costs during the Year, including the contribution to retirement benefit schemes, amounted to approximately HK$130.5 million (2023: HK$117.7 million). During the Year, no option has been offered and/or granted to its directors and employees under the share option scheme(s) adopted by the Company.

DIVIDENDS

The Board recommended the payment of a final dividend of HK1.00 cent per ordinary share for the year ended 31st March 2024 (2023: HK1.50 cents per ordinary share), payable to shareholders whose names appear on the register of members of the Company at the close of business on Wednesday, 4th September 2024, subject to the approval of shareholders at the annual general meeting of the Company to be held on Friday, 23rd August 2024 (the "2024 AGM"). Final dividend is expected to be paid on Friday, 13th September 2024.

During the Year, an interim dividend of HK1.50 cents per ordinary share was paid to the shareholders by the Company on 8th January 2024.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed during the following periods and during these periods, no transfer of shares will be registered:

(i) For ascertaining the shareholders' entitlement to attend and vote at the 2024 AGM:

The register of members of the Company will be closed from Tuesday, 20th August 2024 to Friday, 23rd August 2024, both days inclusive, for the purpose of ascertaining the shareholders' entitlement to attend and vote at the 2024 AGM. In order to be eligible to attend and vote at the 2024 AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited (the "Branch Share Registrar") of Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Monday, 19th August 2024.

(ii) For ascertaining the shareholders' entitlement to the final dividend:

On the assumption that the resolution for declaring the final dividend for the year ended 31st March 2024 is duly passed at the 2024 AGM, the register of members of the Company will be closed from Monday, 2nd September 2024 to Wednesday, 4th September 2024, both days inclusive, for the purpose of ascertaining the shareholders' entitlement to the final dividend. In order to qualify for the final dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Branch Share Registrar for registration no later than 4:30 p.m. on Friday, 30th August 2024.

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

During the Year, the Company repurchased a total of 1,810,000 shares on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") at an aggregate consideration (before expense) of HK$455,486.80. All the repurchased shares were subsequently cancelled on 27th March 2024. The directors believe that share repurchases will be beneficial to the shareholders as the shares are traded at a discount to the net asset value per share. Details of the shares repurchased are as follows:

Date of repurchase	Number of shares repurchased	Purchase price per share		Aggregate consideration (before expenses)
		Highest	Lowest	
		(HK$)	*(HK$)*	*(HK$)*
20th February 2024	1,310,000	0.275	0.250	330,486.80
21st February 2024	500,000	0.250	0.250	125,000.00
Total	**1,810,000**			**455,486.80**

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Year.

AUDIT COMMITTEE

The audit committee of the Company has reviewed and discussed auditing, internal controls, risk management and financial reporting matters including review of the financial results for the year ended 31st March 2024.

REVIEW OF PRELIMINARY RESULTS ANNOUNCEMENT

The figures in respect of the Group's consolidated statement of financial position, consolidated income statement, consolidated statement of comprehensive income and the related notes thereto for the year ended 31st March 2024 as set out in the preliminary announcement have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's draft consolidated financial statements for the Year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by PricewaterhouseCoopers on the preliminary announcement.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

During the Year, the Company has applied the principles of, and complied with, the applicable code provisions set out in the section headed "Part 2 - Principles of good corporate governance, code provisions and recommended best practices" of the Corporate Governance Code (the "CG Code") under Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), except for CG Code provision C.1.6 and CG Code provision C.2.1.

CG Code provision C.1.6 stipulates that generally independent non-executive directors should attend general meetings to gain and develop a balanced understanding of the views of shareholders. Mr. Tam King Ching Kenny, the then Independent Non-executive Director, was unable to attend the annual general meeting of the Company held on 18th August 2023 due to his other engagement.

CG Code provision C.2.1 stipulates that the roles of the chairman and the chief executive should be separated and should not be performed by the same individual. However, Mr. Yao Cho Fai Andrew ("Mr. Yao") serves as both the Chairman and Chief Executive Officer (i.e. Chief Executive). The Board believes that the vesting of the roles of both Chairman and Chief Executive Officer in Mr. Yao will enable him to continue to provide the Group with strong leadership, efficient usage of resources, as well as effective planning, formulation and implementation of the Company's business strategies. The day-to-day management and operation of the Group will continue to be the responsibility of the management team under the monitoring of the executive committee of the Company and Mr. Yao's leadership.

CODE FOR SECURITIES TRANSACTION BY DIRECTORS

The Company has adopted the Model Code for Securities Transaction by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules, as amended from time to time, as its own code of conduct (the "Company's Model Code"). Having made specific enquiry of all the Directors, they all confirmed that they have complied with the required standard set out in the Company's Model Code during the Year.

PUBLICATION OF RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This results announcement is published on the websites of the Company (www.hkshalliance.com) and Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk). The annual report of the Company for the year ended 31st March 2024 containing all information required by the Listing Rules will be despatched to shareholders of the Company and available on the same websites in due course.

On behalf of the Board
Hong Kong Shanghai Alliance Holdings Limited
Yao Cho Fai Andrew
Chairman

Hong Kong, 27th June 2024

As at the date of this announcement, the Board comprises Mr. Yao Cho Fai Andrew and Mr. Lau Chi Chiu (being the executive directors); Mr. Xu Lin Bao, Mr. Yeung Wing Sun Mike and Mr. Li Yinquan (being the independent non-executive directors).