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## INTERNATIONAL BUSINESS SETTLEMENT HOLDINGS LIMITED

### 國際商業結算控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 00147)

## ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31 MARCH 2024

The board of directors (the “Board” or the “Directors”) of International Business Settlement Holdings Limited (the “Company”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 March 2024 (the “current year”), together with the comparative figures for the year ended 31 March 2023, as follows:

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2024

	<i>Notes</i>	<b>2024</b> <b>HK\$’000</b>	2023 HK\$’000 (Re-presented)
<b>Continuing operations:</b>			
Revenue	3	<b>173,689</b>	825,538
Cost of sales and services		<u>(137,173)</u>	<u>(561,253)</u>
Gross profit		<b>36,516</b>	264,285
Other income, gains and losses	5	<b>7,053</b>	5,952
Selling expenses		–	(3)
Administrative and other expenses		<b>(19,151)</b>	(38,880)
Share of losses of an associate		<b>(6,513)</b>	–
Impairment loss of properties held for sale		<b>(13,198)</b>	(172,731)
Finance costs	6	<u><b>(56,668)</b></u>	<u>(55,602)</u>
(Loss) profit before taxation		<b>(51,961)</b>	3,021
Income tax expenses	7	<u><b>(9,366)</b></u>	<u>(27,474)</u>
<b>Loss for the year from continuing operations</b>	<b>8</b>	<u><b>(61,327)</b></u>	<u>(24,453)</u>

	Note	2024 <b>HK\$'000</b>	2023 <b>HK\$'000</b> (Re-presented)
<b>Discontinued operations:</b>			
Loss for the year from discontinued operations	21	<u>(63,813)</u>	<u>(57,635)</u>
<b>Loss for the year</b>		<b><u>(125,140)</u></b>	<b><u>(82,088)</u></b>
Loss for the year attributable to owners of the Company:			
– from continuing operations		<u>(50,580)</u>	<u>(30,362)</u>
– from discontinued operations		<u>(9,088)</u>	<u>(42,354)</u>
		<b><u>(59,668)</u></b>	<b><u>(72,716)</u></b>
(Loss) profit for the year attributable to non-controlling interests:			
– from continuing operations		<u>(10,747)</u>	<u>5,909</u>
– from discontinued operations		<u>(54,725)</u>	<u>(15,281)</u>
		<b><u>(65,472)</u></b>	<b><u>(9,372)</u></b>
<b>Loss for the year</b>		<b><u>(125,140)</u></b>	<b><u>(82,088)</u></b>
<b>Other comprehensive income (expense) for the year</b>			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of financial statements of foreign operations		<u>1,555</u>	<u>(15,553)</u>
<b>Total comprehensive expense for the year</b>		<b><u>(123,585)</u></b>	<b><u>(97,641)</u></b>

	<b>2024</b>	2023
<i>Note</i>	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
		(Re-presented)
Total comprehensive expense for the year attributable to owners of the Company:		
– from continuing operations	<b>(46,357)</b>	(32,028)
– from discontinued operations	<b>(11,902)</b>	(51,785)
	<u><b>(58,259)</b></u>	<u>(83,813)</u>
Total comprehensive (expense) income for the year attributable to non-controlling interests:		
– from continuing operations	<b>(8,927)</b>	5,858
– from discontinued operations	<b>(56,399)</b>	(19,686)
	<u><b>(65,326)</b></u>	<u>(13,828)</u>
	<u><b>(123,585)</b></u>	<u>(97,641)</u>
<b>Loss per share – basic and diluted (<i>HK cents</i>)</b>		
– from continuing operations	<i>9</i> <b>(0.25)</b>	(0.15)
– from discontinued operations	<i>9</i> <b>(0.04)</b>	(0.21)
	<u><b>(0.29)</b></u>	<u>(0.36)</u>

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2024

	<i>Notes</i>	<b>2024</b> <b>HK\$'000</b>	2023 <i>HK\$'000</i>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		<b>353,615</b>	736,659
Intangible assets		–	1,246
Interest in an associate	<i>10</i>	<b>108,333</b>	–
Prepayment		–	166,751
Deferred tax assets		<b>68,981</b>	76,428
Amount due from an associate	<i>10</i>	<b>31,089</b>	–
		<u><b>562,018</b></u>	<u>981,084</u>
<b>CURRENT ASSETS</b>			
Loan receivables	<i>11</i>	–	–
Properties held for sale	<i>12</i>	<b>926,706</b>	1,030,397
Inventories		–	27,140
Trade and other receivables	<i>13</i>	<b>142,483</b>	69,959
Factoring receivables	<i>14</i>	–	–
Restricted bank deposits		<b>440</b>	690
Bank balances and cash		<b>334,518</b>	268,997
		<u><b>1,404,147</b></u>	<u>1,397,183</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	<i>15</i>	<b>678,402</b>	677,552
Borrowings	<i>16</i>	<b>512,586</b>	691,754
Amount due to non-controlling interests		<b>51,905</b>	79,028
Amount due to ultimate holding company		<b>1,624</b>	1,636
Amount due to an associate	<i>10</i>	<b>3,580</b>	–
Tax liabilities		<b>31,891</b>	33,614
Contract liabilities	<i>17</i>	<b>84,254</b>	133,511
Lease liabilities		<b>3,526</b>	5,967
		<u><b>1,367,768</b></u>	<u>1,623,062</u>
<b>NET CURRENT ASSETS (LIABILITIES)</b>		<u><b>36,379</b></u>	<u>(225,879)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u><b>598,397</b></u>	<u>755,205</u>

	<i>Note</i>	<b>2024</b> <b>HK\$'000</b>	2023 HK\$'000
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	<i>16</i>	<b>21,572</b>	129,006
Lease liabilities		<b>269</b>	3,771
		<u><b>21,841</b></u>	<u>132,777</u>
<b>NET ASSETS</b>		<u><b>576,556</b></u>	<u>622,428</u>
<b>CAPITAL AND RESERVES</b>			
Share capital		<b>20,319</b>	20,319
Reserves		<b>510,534</b>	569,329
		<u><b>530,853</b></u>	<u>589,648</u>
Equity attributable to owners of the Company		<b>45,703</b>	32,780
Non-controlling interests		<u><b>45,703</b></u>	<u>32,780</u>
<b>TOTAL EQUITY</b>		<u><b>576,556</b></u>	<u>622,428</u>

## 1. GENERAL INFORMATION AND BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

International Business Settlement Holdings Limited (the “Company”) is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The immediate and ultimate holding company is Long Grand Limited, a company incorporated in the British Virgin Islands (the “BVI”), which is wholly owned by Mr. Yam Yu. Its registered office is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and its principal place of business is at Unit 3103, 31/F, Sino Plaza, 255-257 Gloucester Road, Causeway Bay, Hong Kong. The Company is an investment holding company.

The Company and its subsidiaries (collectively referred to as the “Group”) are principally engaged in the properties development, hotel business, international business settlement, contact lens business, leasing and trading of computer equipment business and financing business. During the year ended 31 March 2024, the Group decided to abandon the international business settlement segment and disposed of the interests in contact lens business segment. Except for leasing and trading of computer equipment business, all activities are mainly carried out in the People’s Republic of China (the “PRC”).

The consolidated annual results set out in this announcement do not constitute the Group’s consolidated financial statements for the year ended 31 March 2024 but are extracted from these consolidated financial statements.

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations (hereinafter collectively referred to as the “HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the disclosure requirements of the Hong Kong Companies Ordinance. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

The Group incurred a loss from continuing operations of approximately HK\$61,327,000 for the year ended 31 March 2024 and as at 31 March 2024, the Group had borrowings of approximately HK\$534,158,000, of which approximately HK\$512,586,000 are current borrowings due within twelve months from 31 March 2024 while its cash and cash equivalents amounted to approximately HK\$334,518,000 only. The Directors are of the opinion that taking into account of the good relationship between the relevant banks, other borrowers and the Company, enhancing the Group’s ability on negotiating extension agreements, or seeking new long-term debts to replace existing short-term debts, when needed as well as internally generated funds of the Group, the Group has sufficient working capital for its present requirements for the next twelve months from 31 March 2024. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

## 2. ADOPTION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRS(s)”)

### (a) 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 HKICPA for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 April 2023 for the preparation of the consolidated financial statements:

HKFRS 17 (including the October 2020 and February 2022 amendments to HKFRS 17)	<i>Insurance Contracts</i>
Amendments to HKAS 8	<i>Definition of Accounting Estimates</i>
Amendments to HKAS 12	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>
Amendments to HKAS 12	<i>International Tax Reform – Pillar Two Model Rules</i>
Amendments to HKAS 1 and HKFRS Practice Statement 2	<i>Disclosure of Accounting Policies</i>

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

#### ***Impacts on application of Amendments to HKAS 1 and HKFRS Practice Statement 2 “Disclosure of Accounting Policies”***

The Group has applied the amendments for the first time in the current year. HKAS 1 “Presentation of Financial Statements” is amended to replace all instances of the term “significant accounting policies” with “material accounting policy information”. Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The amendments also clarify that accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. If an entity chooses to disclose immaterial accounting policy information, such information must not obscure material accounting policy information.

HKFRS Practice Statement 2 “Making Materiality Judgments” (the “Practice Statement”) is also amended to illustrate how an entity applies the “four-step materiality process” to accounting policy disclosures and to judge whether information about an accounting policy is material to its financial statements. Guidance and examples are added to the Practice Statement.

The application of the amendments has had no material impact on the Group’s financial positions and performance but has affected the disclosure of the Group’s accounting policies set out in note to the consolidated financial statements.

In accordance with the guidance set out in the amendments, accounting policy information that is standardised information, or information that only duplicates or summarises the requirements of the HKFRSs, is considered immaterial accounting policy information and is no longer disclosed in the notes to the consolidated financial statements so as not to obscure the material accounting policy information disclosed in the notes to the consolidated financial statements.

**(b) New and amendments to HKFRSs in issue but not yet effective**

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

Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between and Investor and its Associate or Joint Venture <sup>1</sup>
Amendments to HKFRS 16	Lease Liability in Sale and Leaseback <sup>2</sup>
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) <sup>2</sup>
Amendments to HKAS 1	Non-current Liabilities with Covenants <sup>2</sup>
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements <sup>2</sup>
Amendments to HKAS 21	Lack of Exchangeability <sup>3</sup>

<sup>1</sup> Effective for annual periods beginning on or after a date to be determined.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2024.

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2025.

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

**3. REVENUE**

The principal activities of the Group are (1) property development; (2) hotel business; (3) international business settlement; (4) contact lens business; (5) leasing and trading of computer equipment business; and (6) financing business.

During the year ended 31 March 2024, the Group decided to abandon the international business settlement segment and disposed of the contact lens business segment which were presented as “discontinued operations” in note 21.

An analysis of the Group's revenue for the both years from continuing operations is as follows:

	<b>2024</b> <b>HK\$'000</b>	2023 HK\$'000 (Re-presented)
Revenue from contracts with customers:		
Sales of properties	<u>42,259</u>	<u>714,134</u>
Leasing and trading of computer equipment		
– Leasing of computer equipment and relevant services	<b>131,430</b>	87,123
– Trading of computer equipment	<u>–</u>	<u>24,281</u>
	<u>131,430</u>	<u>111,404</u>
	<b><u>173,689</u></b>	<b><u>825,538</u></b>
Timing of revenue recognition:		
Goods transferred at a point in time	<b>42,259</b>	738,415
Services transferred over time	<u>131,430</u>	<u>87,123</u>
	<b><u>173,689</u></b>	<b><u>825,538</u></b>

#### 4. SEGMENT REPORTING

The Group manages its businesses by divisions, which are organised by different business lines. In a manner consistent with the way in which information is reported internally to the Group's executive directors, being the chief operating decision maker ("CODM"), for the purposes of resource allocation and performance assessment, the Group has identified the following reportable segments in its continuing operations.

Property development	Developing and selling of commercial and residential properties, and car parking spaces, including undertaking of primary land development activities, in the PRC.
Hotel business	Hotel development and provision of hotel management services in the PRC.
Leasing and trading of computer equipment business	Providing encrypted distributed storage space in Hong Kong through leasing of servers and rendering ancillary services and trading of computer equipment.
Financing business	Provision of finance through money lending services and factoring services.

Operating segments regarding the provision of settlement and clearing services for commercial and individual customers and the manufacturing and sales of disposable contact lens were discontinued in the current year. The segment information for the year ended 31 March 2023 has been re-presented and does not include any amounts for these discontinued operations, which are described in more detail in note 21.

Following the discontinued operation of international business settlement segment and contact lens business segment during the year, the CODM considered that the property development segment, hotel business segment, leasing and trading of computer equipment business segment and financing business segment are the main businesses lines and reportable and operating segments of the Group.

(a) Segment revenue and results

For the year ended 31 March 2024

Continuing operations

	Property development <i>HK\$'000</i>	Hotel business <i>HK\$'000</i>	Leasing and trading of computer equipment business <i>HK\$'000</i>	Financing business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Revenue					
External sales and segment revenue	<u>42,259</u>	<u>–</u>	<u>131,430</u>	<u>–</u>	<u>173,689</u>
Segment (loss) profit	(62,110)	–	26,633	151	(35,326)
Unallocated corporate expense, net					(28,598)
Bank interest income					<u>11,963</u>
Loss before taxation					<u>(51,961)</u>

For the year ended 31 March 2023

Continuing operations

	Property development <i>HK\$'000</i>	Hotel business <i>HK\$'000</i>	Leasing and trading of computer equipment business <i>HK\$'000</i>	Financing business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Revenue					
External sales and segment revenue	<u>714,134</u>	<u>–</u>	<u>111,404</u>	<u>–</u>	<u>825,538</u>
Segment profit (loss)	3,788	–	16,129	(1,377)	18,540
Unallocated corporate expense, net					(19,850)
Bank interest income					<u>4,331</u>
Profit before taxation					<u>3,021</u>

The accounting policies of the operating and reportable segments are the same as the Group's accounting policies.

Segment results represent the results from each segment without allocation of central administration costs including directors' emoluments, unallocated other income, and unallocated other gains and losses. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

(b) Segment assets and liabilities

	2024 <i>HK\$'000</i>	2023 HK\$'000
<i>Segment assets</i>		
<b>Continuing operations</b>		
Property development	990,274	1,095,737
Hotel business	180,696	191,476
Leasing and trading of computer equipment business	297,975	287,953
Financing business	<u>8</u>	<u>9</u>
Total segment assets	<u>1,468,953</u>	<u>1,575,175</u>
Assets relating to discontinued operations	<u>4,198</u>	<u>530,902</u>
Unallocated assets		
Bank balances and cash	334,518	268,997
Other assets	<u>158,496</u>	<u>3,193</u>
Total unallocated assets	<u>493,014</u>	<u>272,190</u>
Consolidated total assets	<u><b>1,966,165</b></u>	<u><b>2,378,267</b></u>
<i>Segment liabilities</i>		
<b>Continuing operations</b>		
Property development	(1,201,882)	(1,250,792)
Hotel business	(125,253)	(132,725)
Leasing and trading of computer equipment business	(945)	(142)
Financing business	<u>(22)</u>	<u>(185)</u>
Total segment liabilities	<u>(1,328,102)</u>	<u>(1,383,844)</u>
Liabilities relating to discontinued operations	<u>(29,011)</u>	<u>(362,522)</u>
Unallocated liabilities		
Other liabilities	<u>(32,496)</u>	<u>(9,473)</u>
Consolidated total liabilities	<u><b>(1,389,609)</b></u>	<u><b>(1,755,839)</b></u>

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to operating segments other than bank balances and cash, assets relating to discontinued operations and those not attributable to respective segments; and
- all liabilities are allocated to operating segments other than liabilities relating to discontinued operations and those not attributable to respective segments.

(c) **Other segment information**

(i) ***Amounts included in the measure of segment profit or loss or segment assets:***

**For the year ended 31 March 2024**

Continuing operations

	Property development	Hotel business	Leasing and trading of computer equipment	Financing business	Reportable segment's total	Unallocated	Total
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Additions to non-current assets ( <i>Note</i> )	-	-	80,100	-	80,100	-	80,100
Additions to right-of-use assets	-	-	3,789	-	3,789	-	3,789
Depreciation of property, plant and equipment	(99)	-	(88,734)	-	(88,833)	(6)	(88,839)
Impairment loss of trade and other receivables	(232)	-	(344)	-	(576)	(1,754)	(2,330)
Impairment loss of amount due from an associate	-	-	-	-	-	(548)	(548)
Impairment loss of properties held for sale	(13,198)	-	-	-	(13,198)	-	(13,198)
Finance costs	(55,821)	-	-	-	(55,821)	(847)	(56,668)
Income tax expenses	(3,528)	-	(5,838)	-	(9,366)	-	(9,366)

For the year ended 31 March 2023

Continuing operations

	Property development	Hotel business	Leasing and trading of computer equipment business	Financing business	Reportable segment's total	Unallocated	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Additions to non-current assets ( <i>Note</i> )	-	-	227,349	-	227,349	4,870	232,219
Lease modification	-	-	-	-	-	637	637
Depreciation of property, plant and equipment	(103)	-	(57,680)	-	(57,783)	(2,787)	(60,570)
Impairment loss of properties held for sale	(172,731)	-	-	-	(172,731)	-	(172,731)
Impairment loss on other receivables	-	-	-	-	-	485	485
Impairment loss on property, plant and equipment	-	-	-	-	-	(3,195)	(3,195)
Government grants	-	-	-	-	-	312	312
Finance costs	(58,140)	-	-	-	(58,140)	2,538	(55,602)
Income tax (expenses) credit	(54,673)	-	27,199	-	(27,474)	-	(27,474)

*Note:* Non-current assets excluded financial instruments, deferred tax assets and those relating to discontinued operations.

**(ii) Information about geographical areas**

The following table provides an analysis of the Group's revenue from continuing operations from external customers and non-current assets other than interest in an associate, amount due from an associate, prepayment and deferred tax assets ("Specified non-current assets").

	Revenue from external customers (by customer location)		Specified non-current assets (by physical location)	
	2024 HK\$'000	2023 HK\$'000 (Re-presented)	2024 HK\$'000	2023 HK\$'000 (Re-presented)
Hong Kong	131,430	111,404	172,469	181,117
PRC (domicile)	42,259	714,134	181,146	556,788
	<b>173,689</b>	<b>825,538</b>	<b>353,615</b>	<b>737,905</b>

**(iii) Information about major customers**

Revenue from one customer (2023: one customer) of the Group's leasing and trading of computer equipment business segment accounted to approximately HK\$117,588,000 (2023: HK\$87,123,000), which represent 10% or more of the Group's revenue.

## 5. OTHER INCOME, GAINS AND LOSSES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i> (Re-presented)
<b>Continuing operations</b>		
Bank interest income	11,963	4,331
Government grants ( <i>Note</i> )	–	312
Loan interest income from an associate	672	–
Exchange (loss) gain, net	(9)	535
Impairment loss on trade receivables, net	(320)	–
(Impairment loss) reversal of impairment loss on other receivables, net	(2,010)	485
Impairment loss of amount due from an associate	(548)	–
Gain on disposal of property, plant and equipment	–	41
Others	(2,695)	248
	<u>7,053</u>	<u>5,952</u>

*Note:*

For the year ended 31 March 2023, the Group recognised government grants of HK\$312,000 (2024: nil) in respect of COVID-19 related subsidies, of which HK\$312,000 (2024: nil) related to Employment Support Scheme provided by the Hong Kong Government.

## 6. FINANCE COSTS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i> (Re-presented)
<b>Continuing operations</b>		
Interest on		
– other borrowings	56,493	55,246
– lease liabilities	175	356
	<u>56,668</u>	<u>55,602</u>

There is no borrowing costs capitalised during the year ended 31 March 2024 (2023: Nil).

## 7. INCOME TAX EXPENSES

	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
		(Re-presented)
<b>Continuing operations</b>		
Current tax in PRC		
Enterprise Income Tax (“EIT”)	–	5,136
Land Appreciation Tax (“LAT”)	<b>4,703</b>	60,225
	<u>4,703</u>	<u>65,361</u>
Deferred tax	<b>4,663</b>	(37,887)
	<u>4,663</u>	<u>(37,887)</u>
	<b>9,366</b>	27,474
	<u>9,366</u>	<u>27,474</u>

No provision for Hong Kong Profits Tax is made in the consolidated financial statements as the Group does not derive assessable profits from Hong Kong for both years.

The PRC EIT is calculated on the applicable tax rate on assessable profits, if applicable. The applicable EIT rate for the Group’s PRC subsidiaries during the year ended 31 March 2024 is 25% (2023: 25%).

## 8. LOSS FOR THE YEAR

Loss for the year has been arrived at after charging:

	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
		(Re-presented)
<b>Continuing operations</b>		
Directors’ emoluments	<b>3,178</b>	3,178
Other staff salaries, wages and allowances	<b>8,147</b>	10,456
Other staff retirement scheme contributions	<b>263</b>	841
	<u>11,588</u>	<u>14,475</u>
Total staff costs	<b>11,588</b>	14,475
Cost of inventories recognised as expenses	<b>32,997</b>	466,229
Auditor’s remuneration	<b>1,800</b>	1,800
Impairment loss on property, plant and equipment	–	3,195
Impairment loss of properties held for sale	<b>13,198</b>	172,731
Depreciation of property, plant and equipment	<b>88,839</b>	60,570
Short term or low value lease expenses	–	118
Gain on disposal of property, plant and equipment	–	41
	<u>–</u>	<u>41</u>

## 9. LOSS PER SHARE

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

	2024	2023 (Re-presented)
<b>Profit and loss (in HK\$'000)</b>		
Loss for the year attributable to owners of the Company for the purposes of basic loss per share		
– Continuing operations	(50,580)	(30,362)
– Discontinued operations	(9,088)	(42,354)
	<u>(59,668)</u>	<u>(72,716)</u>
	2024	2023
<b>Number of shares</b>		
Weighted average number of ordinary shares in issue	<u>20,319,072,320</u>	<u>20,319,072,320</u>
	2024	2023 (Re-presented)
<b>Basic loss per share (HK cents)</b>		
– Continuing operations	(0.25)	(0.15)
– Discontinued operations	(0.04)	(0.21)
	<u>(0.29)</u>	<u>(0.36)</u>

Diluted loss per share is the same as the basic loss per share as there were no dilutive potential ordinary shares in issue for both years.

## 10. INTEREST IN AN ASSOCIATE

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Cost of interest in an associate	114,846	N/A
Share of post-acquisition losses and other comprehensive income	(6,513)	N/A
Interest in an associate	<u>108,333</u>	<u>N/A</u>
Amount due from an associate – Non-current ( <i>Note(a)</i> )	<u>31,089</u>	<u>N/A</u>
Amount due to an associate – Current ( <i>Note(b)</i> )	<u>3,580</u>	<u>N/A</u>

Notes:

- (a) Included in amount due from an associate, consist of non-current loan receivables and interest receivables of approximately HK\$29,259,000 and HK\$2,378,000 respectively. The loan receivables are unsecured, carried at fixed interest rate of 3% and are not repayable on demand. For the year ended 31 March 2024, loss allowance of approximately HK\$548,000 was recognised for the amount due from an associate.
- (b) The amount is unsecured, interest-free and repayable on demand.

Particulars of the Group's associate as at 31 March 2024 are as follows:

Name of associate	Place of incorporation/ operation	Issued and fully paid up share capital /registered capital	Effective equity interest attributable to the Group		Principal activities	Legal form
			as at 2024	2023		
Fujian Unicon Optical Co., Ltd ("Fujian Unicon")	The PRC	USD63,915,000 (2023: USD30,000,000)	23.8%	N/A	Contact lens business	Sino-foreign joint venture with limited liabilities

During the year ended 31 March 2024, the Group disposed of certain interests in Fujian Unicon and it became an associate of the Group. Please refer to note 20 and note 21(a) for details.

## 11. LOAN RECEIVABLES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Loan receivables	125,366	132,845
Interest receivables	<u>6,553</u>	<u>6,944</u>
	<b>131,919</b>	139,789
Less: Loss allowance ( <i>Note (b)</i> ) Stage3	<u>(131,919)</u>	<u>(139,789)</u>
Carrying amount of loan receivables	<u><u>—</u></u>	<u><u>—</u></u>

As at 31 March 2024 and 2023, all loan receivables were secured by collaterals.

The customers are obliged to settle the amounts according to the terms set out in relevant contracts. Interest rates are offered based on the assessment of a number of factors including the borrowers' creditworthiness and repayment ability, collaterals as well as the general economic trends. The Group's loan principals charged interests at rate approximately 6% to 15% (2023: 6% to 15%) per annum.

The Group's management considers that the fair values of loan receivables are not materially different from their carrying amounts.

(a) Ageing analysis

Ageing analysis of loan receivables based on the loan drawdown date and before loss allowance, at the end of reporting period is as follows:

	<b>2024</b> <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Over 5 years	<u><b>131,919</b></u>	<u>139,789</u>

Ageing analysis of loan receivables based on the due date and before loss allowance, at the end of the reporting period is as follows:

	<b>2024</b> <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Over 3 years	<u><b>131,919</b></u>	<u>139,789</u>

(b) Movement in impairment losses

Loss allowance for loan receivables during the year was recognised as follows:

	<b>Stage 3 Lifetime ECL credit impaired <i>HK\$'000</i></b>
At 1 April 2022	150,717
Exchange adjustments	<u>(10,928)</u>
At 31 March 2023 and 1 April 2023	139,789
Exchange adjustments	<u>(7,870)</u>
At 31 March 2024	<u><b>131,919</b></u>

For the years ended 31 March 2024 and 2023, no increase of loss allowance was charged to profit or loss as an impairment.

The Group's formal credit policy in place is to monitor the Group's exposure to credit risk through regular reviews of receivables and follow-up actions taken on overdue accounts. Credit evaluations are performed on all customers requiring credit over a certain amount.

## 12. PROPERTIES HELD FOR SALE

	2024 <i>HK\$'000</i>	2023 HK\$'000
Completed properties held for sale	926,706	1,017,648
Properties under development for sale	—	12,749
	<u>926,706</u>	<u>1,030,397</u>
Carrying amount of properties under development for sale expected to be completed:		
– within one year	—	12,749
	<u>—</u>	<u>12,749</u>

The management of the Group had engaged an independent qualified professional valuer to carry out valuation on the properties held for sale by market comparison approach. An impairment loss on completed properties held for sale of HK\$13,198,000 has been recognised for the year ended 31 March 2024 (2023: HK\$172,731,000).

## 13. TRADE AND OTHER RECEIVABLES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade receivables	73,955	42,790
Less: Loss allowance	(320)	(308)
	<u>73,635</u>	<u>42,482</u>
Other receivables and prepayments:		
Other deposits	5,864	7,570
Other tax prepayment	626	432
Other receivables	15,241	11,471
Consideration receivables ( <i>Note</i> )	14,918	—
Other prepayments	32,199	8,004
	<u>142,483</u>	<u>69,959</u>

*Note:* As mentioned in note 20, involved in the consideration from disposal of a subsidiary, consideration of approximately HK\$16,608,000 have not been received. For the year ended 31 March 2024, loss allowance of approximately HK\$1,690,000 is recognised for the consideration receivables.

	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
Consideration receivables ( <i>Note 20</i> )	<b>16,608</b>	–
<i>Less:</i> Loss allowance	<u>(1,690)</u>	<u>–</u>
	<b><u>14,918</u></b>	<b><u>–</u></b>

The Group's formal credit policy in place is to monitor the Group's exposure to credit risk through regular reviews of receivables and follow-up actions taken on overdue accounts. Credit evaluations are performed on all customers requiring credit over a certain amount.

**(a) Ageing analysis**

The ageing analysis of trade receivables after loss allowance of the Group, presented based on the date of delivery of goods to the customers, at the end of the reporting period is as follows:

	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
0-90 days	<b>73,519</b>	38,773
91-180 days	–	3,709
1-2 years	<u>116</u>	<u>–</u>
	<b><u>73,635</u></b>	<b><u>42,482</u></b>

**(b) Movement in impairment losses**

Movement in loss allowance of trade receivables of the Group during the year are as follows:

	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
At 1 April	<b>308</b>	135
Impairment loss on trade receivables	<b>320</b>	305
Reversal of impairment loss previously recognised	–	(125)
Disposal of subsidiary	<b>(295)</b>	–
Exchange adjustments	<u>(13)</u>	<u>(7)</u>
At 31 March	<b><u>320</u></b>	<b><u>308</u></b>

Movement in loss allowance of other receivables of the Group during the year are as follows:

	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
At 1 April	<b>1,660</b>	2,147
Impairment loss on other receivables	<b>2,010</b>	–
Reversal of impairment loss previously recognised	–	(485)
Exchange adjustments	<b>(9)</b>	<b>(2)</b>
	<hr/>	<hr/>
At 31 March	<b><u>3,661</u></b>	<b><u>1,660</u></b>

The balances of other deposits and other receivables are not past due. The Group's management considers that the credit risk associated with these receivables is minimal but a general provision for impairment loss is provided for as in the aforesaid.

#### 14. FACTORING RECEIVABLES

	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
Factoring receivables	<b>62,559</b>	66,291
Interest receivables	<b>2,247</b>	2,381
	<hr/>	<hr/>
	<b>64,806</b>	68,672
<i>Less: Loss allowance (Note (b))</i>		
Stage3	<b>(64,806)</b>	<b>(68,672)</b>
	<hr/>	<hr/>
Current portion included under current assets	<b><u>–</u></b>	<b><u>–</u></b>

As at 31 March 2024 and 2023, all factoring receivables were secured by accounts receivable of the debtors with interest rate of 6.5% (2023: 6.5%). The Group has recourse right on the debts in the event of default. However, the collaterals are not permitted to be sold or re-pledged by the Group.

(a) Ageing analysis

Ageing analysis of factoring receivables based on the loan drawdown date and before loss allowance at the end of reporting period is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Over 5 years	<u><u>64,806</u></u>	<u><u>68,672</u></u>

Ageing analysis of factoring receivables based on the due date and before loss allowance, at the end of the reporting period is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Over 3 years	<u><u>64,806</u></u>	<u><u>68,672</u></u>

(b) Movement in impairment losses

Loss allowance for factoring receivables during the year was recognised as follows:

	<b>Stage 3 Lifetime ECL credit impaired <i>HK\$'000</i></b>
At 1 April 2022	72,595
Exchange adjustments	<u>(3,923)</u>
At 31 March 2023 and 1 April 2023	68,672
Exchange adjustments	<u>(3,866)</u>
At 31 March 2024	<u><u>64,806</u></u>

The Group's formal credit policy in place is to monitor the Group's exposure to credit risk through regular reviews of receivables and follow-up actions taken on overdue accounts. Credit evaluations are performed on all customers requiring credit over a certain amount.

**15. TRADE AND OTHER PAYABLES**

	<b>2024</b>	2023
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Trade payables ( <i>Note</i> )	–	4,461
Accrued construction cost to contractors	<b>155,843</b>	165,141
Interest payables	<b>236,537</b>	193,189
Other payables	<b>75,545</b>	90,868
Other tax payables	<b>210,477</b>	223,893
	<hr/> <b>678,402</b> <hr/>	<hr/> 677,552 <hr/>

*Note:*

The following is an ageing analysis of the Group's trade payables, presented based on the date of materials received, at the end of the reporting period:

	<b>2024</b>	2023
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
0 – 90 days	–	3,708
91–180 days	–	412
181–365 day	–	341
	<hr/> – <hr/>	<hr/> 4,461 <hr/>

## 16. BORROWINGS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Bank borrowings, secured ( <i>Note (a)</i> )	–	254,664
Other borrowings, secured ( <i>Note (a)</i> )	125,253	132,726
Other borrowings, unsecured ( <i>Note (b)</i> )	<u>408,905</u>	<u>433,370</u>
	<u><b>534,158</b></u>	<u><b>820,760</b></u>
Carrying amount of borrowings repayable:		
Within one year	512,586	691,754
More than one year, but not exceeding two years	21,572	106,147
More than two years, but not exceeding five years	<u>–</u>	<u>22,859</u>
	<b>534,158</b>	820,760
<i>Less:</i> amounts shown under current liabilities	<u>(512,586)</u>	<u>(691,754)</u>
Amounts shown under non-current liabilities	<u><b>21,572</b></u>	<u><b>129,006</b></u>
The borrowings comprise:		
Variable-rate borrowings	–	254,664
Fixed-rate borrowings	<u>534,158</u>	<u>566,096</u>
	<u><b>534,158</b></u>	<u><b>820,760</b></u>

All borrowings were denominated in RMB during both years.

As at 31 March 2023, the Group's variable-rate borrowings carried interest at Loan Prime Rate plus 0.9375%, which was reset every year.

The ranges of effective interest rates on the Group's fixed-rate borrowings are as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Effective interest rates	<u><b>3% – 18%</b></u>	<u><b>3% – 18%</b></u>

Notes:

- (a) The followings show the carrying amounts of assets pledged to secure the bank and other borrowings provided to the Group:

	<b>Carrying amounts of assets pledged for</b>		
	<b>Bank borrowings</b>	<b>Other borrowings</b>	<b>Total</b>
	<i>HK\$'000</i>	<i>(note (i)) HK\$'000</i>	<i>HK\$'000</i>
At 31 March 2024			
Property, plant and equipment	<u>–</u>	<u>65,952</u>	<u>65,952</u>
At 31 March 2023			
Property, plant and equipment	<u>310,990</u>	<u>69,887</u>	<u>380,877</u>

- (i) As at 31 March 2024, hotel rooms under construction in progress (included in property, plant and equipment) of HK\$65,952,000 (2023: HK\$69,887,000) are pledged as security for one of the Group's other borrowings of HK\$125,253,000 (2023: HK\$132,726,000) at a fixed rate of 6.5% per annum.
- (b) As at 31 March 2024, the Group's unsecured other borrowings represent:
- (i) Unsecured borrowings of HK\$7,378,000 (2023: HK\$7,887,000) provided by independent third parties with interest at a fixed rate of 18% per annum;
- (ii) Unsecured borrowings of HK\$21,572,000 (2023: HK\$22,859,000) provided by Radiant Path Global Limited, a related party of non-controlling owner of the Company's subsidiary with interest at a fixed rate of 3% per annum; and
- (iii) Unsecured borrowings of HK\$379,955,000 (2023: HK\$402,624,000) provided by 廣西正和實業集團有限公司 (Guangxi Zhenghe Industrial Co., Ltd\*), the former related party of Liuzhou Zhenghe with interest at a fixed rate of 12% per annum.

## 17. CONTRACT LIABILITIES

Considerations in respect of properties sold are received in accordance with the terms of the related sales and purchase agreements. Part of the consideration are received on or before the date of delivery of the properties to customers which is recorded as contract liabilities.

	<b>2024</b> <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Contract liabilities arising from property development business	<u><b>84,254</b></u>	<u>133,511</u>
	<b>2024</b> <i>HK\$'000</i>	2023 <i>HK\$'000</i>
At 1 April	<b>133,511</b>	865,629
Revenue recognised for the balances included in the contract liabilities at the beginning of the year	<b>(42,259)</b>	(714,134)
Increase for the cash received for the balances where revenue is not yet recognised during the year	–	47,325
Exchange adjustments	<u><b>(6,998)</b></u>	<u>(65,309)</u>
At 31 March	<u><b>84,254</b></u>	<u>133,511</u>

As at 31 March 2024 and 2023, the amount of sales deposits received expected to be recognised as revenue after one year is nil.

## 18. COMMITMENTS

	<b>2024</b> <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Commitments contracted for acquisition of property, plant and equipment	<u>–</u>	<u>101,992</u>

## 19. CONTINGENT LIABILITIES

	<b>2024</b> <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Guarantees given to banks for mortgage facilities granted to purchasers of the Group's properties	<u><b>452,342</b></u>	<u>479,329</u>

The Group had provided guarantees in respect of mortgage facilities granted by certain banks in connection with the mortgage loans entered into by purchasers of the Group's properties. Pursuant to the terms of the guarantees, if there is default of the mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage loans together with accrued interests thereon and any penalty owed by the defaulted purchaser to banks, and the Group is then entitled to take over the legal title of the related properties. The guarantee period commences from the dates of grant of the relevant mortgage loans and ends after the buyer obtained the individual property ownership certificate.

The Group's management, with its assessment of the current and outlook of the market, perceives that the possibility of default in mortgage loans by home buyers is remote and, in the event of default, the liabilities caused to the Group will be minimal as the loss will be adequately mitigated by the proceeds recovered from the sales of the repossessed properties. Accordingly, no provision is made in the accounts for the guarantees.

## 20. DISPOSAL OF A SUBSIDIARY

During the year ended 31 March 2024, (i) loans with total amount of approximately HK\$80,867,000 (equivalent to approximately USD10,368,000) borrowed from the Group together with non-controlling shareholder by Fujian Unicon, which was non-wholly owned subsidiary of the Group, has been capitalised as shares and resulted in an increase of share capital of Fujian Unicon to approximately HK\$314,867,000 (equivalent to approximately USD40,368,000); (ii) Eyebright Medical Technology (Beijing) Co., Ltd ("Eyebright") has injected approximately HK\$183,667,000 (equivalent to approximately USD23,547,000) to subscribe for additional registered capital of Fujian Unicon, which represented 36.84% interests in Fujian Unicon (the "Capital Injection"); and (iii) the Group disposed of 14.16% and 15% equity interest in Fujian Unicon to Eyebright and Blissful Year Management Company Limited ("Blissful Year") with cash consideration of approximately HK\$75,564,000 and HK\$16,608,000 respectively.

With the decrease of effective shareholdings held by the Group from 70% to 23.8%, the Group classified its interest in Fujian Unicon as interest in an associate as at 31 March 2024.

The disposal was completed on 6 November 2023, on which date, in the opinion of the directors of the Company, control of Fujian Unicon was passed to Eyebright. The net assets of Fujian Unicon at the date of disposal are as follows:

<b>Consideration:</b>	<i>HK\$'000</i>
Consideration received and receivable	92,172
	<u>92,172</u>
<b>Analysis of assets and liabilities over which control was lost:</b>	<i>HK\$'000</i>
Property, plant and equipment	361,533
Intangible assets	2,537
Prepayment	69,325
Inventories	24,478
Trade and other receivables	129,555
Bank balances and cash	74,682
Trade and other payables	(59,480)
Borrowings – current	(31,993)
Borrowings – non-current	(234,212)
	<u>(234,212)</u>
Net assets disposed of	336,425
	<u>336,425</u>

<b>Gain on disposal of a subsidiary:</b>	<i>HK\$'000</i>
Consideration received and receivable	92,172
<i>Less:</i> net assets disposed of	(336,425)
<i>Add:</i> non-controlling interests	129,683
<i>Add:</i> cumulative translation reserve of the subsidiary reclassified from profit or loss on loss on control of the subsidiary	536
<i>Add:</i> fair value of interest in an associate	<u>114,846</u>
Gain on disposal of a subsidiary	<u><u>812</u></u>

An analysis of net cash inflow of bank balances and cash in respect of disposal of a subsidiary is as follows:

	<i>HK\$'000</i>
Cash consideration received	75,564
<i>Less:</i> bank balances and cash disposed of	<u>(74,682)</u>
Net cash inflow of bank balances and cash	<u><u>882</u></u>

The impact of Fujian Unicon on the Group's results and cash flows in the current and prior periods is disclosed in note 21(a).

## 21. DISCONTINUED OPERATIONS

### (a) Contact Lens Business Segment

As referred to note 10 and note 20, the Group discontinued its contact lens business operation at the time of disposal of its subsidiary, Fujian Unicon. The disposal was completed on 6 November 2023, on which date control of Fujian Unicon was passed to the Eyebright. Fujian Unicon represented a separated major line of business and, therefore, was classified as a discontinued operation.

The loss for the year from the discontinued operation is analysed as below. The comparative figures in the consolidated statement of profit or loss and other comprehensive income have been restated to re-present the contact lens business operation as a discontinued operation.

The results of the contact lens business operation for the period from 1 April 2023 to 31 October 2023, which have been included in the consolidated statement of profit or loss and other comprehensive income, were as follows:

	<b>Period ended</b> <b>31 October 2023</b> <i>HK\$'000</i>	Year ended 31 March 2023 <i>HK\$'000</i>
Revenue	<b>50,525</b>	40,165
Cost of sales	<b>(49,552)</b>	(53,920)
Other income, gains and losses	<b>(7,412)</b>	5,221
Gain on disposal of the discontinued operation	<b>812</b>	–
Selling expenses	<b>(2,081)</b>	(6,287)
Administrative and other expenses	<b>(18,612)</b>	(20,245)
Impairment loss on property plant and equipment	<b>(13,589)</b>	–
Impairment loss on trade and other receivables	<b>(886)</b>	(182)
Provision of inventories	<b>(9,245)</b>	–
Finance costs	<b>(5,868)</b>	(15,690)
	<hr/>	<hr/>
Loss before taxation from the discontinued operation	<b>(55,908)</b>	(50,938)
Income tax expenses	<b>–</b>	–
	<hr/>	<hr/>
Loss for the period/year from the discontinued operation	<b>(55,908)</b>	(50,938)
Exchange differences arising on translation of financial statements of foreign operations	<b>(5,580)</b>	(14,682)
	<hr/>	<hr/>
Loss and total comprehensive expense for the period/year from the discontinued operation	<b><u>(61,488)</u></b>	<b><u>(65,620)</u></b>

During the year, Fujian Unicon paid approximately HK\$7,386,000 (2023: HK\$6,287,000) and HK\$19,396,000 (2023: HK\$25,239,000) respectively in respect of the Group's operating activities and investing activities, and generated cash inflow of approximately HK\$85,657,000 (2023:HK\$44,750,000) from financing activities. The carrying amounts of the assets and liabilities of Fujian Unicon at the date of disposal are disclosed in note 20.

**(b) International Business Settlement Segment**

On 15 March 2024, the Company announced that the Group would abandon the international business settlement segment since there are numerous unfavorable changes in the external environment and no revenue was generated from this segment and it continued to operate at a loss since 2016. The management decided to reallocate the Group's resources and cease the operations of this segment in March 2024.

The loss for the year from the discontinued operation is analysed as below. The comparative figures in the consolidated statement of profit or loss and other comprehensive income have been restated to re-present the international business settlement operation as a discontinued operation.

The results of the international business settlement operation for the period from 1 April 2023 to 31 March 2024, which have been included in the consolidated statement of profit or loss and other comprehensive income, were as follows:

	Year ended 31 March	
	2024	2023
	HK\$'000	HK\$'000
Other income, gains and losses	–	7,648
Administrative and other expenses	(7,379)	(10,341)
Impairment loss on property, plant and equipment	–	(3,214)
Finance costs	(526)	(790)
Loss before taxation from the discontinued operation	(7,905)	(6,697)
Exchange differences arising on translation of financial statements of foreign operations	1,092	846
Loss and total comprehensive expense for the year from the discontinued operation	<u>(6,813)</u>	<u>(5,851)</u>

For the year ended 31 March 2024, the international business settlement segment used cash outflows of approximately HK\$7,222,000 in the Group's operating activities, and generated cash of approximately HK\$6,395,000 from financing activities. No cash flow are generated from or used in respect of investing activities for the year.

For the year ended 31 March 2023, the international business settlement segment generated cash inflows of approximately HK\$817,000 from the Group's operating activities, and used cash of approximately HK\$3,083,000 in financing activities. No cash flow are generated from or used in respect of investing activities for the year.

## FINAL DIVIDEND

The Board does not recommend the payment of a dividend for the year ended 31 March 2024 (2023: nil).

## OVERALL RESULTS

### Key performance indicator (Financial Ratio)

The Group's operating results from the continuing operations for the year ended 31 March 2024 were primarily contributed by the Group's property development and hotel business segment and leasing and trading of computer equipment. The financial results of the discontinued segments are presented in the consolidated income statement as "Discontinued Operations".

The table below sets forth the key financial highlights of the continuing operations for the year:

Continuing Operations:	Notes	Year ended 31 March	
		2024	2023
Revenue (HK\$'000)		173,689	825,538
Gross profit margin (%)	(i)	21.0%	32.0%
Loss for the year (HK\$'000)		(61,327)	(24,453)
Loss per share (HK cent)		(0.25)	(0.15)
Net asset value per share (HK cents)	(ii)	<u>2.84</u>	<u>3.06</u>

Notes:

- (i) Gross profit margin is calculated as gross profit divided by revenue and multiplying the resulting value by 100%.
- (ii) Net asset value per share is calculated based on the number of 20,319,072,320 ordinary shares issued as at 31 March 2024 (2023: 20,319,072,320 ordinary shares).

The revenue of the Group from its continuing operations for the current year is approximately HK\$173,689,000 (2023: HK\$825,538,000) which comprise HK\$131,430,000 (2023: HK\$111,404,000) from the leasing and trading of computer equipment and HK\$42,259,000 (2023: HK\$714,134,000) from the sales of properties. The revenue for the current year is mainly contributed from the leasing and trading of computer equipment segment while the revenue for the preceding year was mainly contributed from the property development segment. The large revenue from the property development segment in the preceding year was mainly due to the revenue generated from 3 blocks of buildings in Zone F of Zhenghe City completed and delivered to customers. Unfortunately, in view of the overall unfavorable business environment for the real estate industry in the PRC currently, the sale of the remaining unsold units in the current year is stagnant which resulted in the significant drop in overall revenue in the current year.

An overall gross profit of approximately HK\$36,516,000 (2023: HK\$264,285,000) and gross profit margin of 21.0% were recorded for the current year (2023: 32.0%). Decrease in gross profit margin was mainly due to higher average selling prices of residential and commercial complexes in Zone F in preceding year as compared to stable gross profit margin generated from leasing and trading of computer equipment in current year.

The Group continued to incur losses of approximately HK\$61,327,000 for the current year (2023: HK\$24,453,000) from continuing operations. The loss mainly attributable to (i) impairment loss on properties held for sale amounted to HK\$13,198,000 as a result of the poor property market conditions in the PRC; and (ii) finance costs amounted to HK\$55,821,000 in current year which cannot be capitalised as the major building construction works were completed. The basic and diluted loss per share from continuing operations was approximately 0.25 HK cent for the current year (2023: 0.15 HK cent).

## **REVIEW OF OPERATIONS AND PROSPECT**

### **Continuing Operations**

#### ***Liuzhou Zhenghe (property development and hotel business segment)***

Zhenghe City is a mix-used complex project located at No. 102, Xinliu Avenue, Liudong New District, Liuzhou, Guangxi Zhuang Autonomous Region, the PRC, which offers a wide range of properties, including villas, townhouses, commercial buildings, office buildings, hotels and high-rise apartments developed by Liuzhou Zhenghe.

Zhenghe City comprises two phases with Phase I providing a stack of residential and commercial properties with gross floor area of approximately 485,000 square meters. Phase II will provide another stack of residential and commercial properties with a total gross floor area of approximately 513,000 square meters. Both Phase I and Phase II have substantially completed construction and development. The Group owns 100% interest in properties held for development and properties held for sale in both Phase I and Phase II.

(a) Detailed area of the properties under development and completed properties are as follows:

	Site area (sq.m)	Approximate gross floor area (sq.m)	Saleable area remaining unsold (Note 2) (sq.m)	Properties held for self-operating/ own use (sq.m)
Phase I:				
Zone A	76,000	97,000	12,000	–
Zone B	94,000	130,000	10,000	–
Zone C	61,000	258,000	109,000	–
	<u>231,000</u>	<u>485,000</u>	<u>131,000</u>	<u>–</u>
Phase II:				
Zone D	71,000	191,000	44,000	–
Zone E	30,000	140,000	80,000	31,000
Zone F	41,000	182,000	35,000	–
	<u>142,000</u>	<u>513,000</u>	<u>159,000</u>	<u>31,000</u>
Total:	<u><u>373,000</u></u>	<u><u>998,000</u></u>	<u><u>290,000</u></u>	<u><u>31,000</u></u>

Note 1: The number of square meters (“sq.m”) are rounded to nearest thousand for illustrative purpose only.

Note 2: Representing saleable gross floor area of completed properties that were unsold as at 31 March 2024.

(b) The progress of each phase in Zhenghe City are shown as follows:

	Property type	Status
<b>Phase I:</b>		
Zone A	Villas and high-rise apartment buildings with retail outlets, farmers market and car parking spaces	The construction works were completed and most of the residential units were sold in the past financial years. Farmers market attached with a total saleable area of approximately 12,000 square meters are held for sale.

	<b>Property type</b>	<b>Status</b>
Zone B	Villas and high-rise apartment buildings with retail outlets and car parking spaces	The construction works were completed and most of the residential units were sold in the past financial years. Remaining unsold saleable area are retail outlets and car parking spaces with approximately 10,000 square meters which are held for sale.
Zone C	Residential and commercial complexes and studio/office buildings with retail outlets and car parking spaces	<p>There are 7 blocks of residential and commercial complexes and 3 blocks of studio/office buildings in this zone.</p> <p>The construction works of 7 blocks of residential and commercial complexes and 2 of 3 blocks of studio/office buildings in this zone were completed and most of the units were sold in the past financial years.</p> <p>The construction works of the remaining 1 block of studio/office building were completed and acceptance certificates of completion were granted in the previous financial year. Remaining unsold saleable area of approximately 26,000 square meters which are held for sale. Besides, retail outlets and car parking spaces attached to these buildings with saleable area of approximately 83,000 square meters in this zone are held for sale.</p>

	<b>Property type</b>	<b>Status</b>
<b>Phase II:</b>		
Zone D1	Villas	The construction works of the villas in this zone were completed and sold to the customers and revenue was recognised in the past financial years.
Zone D1	High-rise apartment buildings with retail outlets and car parking spaces	<p>There are 5 blocks of high-rise apartment buildings in this zone.</p> <p>The construction works of these 5 blocks of high-rise apartment buildings were completed and most of the units were sold in the past financial years.</p> <p>Remaining retail outlets and car parking spaces with a total saleable area of approximately 44,000 square meters in this zone are held for sale.</p>
Zone D2	Villas	The construction works of 36 villas are completed and were sold in the past financial years.
Zone E	Hotel and high-rise apartment buildings with retail outlets and car parking spaces	<p>The construction works of high-rise apartment buildings were completed and most of the units were sold in the past financial years. Retail outlets and car parking spaces attached to this apartment building with a saleable area of approximately 26,000 and 54,000 square meters respectively are held for sale.</p> <p>The substantial construction works of the hotel building were completed and the pre-sale permit was granted. The acceptance certificates of completion are expected to be obtained in 2024. The Group plans to operate the hotel under franchising arrangement instead of held for sale. Constructing area of approximately 31,000 square meters of the hotel building are included in property, plant, and equipment.</p>

	<b>Property type</b>	<b>Status</b>
Zone F	Residential and commercial complexes with retail outlets and car parking spaces	<p>There are 6 blocks of residential and commercial complexes in this zone.</p> <p>The construction works of 3 blocks of residential and commercial complexes were completed and most of the units together with the attached retail outlets were sold in the past financial years.</p> <p>The construction works of the remaining 3 blocks of residential and commercial complexes were completed and acceptance certificates of completion were granted and the properties were therefore delivered to customer in the previous financial year.</p> <p>Remaining unsold saleable area mainly included retail outlets and car parking spaces attached to this complex with a saleable area of approximately 7,000 and 27,000 square meters respectively.</p>

- (i) For property development segment in Liuzhou Zhenghe, an area of approximately 6,000 square meters (2023: 79,000 square meters) was sold and generated a segment revenue of approximately HK\$42,259,000 for the current year (2023: HK\$714,134,000). The significant drop in sales figures recorded in current year was mainly because only a few numbers of units were delivered to the customers under the overall unfavourable business environment of the real estate industry in the PRC while 3 blocks of building in Zone F were completed and contributed to the sales revenue in the preceding financial year. A segment loss of approximately HK\$62,110,000 was recorded for the current year (2023: segment profit of approximately HK\$3,788,000). Segment loss recorded was mainly due to the fact that finance costs of HK\$55,821,000 cannot be capitalized and charged as expense during current year as most of the building construction works in Liuzhou Zhenghe were completed whereas non-capitalised finance cost in previously year of HK\$55,602,000 was covered by adequate profit generated from property sales.

An external expert was engaged to assess the fair value of the properties development project as at 31 March 2024. For those properties which had completed the construction work and were held for sale, a market comparison method by making reference to comparable sales transactions as available in the relevant market was used. For those properties still under construction, the value was derived by using a market comparison method with the assumption that the construction works of the properties would have been completed at the date of valuation and have taken into account the expected construction costs and costs that will be expended to complete the development. An impairment loss amounted to HK\$13,198,000 is recognized for the year ended 31 March 2024 as the net realisable value is lower than carrying amount.

Liuzhou Zhenghe will continue to develop the remaining hotel building in Zone E in Phase II of Zhenghe City and the Group is actively looking for other property development opportunities in Guangxi or other provinces in the PRC.

- (ii) The hotel business is located in Zone E1 of Zhenghe City with gross floor area of approximately 31,000 square meters. In 2018, the Group entered into a franchising agreement with a well-known international hotel franchisee to operate the hotel under the franchising requested standards. The substantial construction works of the hotel building were completed but acceptance certificate of completion has not yet been obtained and no revenue will be generated until commencement of operation of the hotel.

### ***Leasing and trading of computer equipment***

The Group believe that the emerging Fintech industry is one of the innovative factors that would improve the delivery of global financial services in the future. The Group continues to explore different potential opportunities in the Fintech sector, including but not limited to Fintech-related upstream and downstream services, infrastructure projects in connection with Fintech.

In view of the fast pace development of the virtual world and the ever increasing amount of data being generated online every minute of the day, the Board believes that the need for secured, encrypted and reliable cloud distributed storage space and the computer equipment is not only an important element of the infrastructure for the healthy development of the virtual world but will also increase sharply in the near future. In 2022, the Group started a business in leasing of data storage equipment to customers who provide virtual data storage space for end-users and trading of computer equipment.

As at 31 March 2024, the Group holds 1,410 set of servers in total and all were leased out to customers. The leasing fees of computer equipment payable to the Group consist of a fixed rent plus a variable rent with reference to the average market price of Filecoin quoted on different cryptocurrency exchanges with specific formula.

For the current year, the revenue generated from leasing of data storage equipment was approximately HK\$131,430,000 (2023: HK\$87,123,000) and trading of data storage equipment was nil (2023: 24,281,000) respectively; and the segment profit for the year was HK\$26,633,000 (2023: HK\$16,129,000). As all servers were leased out, which provided a steady income stream and segment profit to the Group.

As the Hong Kong government has announced its strategy to foster the development of Fintech development and its goal of creating a top crypto hub, the Group expects that Hong Kong is pivoting towards a more friendly regulatory regime for cryptocurrencies in the future. Looking forward, the legislative framework encoding crypto rules will bring transparency and clarity to development of future cryptocurrency trading activities. In view of this, the Group has announced that it plans to engage further in the business of cryptocurrencies, including but not limited to trading of crypto and crypto-asset production in the future. Please refer to the section “Future plans for material investments or capital assets” below.

### ***Financing Business***

The Group adopted a prudent and careful strategy to operate its financing business and no new loan has been lent during the current year. Although all long overdue loans have been fully impaired in the previous years, we kept arranging staff to visit the pledged plantation site in Shanghai regularly and performed stock take of the collaterals to make sure the collaterals are in good condition. We will continue to monitor the situation and explore any possible actions to recover the loans.

### **Discontinued Operation**

#### ***International Business Settlement***

During the current year, the Board has reviewed the prospect of the international business settlement segment (the “International Business Settlement Segment”). Although the Group still believes that it is a good business opportunity during this existing transformation of the global economic and financial markets under the trend of dedollarisation between international trades by using their local currencies among several countries and regions, further development of the settlement platform would require the Group to further invest enormous resources in the coming few years in view of numerous unfavourable factors, including the change of world trade environment, changes in financial regulatory trend, continuing military conflicts between countries and changes in political environment towards China-based companies. As this segment has not been generating any revenue and been continuing making losses since 2016 and going-forward would require further investment from the Group, the Board decided to cease the operations of the International Business Settlement Segment and believes that the Group’s resources should be allocated to other projects in a more efficient and profitable manner.

The Board is of the view that the cessation of the International Business Settlement Segment has no significant financial and operational impact on the Group and in view of the abovementioned reasons, is in the best interests of the Group and its shareholders, which is conducive to the better development of the Group. Loss for the year from this discontinued operation was approximately HK\$7,905,000.

## **FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS**

### **Digital currencies business**

On 15 March 2024, the Group announced its plan to establish a joint venture in Lao People's Democratic Republic ("Laos") to engage mainly in mining and trading of Bitcoin. In the announcement, First Grand Enterprises Limited ("First Grand"), a wholly-owned subsidiary of the Company, entered into a joint venture agreement with Mr. Lu Zeng ("Mr. Lu") to form a joint venture company (the "Lao's Co.") in Laos, which, will be owned as to 51% by First Grand and 49% by Mr. Lu. Pursuant to the agreement, First Grand and Mr. Lu have conditionally agreed that the paid-in capital of the Lao's Co. is set at USD2,000,000. First Grand will contribute in cash, and Mr. Lu will contribute in cash or in kind by providing Bitcoin mining machines ("Mining Machines") of equivalent value into the Lao's Co.. The model of the Mining Machines invested must be approved by First Grand.

The structure of the transaction was adjusted and agreed with Mr. Lu subsequently. First Grand allotted shares to Mr. Lu so that First Grand is owned as to 51% by the Group and 49% by Mr. Lu and First Grand in turn wholly owns a company in Laos. In addition, the type of digital currencies to be invested to will be extended to others and not limited to Bitcoin only. Other than the shareholding structure and the types of digital currencies involved, the investment amount to the Lao's Co. and other investment terms and condition remains substantially same as those in the previous joint venture agreement.

The Board is of the view that the digital currency market has favourable development prospects. The formation of the Lao's project is in line with the Group's business development strategies and plans to develop in the fintech industry, which will be conducive to the future business development of the Group. The Board believes that this project provides the Group with a good opportunity to expand its business scope into digital currency market and to diversify the revenue stream of the Group.

## **Provision of digital logistics services**

On 22 March 2024, the Group announced its plan to establish a joint venture in Fuzhou which principally engaged in provision of full range of digital logistics services to logistics companies, cargo owners and drivers with the use of digital intelligence application platform. According to the agreement, New Plan Investment Limited, a wholly owned subsidiary of the Company, entered into a joint venture agreement with two independent parties, pursuant to which a joint venture company (“Fuzhou JV”) shall be established in Fuzhou City, the PRC, with the proposed registered capital of RMB1 million to be contributed in cash according to their shareholding. The Fuzhou JV shall be owned as to 50% by a wholly owned PRC subsidiary of New Plan Investment Limited and 40% and 10% by two other PRC citizens.

Due to the restrictions on foreign investments in this business operation under the PRC laws, the Group intends to adopt a VIE structure arrangement to confer the Group to get 60% of the economic benefits in total and control of Fuzhou JV so that it becomes a subsidiary of the Group and its financial results shall be consolidated into the consolidated financial statements of the Group.

The Board is of the view that the digital logistics market has favourable development prospects. With relatively small size of investment, the Board believes that the Fuzhou JV provides the Group with a good opportunity to expand its business scope into digital logistics market with relatively low costs and risks, to diversify the revenue stream of the Group and bring stable and sustainable growth in revenue to the Group in the long run. For details of transactions, please refer to the announcement of the Company dated 22 March 2024.

Up till now, the Fuzhou JV is established and in the process of applying the required license. The Company shall make further announcement on the VIE structure as and when appropriate and as required by the Listing Rules.

## **MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES**

### **Disposal of Fujian Unicon**

The Group first started the contact lens business in late 2019 through a PRC subsidiary, Fujian Unicon Optical Co., Ltd. (“FJ Unicon”), in Fuzhou and the construction of the production plant was completed in 2021. The management team spent lots of effort in maintaining product quality, developing new products and obtaining patents certificates to increase our competitive strength. However, with the blow of the pandemic in the past few years, the development of the contact lens business is far behind our expectation and created a financial pressure on the Group.

The Group has been actively exploring cooperation opportunity with different industry experts and market players to ease the challenges and uncertain market conditions our contact lens business has been facing. On 28 July 2023, Eyebright Medical Technology (Beijing) Co., Ltd., a company listed on the Sci-Tech Innovation Board of the Shanghai Stock Exchange (Stock Code: 688050) (“Eyebright Medical”), was introduced as an investor in Fujian Unicon.

Pursuant to the cooperation agreements entered into with Eyebright Medical, Eyebright Medical has conditionally agreed to inject RMB175,000,000 to subscribe for approximately 36.84% equity interest of the Fujian Unicon (the “Capital Injection Amount”) and conditionally agreed to purchase approximately 14.16% equity interest of the Fujian Unicon at the consideration of RMB70,081,600 from Hong Kong Unicon Optical Co., Limited (“HK Unicon”), an indirect non wholly-owned subsidiary of the Company. In addition, HK Unicon has agreed to sell 15% equity interest of Fujian Unicon at a consideration of RMB15,500,000 to an employee shareholding platform for the eligible employees under an equity rewards scheme to recognize their past contributions.

All the conditions precedent under the aforesaid cooperation agreements have been fulfilled and completion took place on 6 November 2023. The equity interest of Fujian Unicon held by HK Unicon was diluted to 34% and Fujian Unicon became an associate of the Group. A gain of approximately HK\$812,000 from these series of disposal transactions has been recorded in discontinued operations. Further details of the disposal are set out in Note 20 and Note 21(a).

Save as disclosed herein, there was no material acquisitions and disposal of subsidiaries and associated companies during the current year.

## **EVENTS AFTER REPORTING DATE**

On 21 May 2024, a counter-guarantee agreement to be entered into between (i) Hong Kong Unicon Optical Co., Limited, an indirectly non wholly-owned subsidiary of the Company (“HK Unicon”) (as counter-guarantor), (ii) Eyebright Medical Technology (Beijing) Co., Ltd. (“Eyebright Medical”) (as guarantor); and (iii) Fujian Unicon Optical Co., Ltd (“JV Co”), an associate owned as to 34% by HK Unicon and 51% by Eyebright Medical (as borrower), pursuant to which HK Unicon agreed to provide counter-guarantee with its 34% equity interests and related rights including derived interest, dividends or other income, corresponding to the registered capital of USD21,731,200 in JV Co in favour of Eyebright Medical for the purpose as security for the repayment obligations of JV Co granted from a PRC bank. For details of transactions, please refer to announcement of the Company dated 21 May 2024.

## FINANCIAL REVIEW

### Finance position, liquidity and gearing

As at 31 March 2024, the total assets and liabilities of the Group were approximately HK\$1,966,165,000 (31 March 2023: HK\$2,378,267,000) and approximately HK\$1,389,609,000 (31 March 2023: HK\$1,755,839,000) respectively. The Group recorded a total equity of approximately HK\$576,556,000 as at 31 March 2024 (31 March 2023: HK\$622,428,000).

The Group recorded net current assets of approximately HK\$36,379,000 as at 31 March 2024 (31 March 2023: net current liabilities of approximately HK\$225,879,000). The bank balances and cash as at 31 March 2024 was approximately HK\$334,518,000 (31 March 2023: HK\$268,997,000), of which most were denominated in US dollars, Hong Kong dollars and Renminbi.

The Group's current ratio (defined as current assets divided by current liabilities) was 1.03 (31 March 2023: 0.86).

As at 31 March 2024, the Group had total borrowing amounting to approximately HK\$591,267,000 (31 March 2023: HK\$901,424,000) denominated in Renminbi, 96% (31 March 2023: 86%) of which are due within one year, 4% (31 March 2023: 12%) of which are due more than one year but not exceeding two years, and nil (31 March 2023: 2%) of which are due more than two years but not exceeding five years. The breakdowns are as follows:

- (i) Secured bank borrowings amounting to nil (31 March 2023: HK\$254,664,000 with variable interest rate); and secured other borrowings amounting to approximately HK\$125,253,000 (31 March 2023: HK\$132,726,000) with fixed interest rate of 6.5%;
- (ii) Unsecured other borrowings amounting to approximately HK\$408,905,000 (31 March 2023: HK\$433,370,000) with fixed interest rate ranges from 3% to 18%;
- (iii) Interest free loan due to non-controlling interests, ultimate holding company, and associate amounting to approximately HK\$51,905,000 (31 March 2023: HK\$56,169,000), HK\$1,624,000 (31 March 2023: HK\$1,636,000) and HK\$3,580,000 (31 March 2023: nil) respectively; and
- (iv) Interest bearing loan from non-controlling interests amounting to nil (31 March 2023: HK\$22,859,000 with floating interest rate).

The gearing ratio, as a ratio of total borrowings to total equity, as at 31 March 2024 was 1.03 (31 March 2023: 1.45).

### **Financial resources**

During the year, the Group's operations continued to be mainly financed by internal resources, borrowings as well as proceeds raised from equity financing exercise in December 2016. The management believes that the Group will generate its liquidity from business operations and will consider making use of further equity financing when necessary.

### **Share capital**

As at 31 March 2024, the Company had 20,319,072,320 shares of ordinary shares in issue and the total equity of the Group was approximately HK\$576,556,000.

### **Charges on assets**

As at 31 March 2024, certain property, plant and equipment with carrying amount of approximately HK\$65,952,000 were pledged to secure certain other borrowings (31 March 2023: HK\$380,877,000 were pledged to secure certain bank and other borrowings) granted to the Group.

### **Contingent liabilities**

The Group had provided guarantees in respect of mortgage facilities granted by certain banks in connection with the mortgage loans entered into by purchasers of the Group's properties. Pursuant to the terms of the guarantees, if there is any default of the mortgage payments by these purchasers, the Group is responsible for repaying the outstanding mortgage loans together with accrued interests thereon and any penalty owed by the defaulted purchaser to banks, and the Group is then entitled to take over the legal title of the related properties. The guarantee period commences from the dates of granting the relevant mortgage loans and ends after the purchasers obtains the individual property ownership certificate. As at 31 March 2024, the guarantee given to banks for the above-mentioned mortgage facilities amounted to approximately HK\$452,342,000 (31 March 2023: HK\$479,329,000).

## **Foreign exchange exposure**

As part of the Group's assets and liabilities are denominated in Renminbi, US dollars and Hong Kong dollars, in order to minimise the foreign exchange risk, the Group aims to utilise the fund for transactions that are denominated in the same currency.

## **EMPLOYMENT AND REMUNERATION POLICIES**

As at 31 March 2024, the Group had approximately 73 employees (2023: 77, excluding the employees from discontinued operations). The employees' salaries are reviewed and adjusted annually based on their performance and experience. The Group's employee benefits include performance bonus, medical insurance, mandatory provident fund scheme, local municipal government retirement scheme and education subsidy to encourage continuous professional development of staff.

## **MODEL CODE FOR DIRECTOR'S DEALING IN SECURITIES**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules. Having made specific enquiry of all Directors, the Company received confirmation from all of the Directors that they had complied with the required standard set out in the Model Code and its code of conduct regarding Directors' securities transactions throughout the current year.

## **PURCHASE, SALES OR REDEMPTION OF THE COMPANY'S SHARES**

There was no purchase, sale or redemption by the Company, or any of its subsidiaries, of the Company's securities during the year ended 31 March 2024.

## **COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES**

The Company has complied with the code provisions set out in the Code on Corporate Governance Practices (the "CG Code") contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("the Listing Rules") throughout the year ended 31 March 2024 except for certain deviations as specified and explained below with considered reasons for such deviations.

- (a) In accordance with the code provision C.2.1, the role of Chairman and Chief Executive Officer (“CEO”) should not be performed by the same individual. However, the Company did not officially appoint a Chairman or a CEO during the year. The responsibilities of the Chairman and daily management of the Group’s business is handled by the executive Directors collectively and supported by a team of senior management, which is in turn supported by staff with relevant expertise and experience.

The Board considers that this arrangement allows for contributions from all executive Directors with different expertise and is beneficial to the continuity of the Company’s policies and strategies and the interest of the shareholders of the Company as a whole. Depending on the future development of the business of the Company, the Board will review the existing structure and consider the issue of nominating appropriate candidate to fill up the role of Chairman and CEO.

- (b) Code provision C.2.7 stipulates that the Chairman should at least annually hold meetings with the independent non-executive Directors without the presence of other directors. Since the Company has not appointed a new Chairman and no meeting was held between the Chairman and the non-executive Directors (including independent non-executive Directors) without the executive Directors present during the year ended 31 March 2024.
- (c) Code provision F.2.2 stipulates that the Chairman should attend the annual general meeting. The Company does not at present have any officer with the title Chairman. However, one of the Directors presented at the annual general meeting held on 11 September 2023 was elected as chairman thereof to ensure an effective communication with the shareholders thereat.
- (d) Code provision C.6.3 stipulates that the company secretary should report to the Chairman and/or the CEO. As the Company did not officially appoint a Chairman or a CEO, the company secretary reported to the executive Directors during the year.

Save as those mentioned above, in the opinion of the Directors, the Company complied with the code provisions of the CG Code during the current year.

## **AUDIT COMMITTEE**

As at the date of this announcement, the Audit Committee of the Company comprised of three independent non-executive Directors, namely, Mr. Yap Yung (the chairman), Ms. Chen Lanran and Mr. Wong Kin Ping. The Audit Committee has reviewed the audited consolidated results of the Group for the year ended 31 March 2024 and discussed with the management the accounting principles and practices adopted by the Group, risk management and internal controls and financial reporting matters of the Group.

## **SCOPE OF WORK OF MESSRS. CL PARTNERS CPA 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 2024 as set out in the preliminary announcement have been agreed by the Group's auditor, CL Partners CPA Limited ("CL Partners"), to the amounts set out in the Group's audited consolidated financial statements of the Group for the year as approved by the Board on 28 June 2024. The work performed by CL Partners in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by CL Partners CPA Limited on the preliminary announcement.

## **PUBLICATION OF FINAL RESULTS AND DISPATCH OF ANNUAL REPORT**

This final results announcement is published on the websites of The Stock Exchange of Hong Kong Limited at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company at [www.147hk.com](http://www.147hk.com). The 2023/2024 annual report containing all information required by the Listing Rules will be disseminated to the Company's shareholders and available on the above websites in due course.

## **APPRECIATION**

On behalf of the Board, I would like to express our gratitude to the shareholders of the Company and business associates for their continued support, and extend our sincere appreciation to all management and staff for their ongoing dedication, commitments and contributions throughout the year.

By Order of the Board  
**International Business Settlement Holdings Limited**  
**Yuen Leong**  
*Executive Director*

Hong Kong, 28 June 2024

\* *The English name is for identification purpose only*

*As at the date of this announcement, the Board comprises Mr. Yuen Leong and Mr. Chan Siu Tat as executive Directors; Mr. Liu Yu as non-executive Director; Mr. Yap Yung, Ms. Chen Lanran and Mr. Wong Kin Ping as independent non-executive Directors.*