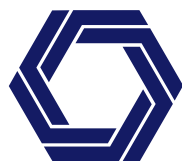


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沪港联合

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 2025**

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 2025 (the “Year”).

FINANCIAL HIGHLIGHTS

For the year ended 31st March

	2025	2024	Change
	HK\$ million	HK\$ million	
Revenue	2,111.8	2,303.2	-8.3%
Gross profit	347.2	384.1	-9.6%
Operating profit	157.0	199.9	-21.5%
Profit for the year	81.2	77.0	+5.5%
Profit attributable to owners of the Company	89.6	78.8	+13.8%
Basic earnings per ordinary share (HK cents)	14.06	12.31	+14.2%
Interim dividend per ordinary share (HK cents)	1.80	1.50	+20.0%
Proposed final dividend per ordinary share (HK cent(s))	1.50	1.00	+50.0%
Gross profit margin	16.4%	16.7%	-0.3 p.p.
Operating profit margin	7.4%	8.7%	-1.3 p.p.
Net profit margin	3.8%	3.3%	+0.5 p.p.

CONSOLIDATED INCOME STATEMENT

For the year ended 31st March 2025

		2025	2024
	Note	HK\$'000	HK\$'000
Revenue	3	2,111,804	2,303,176
Cost of sales	5	(1,764,638)	(1,919,099)
Gross profit		347,166	384,077
Selling and distribution expenses	5	(17,419)	(25,111)
General and administrative expenses	5	(147,721)	(149,133)
(Provision for)/reversal of impairment loss on financial assets - net	5	(2,597)	2,404
Other gains - net	4	2,524	1,062
Net fair value loss on investment properties		(25,002)	(13,356)
Operating profit		156,951	199,943
Finance income	6	588	916
Finance costs	6	(72,288)	(92,255)
Share of results of investments accounted for using the equity method	10	(19,641)	(22,750)
Profit before income tax		65,610	85,854
Income tax credit/(expense)	7	15,634	(8,844)
Profit for the year		81,244	77,010
Profit/(loss) attributable to:			
– Owners of the Company		89,617	78,782
– Non-controlling interests		(8,373)	(1,772)
		81,244	77,010
Earnings per ordinary share attributable to owners of the Company for the year			
Basic earnings per ordinary share	9	HK14.06 cents	HK12.31 cents
Diluted earnings per ordinary share	9	HK14.06 cents	HK12.31 cents

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31st March 2025

	2025 HK\$'000	2024 HK\$'000
Profit for the year	81,244	77,010
Other comprehensive income/(loss):		
<u>Items that may be reclassified subsequently to profit or loss:</u>		
– Loss on cash flow hedge	—	(1,668)
– Release of exchange reserve upon deregistration of subsidiaries	—	631
– Currency translation differences	(12,080)	(84,371)
<u>Item that will not be reclassified to profit or loss:</u>		
– Change in fair value of financial asset at fair value through other comprehensive income	502	(2,907)
Other comprehensive loss for the year	(11,578)	(88,315)
Total comprehensive income/(loss) for the year	69,666	(11,305)
Total comprehensive income/(loss) attributable to:		
– Owners of the Company	78,923	(1,111)
– Non-controlling interests	(9,257)	(10,194)
	69,666	(11,305)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31st March 2025

		2025	2024
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
ASSETS			
Non-current assets			
Property, plant and equipment		36,229	46,969
Investment properties		1,246,853	1,281,131
Right-of-use assets		20,285	40,337
Investments accounted for using the equity method	<i>10</i>	267,402	281,176
Prepayments, deposits and receivables		23,938	18,917
Deferred income tax assets		45,103	29,493
Financial asset at fair value through profit or loss		2,901	3,914
Financial asset at fair value through other comprehensive income		2,247	1,745
Total non-current assets		1,644,958	1,703,682
Current assets			
Prepayments, deposits and other receivables		35,471	51,449
Inventories		342,883	380,586
Trade and bill receivables	<i>11</i>	352,399	367,077
Pledged bank deposits		687	1,804
Cash and cash equivalents		178,980	145,304
Total current assets		910,420	946,220
Total assets		2,555,378	2,649,902

		2025	2024
	Note	HK\$'000	HK\$'000
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital		63,650	63,860
Reserves		936,526	876,714
		<u>1,000,176</u>	<u>940,574</u>
Non-controlling interests		<u>93,825</u>	<u>101,285</u>
Total equity		<u>1,094,001</u>	<u>1,041,859</u>
Liabilities			
Non-current liabilities			
Accrued liabilities and other payables		9,066	11,633
Deferred income tax liabilities		80,679	86,228
Borrowings	13	315,836	343,354
Lease liabilities		2,054	9,349
		<u>407,635</u>	<u>450,564</u>
Total non-current liabilities		<u>407,635</u>	<u>450,564</u>
Current liabilities			
Trade and bill payables	12	58,366	64,614
Liabilities under supplier finance arrangements		25,798	35,965
Contract liabilities		78,544	47,830
Accrued liabilities and other payables		64,597	64,265
Provisions		2,722	316
Current income tax liabilities		9,640	8,458
Borrowings	13	806,781	916,147
Lease liabilities		7,294	19,884
		<u>1,053,742</u>	<u>1,157,479</u>
Total current liabilities		<u>1,053,742</u>	<u>1,157,479</u>
Total liabilities		<u>1,461,377</u>	<u>1,608,043</u>
Total equity and liabilities		<u>2,555,378</u>	<u>2,649,902</u>

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. The address of 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 26th June 2025 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 HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622, the Laws of Hong Kong). 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 HKFRS Accounting Standards 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.

Certain comparative figures have been regrouped to conform with the current year’s presentation of the consolidated financial statements.

2.1 Going Concern Basis

As at 31st March 2025, the Group's current liabilities exceeded its current assets by approximately HK\$143.3 million while the Group's cash and cash equivalents amounted to approximately HK\$179.0 million.

In view of such circumstances, the directors of the Company (the "Directors") 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 2025, the Group had unutilised banking facilities of HK\$932.6 million and utilised banking facilities of HK\$968.2 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 and the Group will be successful in agreeing with the banks on terms as requested for supporting its operation for the next twelve months from 31st March 2025; and
- During the Year, the Group had successfully negotiated with various banks to increase the amount of credit facilities, including to provide revolving facilities sub-limit for managing short-term liquidity need and/or to provide more flexible instalment payment term so as to match with the needs of the Group's business model.

The Directors have reviewed the Group's cash flow projections which cover a period of not less than twelve months from 31st March 2025. 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 2025. Accordingly, the Directors consider that it is appropriate to prepare the Group's consolidated financial statements on a going concern basis.

2.2 Amendments to existing standards and interpretation adopted by the Group

The Group has applied the following amendments to existing standards and interpretation for the first time for their annual reporting period commencing on 1st April 2024:

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
HK (IFRIC) – Int 5 (Revised)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

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

2.3 New standards, amendments to existing standards and interpretation not yet adopted by the Group

The following new standards, amendments to existing standards and interpretation have been issued but are not effective for the financial year beginning on 1st April 2024 and have not been early adopted by the Group:

		Effective for accounting periods beginning on or after
Amendments to HKAS 21	Lack of Exchangeability	1st January 2025
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1st January 2026
Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards – Volume 11	1st January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements (new standard)	1st January 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1st January 2027
Amendments to Hong Kong Interpretation 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1st January 2027
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 new standards, 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 new standards, amendments to existing standards and interpretation, none of which is expected to have a significant effect on the consolidated financial statements of the Group.

3 Revenue and segment information

The Group's revenue consists of the following:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Recognised at a point in time - Sales of goods	2,029,718	2,219,974
Recognised over time - Service income	35,976	37,623
Rental income	46,110	45,579
Total revenue	<u>2,111,804</u>	<u>2,303,176</u>

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 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 property, plant and equipment for the Year.

Analysis of the Group's results by business segment for the year ended 31st March 2025 is as follows:

	Steels Distribution and Processing Business HK\$'000	Building Products Distribution Business HK\$'000	Property Investment and Fund Management Business HK\$'000	Unallocated HK\$'000	Total HK\$'000
Revenue from contracts with customers					
– Recognised at a point in time	1,710,588	319,130	—	—	2,029,718
– Recognised over time and rental income	13	—	82,073	—	82,086
	<u>1,710,601</u>	<u>319,130</u>	<u>82,073</u>	<u>—</u>	<u>2,111,804</u>
Cost of sales	(1,527,863)	(236,775)	—	—	(1,764,638)
Operating profit/(loss)	153,013	30,115	25,025	(51,202)	156,951
Finance income	230	85	267	6	588
Finance costs	(48,971)	(5,252)	(17,386)	(679)	(72,288)
Share of results of investments accounted for using the equity method	—	—	(19,641)	—	(19,641)
Profit/(loss) before income tax	<u>104,272</u>	<u>24,948</u>	<u>(11,735)</u>	<u>(51,875)</u>	<u>65,610</u>
Other gains/(losses) - net	1,309	(254)	170	1,299	2,524
Fair value loss on investment properties	(162)	—	(24,840)	—	(25,002)
Capital expenditure	873	116	141	1,931	3,061
Depreciation and amortisation	(5,016)	(5,256)	(1,161)	(16,527)	(27,960)
(Provision for)/reversal of impairment loss on financial assets - net	<u>(2,651)</u>	<u>53</u>	<u>—</u>	<u>1</u>	<u>(2,597)</u>

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

	Steels Distribution and Processing Business <i>HK\$'000</i>	Building Products Distribution Business <i>HK\$'000</i>	Property Investment and Fund Management Business <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Total <i>HK\$'000</i>
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
	<u>1,879,542</u>	<u>340,447</u>	<u>83,187</u>	<u>—</u>	<u>2,303,176</u>
Cost of sales	(1,671,855)	(247,244)	—	—	(1,919,099)
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	<u>115,992</u>	<u>30,531</u>	<u>(10,563)</u>	<u>(50,106)</u>	<u>85,854</u>
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)
(Provision for)/reversal of impairment loss on financial assets - net	<u>(75)</u>	<u>2,469</u>	<u>—</u>	<u>10</u>	<u>2,404</u>

For total selling and distribution cost, 6.8% (2024: 14.4%), 81.6% (2024: 78.8%) and 10.5% (2024: 5.9%) are contributed by segment of Steels Distribution and Processing Business, Building Products Distribution Business, and Property Investment and Fund Management Business, respectively. For total administrative expenses, 18.3% (2024: 17.2%), 25.6% (2024: 27.0%) and 20.7% (2024: 22.1%) are contributed by segment of Steels Distribution and Processing Business, Building Products Distribution Business, and Property Investment and Fund Management Business, respectively.

Revenues of approximately HK\$219,145,000 (2024: HK\$320,724,000) are derived from a single external customer of the Steels Distribution and Processing Business and Building Products Distribution Business for the year ended 31st March 2025 (2024: Steels Distribution and Processing Business).

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:

	2025 HK\$'000	2024 HK\$'000
Hong Kong	1,650,495	1,694,352
Mainland China	461,309	608,824
	<u>2,111,804</u>	<u>2,303,176</u>

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

	2025 HK\$'000	2024 HK\$'000
Hong Kong	338,508	371,152
Mainland China	1,256,199	1,297,378
	<u>1,594,707</u>	<u>1,668,530</u>

(a) Revenue recognition in relation to contract liabilities

As at 31st March 2025, contract liabilities included receipts in advance and deferred revenue amounting to HK\$78,544,000 (2024: HK\$47,830,000). The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities:

	2025 HK\$'000	2024 HK\$'000
Revenue recognised that was included in contract liabilities at the beginning of the year	<u>47,830</u>	<u>38,979</u>

(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:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Aggregate amount of the transaction price allocated to long-term sales contracts that are partially or fully unsatisfied as at 31st March	<u>988,150</u>	<u>653,173</u>

Management expects that 76.5% (2024: 85.6%) of the transaction price, totalling HK\$756,359,000 (2024: HK\$558,994,000) allocated to unsatisfied performance obligations as of 31st March 2025 (2024: 31st March 2024) will be recognised as revenue during the next reporting period. The remaining 23.5% or approximately HK\$231,791,000 will be recognised in the 2026/27 financial year (2024: remaining 14.4% or approximately HK\$94,179,000 will be recognised in 2025/26 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

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Net exchange losses	(1,146)	(2,053)
Gain on modification of lease	—	842
Compensation for unfulfilled contracts	727	195
Release of exchange reserve upon deregistration of subsidiaries	—	(631)
Unrealised fair value (loss)/gain on financial assets at fair value through profit or loss	(1,013)	213
Income from selling solar energy	998	980
Government subsidies	1,521	229
Sundry income	<u>1,437</u>	<u>1,287</u>
	<u>2,524</u>	<u>1,062</u>

5 Expenses by nature

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

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Cost of finished goods sold	1,626,531	1,799,193
Provision for written-down of inventories - net	2,120	846
Provision for/(reversal of) onerous contracts	2,406	(24,371)
Depreciation of property, plant and equipment	7,908	6,966
Depreciation of right-of-use assets	20,052	9,494
Loss/(gain) on disposals of property, plant and equipment	1,489	(361)
Employee benefit expenses	123,380	130,474
Expenses relating to short-term or low-value leases	2,337	5,832
Property tax for investment properties	6,248	7,039
Provision for/(reversal of) for impairment of trade and bill receivables - net	2,597	(2,404)
Auditor's remuneration		
– Audit services	1,990	2,669
– Non-audit services	210	230
Legal and professional fees	4,948	4,043
Freight charges	85,625	95,527
Storage and handling charges	8,832	11,388
Others	35,702	44,374
Total	1,932,375	2,090,939

6 Finance income and costs

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Finance income		
Interest income:		
– short-term bank deposits	588	916
Finance costs		
Interest expenses:		
– bank borrowings and hire purchase liabilities	(63,809)	(86,635)
– supplier finance arrangements	(1,205)	(2,190)
– transfer from hedging reserve		
– interest rate swaps designated as cash flow hedges	—	1,780
– lease liabilities	(1,299)	(871)
Bank charges	(5,975)	(4,339)
	(72,288)	(92,255)
Net finance costs	(71,700)	(91,339)

7 Income tax (credit)/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% (2024: 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 (2024: Same). Subsidiaries established in Mainland China are subject to China corporate income tax at 25% (2024: Same).

The amount of income tax (credit)/expense recorded in the consolidated income statement represents:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current income tax		
– Hong Kong profits tax	3,383	3,215
– China corporate income tax	1,548	2,160
Deferred income tax	(20,589)	3,184
Under-provision in prior years	24	285
	(15,634)	8,844

8 Dividends

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interim dividend of HK1.80 cents (30th September 2023: HK1.50 cents) per ordinary share (<i>Note (a)</i>)	11,457	9,606
Proposed final dividend of HK1.50 cents (31st March 2024: HK1.00 cent) per ordinary share (<i>Note (b)</i>)	9,548	6,386

Notes:

- (a) An interim dividend in respect of the six months ended 30th September 2024 of HK1.80 cents per ordinary share (six months ended 30th September 2023: HK1.50 cents per ordinary share) was paid in cash on 9th January 2025 (six months ended 30th September 2023: 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 2024 (six months ended 30th September 2023: 20th December 2023).
- (b) A final dividend in respect of the year ended 31st March 2025 of HK1.50 cents per ordinary share (2024: HK1.00 cent per ordinary share), amounting to approximately total dividend of HK\$9,548,000 (2024: HK\$6,386,000), is to be proposed at the forthcoming annual general meeting of the Company. The amount of the proposed final dividend is based on 636,508,315 ordinary shares in issue as at 31st March 2025 (2024: 638,604,315 ordinary shares). These consolidated financial statements do not reflect this proposed final dividend payable for the year ended 31st March 2025.

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.

	2025	2024
Profit attributable to owners of the Company (HK\$'000)	89,617	78,782
Weighted average number of ordinary shares in issue ('000)	637,370	640,246
Basic earnings per ordinary share (HK cents)	14.06	12.31

(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.

For the years ended 31st March 2025 and 2024, the Group has one category of potentially dilutive ordinary shares - share options issued by the Company. The computation of diluted earnings per ordinary share for the years ended 31st March 2025 and 2024 did not assume the exercise of the Company's share options because the exercise prices of these options were higher than the average market price for ordinary shares. Thus, there were no potentially dilutive ordinary shares as at both years end and diluted earnings per ordinary share equal to basic earnings per ordinary share for the years ended 31st March 2025 and 2024.

10 Investments accounted for using the equity method

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

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
At beginning of year	281,176	313,118
Share of loss of investments accounted for using the equity method	(19,641)	(22,750)
Contributions	10,732	12,202
Currency translation differences	(4,865)	(21,394)
At end of year	<u>267,402</u>	<u>281,176</u>

11 Trade and bill receivables

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade receivables		
– from third parties	358,353	375,943
– from an associate	10,884	3,925
– from a joint venture	343	321
Bill receivables	9,256	5,918
Less: Provision for impairment	(17,810)	(15,312)
Trade and bill receivables - net	361,026	370,795
Less: Non-current	(8,627)	(3,718)
Trade and bill receivables under current assets	<u>352,399</u>	<u>367,077</u>

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:

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
0 to 60 days	240,431	288,966
61 to 120 days	57,189	48,620
121 to 180 days	17,253	11,612
181 to 365 days	31,249	14,298
Over 365 days	32,714	22,611
	<hr/>	<hr/>
	378,836	386,107
Less: Provision for impairment	(17,810)	(15,312)
	<hr/>	<hr/>
	361,026	370,795
	<hr/> <hr/>	<hr/> <hr/>

The carrying amounts of net trade and bill receivables approximated their fair values as at 31st March 2025 and 2024.

12 Trade and bill payables

Payment terms with suppliers are either on letters of credit or open account with credit period of 30 to 60 days.

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

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
0 to 60 days	58,167	60,981
61 to 120 days	137	29
121 to 180 days	—	640
181 to 365 days	—	2,040
Over 365 days	62	924
	<hr/>	<hr/>
	58,366	64,614
	<hr/> <hr/>	<hr/> <hr/>

The carrying amounts of trade and bill payables approximated their fair values as at 31st March 2025 and 2024.

13 Borrowings

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current		
– Trust receipts bank loans	691,183	691,193
– Short-term bank loans	95,058	145,584
– Current portion of long-term bank loans, secured	15,301	68,049
– Current portion of a hire purchase liability, secured	1,669	1,584
– Other loans	3,570	9,737
	<u>806,781</u>	<u>916,147</u>
Non-current		
– Long-term bank loans, secured	311,905	334,180
– Hire purchase liability, secured	2,294	3,967
– Other loan	1,637	5,207
	<u>315,836</u>	<u>343,354</u>
Total borrowings	<u><u>1,122,617</u></u>	<u><u>1,259,501</u></u>

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 2025, the Group had total commitments receivable under various non-cancellable operating lease agreements in respect of rented premises of HK\$26,761,000 (2024: HK\$26,541,000).

(ii) Lessee

As at 31st March 2025, the Group had total commitments payable under various non-cancellable operating lease agreements in respect of short-term and low-value leases of HK\$462,000 (2024: HK\$2,084,000) which will be recognised as an expense in the forthcoming consolidated income statement.

(b) Capital commitments

As at 31st March 2025, the Group had a total capital commitment of approximately HK\$102,852,000 (2024: HK\$114,979,000), mainly including contracted but not provided for in respect of property, plant and equipment and investment property of approximately HK\$768,000 (2024: HK\$2,165,000) and commitment in respect of investments accounted for using equity method, if called, of approximately HK\$102,084,000 (2024: HK\$112,814,000).

15 Events occurring after the reporting period

On 2nd June 2025, Top Bloom Group Limited (the “Lender”), an indirect wholly-owned subsidiary of the Company, entered into a Loan Agreement with Skyline Holdings (BVI) Limited (the “Borrower”, investment accounted for using the equity method of the Company), pursuant to which the Lender has agreed to provide the loan in favour of the Borrower in the amount of RMB18,000,000 for a term of six months at an interest rate of 10% per annum. The loan shall be used by the Borrower or its subsidiaries for general working capital purposes. For details, please refer to the announcement of the Company dated 2nd June 2025.

This is a non-adjusting event after the financial year end and does not result in any adjustments to the consolidated financial statements for the year ended 31st March 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

Overall Performance

FY2024/25 was a year marked by heightened macroeconomic volatility and structural shifts across global and regional markets. While early signs of recovery emerged from the easing of supply chain disruptions and inflationary pressures, renewed headwinds - including intensified trade frictions, diverging monetary policies, persistent geopolitical uncertainties, and fluctuating commodity prices - continued to weigh on the Group's operations.

In Hong Kong, despite the government's efforts to stimulate property and construction development, private sector activity was subdued amid a softening residential market; whereas in Mainland China, the commercial property market also remained under pressure due to the stagnated demand and an influx of new supply.

Amid this challenging environment, the Group remained focused on operational discipline and strategic execution. For its Steels Distribution Business, the Group continued to leverage its effective procurement mechanism to mitigate the impact of steel price volatility. Meanwhile, its value-added Steels Processing Business achieved a record high in production output during the Year, highlighting its proven value and growing market adoption across public and private projects. In Shanghai, the Group's local team has once again demonstrated its management excellence, effectively navigating the dynamic market conditions to maintain strong occupancy rates and stable rental income. All these efforts have effectively cushioned the impact of a softer market environment, laying the foundation for solid financial performance.

During the Year, the Group's revenue declined by 8.3% from approximately HK\$2,303.2 million to approximately HK\$2,111.8 million, primarily due to lower average steel prices. Gross profit decreased from approximately HK\$384.1 million to approximately HK\$347.2 million, with gross profit margin reporting a modest decrease from 16.7% to 16.4%, reflecting the impact of pricing pressure, which was partially offset by the resilient performance of its value-added Steels Processing Business.

Supported by stringent cost control measures, reduction in finance costs, and the recognition of deferred tax assets arising from the improved performance of its Steels Processing Business, profit attributable to owners of the Company reached approximately HK\$89.6 million for the Year, representing a 13.8% increase compared to the same period last year.

For the Year, the basic earnings per ordinary share was HK14.06 cents, as compared with HK12.31 cents in the same period last year.

BUSINESS REVIEW

Steels Distribution and Processing Business

Steels Distribution and Processing Business primarily supplies construction and industrial steels in Hong Kong and Mainland China. In addition to its procurement and distribution model, it operates one leading steel reinforcing bar prefabrication yard in Hong Kong, providing customised offsite cut-and-bend services. The prefabricated steel reinforcing bars are ready for immediate use, offering consistent product quality and full traceability, which help reduce on-site labour, enhance safety, and minimise construction waste.

During the Year, the steel market remained volatile amid global economic uncertainties and fluctuating infrastructure demand. While the overall delivery quantity for the the Group's Steel Distribution Business recorded a modest decline of approximately 4.9% year-on-year, segment revenue decreased by 9.0% from approximately HK\$1,879.5 million to approximately HK\$1,710.6 million, primarily due to the drop in average steel prices. Despite the softer market environment, the Group's offsite prefabricated solutions were well-received by the market, with delivery volume increasing by approximately 9.3% year-on-year driven by growing adoption across public and private projects. Supported by its proven procurement strategy, expanding economies of scale, and the rising contribution from the value-added processing business, the segment maintained a stable gross profit margin during the Year.

However, as a result of the absence of a reversal of onerous contract provision in this Year (FY2023/24: approximately HK\$24.4 million), and a high base of comparison due to the completion of higher-margin contracts in the previous year, segment profit before income tax declined from approximately HK\$116.0 million to approximately HK\$104.3 million, despite a reduction in finance costs. The resilient business performance highlights the Group's leading market position, expanding client portfolio, and successful transformation towards a value-driven service business.

During the Year, the Group participated in a number of major infrastructure and private development projects, including Tung Chung New Town Extension, Fanling North New Development Area (Phase 1), Shek Li Street Public Housing Development and Fanling Data Centre Development, among others.

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, and fitting and kitchenware products, catering to 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 weakened retail consumer sentiment and a slowdown in project initiatives despite government stimulus measures. In Hong Kong, the growing economic uncertainties and stagnated property prices did not provide sufficient incentives for both homebuyers and developers, with the number of housing and commercial projects seeing a decline, causing a decrease in new installations, replacement, and renovation works. In Mainland China, the segment continued to face sustained competition and demand pressure, particularly in the mid-to-high-end renovation market. As a result, segment revenue declined by approximately 6.3% year-on-year to approximately HK\$319.1 million (FY2023/24: approximately HK\$340.4 million), while profit before income tax decreased to approximately HK\$24.9 million (FY2023/24: approximately HK\$30.5 million).

Despite the challenging environment, the Group's product portfolio remained well-received in the market. Its major brand, TOTO, continued to be chosen among commercial and hospitality settings for its durability and design quality. The Group's Smart Toilet Solutions, which integrate AIoT-enabled features such as air quality and humidity monitoring, water leakage detection, and energy-efficient ventilation, have also gained higher popularity due to the rising demand for safety, better environment quality, and efficient management.

With the Smart Toilet Solutions being bundled with the Group's expansive product offerings, the Group sees high potential in gaining further market share in the future, as reflected in the latest implementation in Chinachem Tower, Man Yee Building, and Hong Kong International Airport.

Property Investment and Fund Management Business

As a niche market specialist in asset revitalisation and value optimisation, the Group continues to adopt an "asset-light" strategy for its investment projects in Shanghai. As at 31st March 2025, the Group manages a total gross floor area ("GFA") of approximately 161,724 square meters, with assets under management valued at around HK\$8.0 billion. Among the three Central Park projects under management, Central Park • Pudong, wholly-owned by the Group, aims to deliver sustainable rental income and medium-to-long-term capital appreciation. The Group also partners with leading investment funds on two other projects, namely Central Park • Jing'an and Central Park • Huangpu, where it holds equity stakes and acts as a general partner and/or investment manager to earn fee income.

During the Year, Shanghai's commercial property market experienced a period of structural adjustment. While supportive monetary and fiscal measures were introduced by the Government to stabilise the sector, the market continued to face headwinds from subdued leasing sentiment, an influx of new supply, and cautious corporate expansion. These factors exerted sustained pressure on occupancy levels, average rental rates, and asset valuations.

In response, the Group proactively refined its leasing strategies and repositioned its properties to target specific industry clusters. Notably, Central Park • Huangpu was successfully repositioned to serve the medical and healthcare sector, leveraging its proximity to Grade A tertiary hospitals. This strategic shift has attracted a major tenant to establish a medical innovation hub in the building, and the flagship project has led to a broader increase in occupancy rates from other healthcare-related enterprises, effectively forming a healthcare tenant ecosystem. Riding on the increasing occupancy rates and commercial activities, the Group's hotel asset within the same complex also achieved an average occupancy rate of over 85%, with room rates approaching pre-pandemic levels, supported by its integrated conferencing and F&B facilities.

Overall, segment revenue recorded a modest decline of approximately 1.3% year-on-year to approximately HK\$82.1 million (FY2023/24: approximately HK\$83.2 million), primarily due to the slight reduction in management fee income. However, rental income remained largely stable despite the challenging market conditions, reflecting the effectiveness of the Group's proactive asset management efforts. Excluding the share of loss from investments under the equity method and the fair value loss of investment properties, the segment reported a profit before income tax of approximately HK\$32.7 million, compared to approximately HK\$25.5 million in the previous year. The improvement was mainly attributable to effective cost control and enhanced operational efficiency.

The share of loss of investments accounted for using the equity method decreased from approximately HK\$22.8 million to approximately HK\$19.6 million during the Year, primarily due to the diminishing fair value losses on investment properties compared to the previous year.

OUTLOOK

Looking ahead, the Group anticipates further changes to the dynamic macro environment. With the global economy entering a phase of evolving geopolitical relationships, changing monetary policies, and fluctuating consumption and investment sentiment, it is expected that there will be a growing conservatism among infrastructure and private projects, given their significant investment and long investment horizon. The weakening of demand may also compress the Group's margins for its Steels Distribution and Processing Business.

To manage cost pressures and protect margins, the Group will continue to exercise disciplined cost control and preserve financial flexibility in case of further market shocks. Yet, the Group also recognises the necessity of transformation, that long-term sustainability and business resilience may come at the expense of structural changes. To this end, the Group is progressively evolving itself as a value-creating partner in the construction ecosystem - one that integrates materials, services, and smart technologies to support a smarter, safer, and more sustainable built environment. In the process, this should also strengthen trust between the Group and its customers, thereby enhancing customer loyalty, while improving coordination and efficiency across the construction value chain, generating synergies and savings for all.

Regarding its Property Investment and Fund Management Business, the commercial leasing market in Shanghai is expected to remain stagnated due to the influx of supply amid a stable demand. To maintain a stable business performance, the Group will continue to strengthen its tenant engagement efforts, by offering more tailored and value-added services beyond traditional leasing, such as flexible leasing terms, shared amenities, and industry-specific support. These initiatives should be able to enhance tenant stickiness, improve occupancy stability, and hence, differentiate the Group's properties in the competitive regional market.

While the road ahead may be filled with uncertainties, the Group remains confident in its ability to adapt, evolve, and deliver sustainable performance. By staying agile, embracing innovation, and deepening its integration of technology and services, the Group is well-positioned to navigate the challenges and capture emerging opportunities - creating long-term value for its customers and shareholders.

CORPORATE FINANCE AND RISK MANAGEMENT

Financial Position

Compared with the financial year ended 31st March 2024, the Group's total assets decreased from approximately HK\$2,649.9 million to approximately HK\$2,555.4 million as at 31st March 2025, mainly as a result of the translation difference of the Group's investment in Mainland China and the reduction in working capital. In breakdown, the Group's inventories decreased from approximately HK\$380.6 million to approximately HK\$342.9 million, with the average inventory days of supply slightly decreasing from 81 days to 75 days. The Group's trade and bill receivables decreased from approximately HK\$370.8 million to approximately HK\$361.0 million, with the average overall days of sales outstanding slightly decreasing from 57 days to 52 days. Net asset value of the Group increased to approximately HK\$1,094.0 million, mainly attributable to profit for the Year and the recognition of deferred tax assets arising from the improved performance of the Steels Processing Business, partially offset by 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\$1.57 as at 31st March 2025.

Compared with the financial position as at 31st March 2024, the Group's cash and cash equivalents and pledged bank deposits increased from approximately HK\$147.1 million to approximately HK\$179.7 million. The Group's borrowings decreased by approximately HK\$136.9 million to approximately HK\$1,122.6 million as at 31st March 2025. 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) slightly decreased from 54.2% to 48.5%.

In terms of liquidity, the Group's current ratio slightly increased from 0.82 to 0.86. During the Year, the Group utilised its excessive cash to repay certain short-term bank borrowings with relatively high interest rates, and was able to renegotiate existing credit facilities at more favourable interest rates and terms to reduce short-term commitments. In the opinion of the Directors, after due and careful consideration of the internally generated funds and 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 the turnover of its working capital and take various cost containment and efficiency enhancement measures to strengthen its liquidity.

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 trade 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 2025, about 66.8% of the Group's interest-bearing borrowings were denominated in HK dollar, and the remaining 33.2% in RMB. 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 RMB347.9 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 2025 was as follows:

Maturity Profile

Within 1 year	1-2 years	2-5 years	Over 5 years	Total
71.9%	2.6%	9.2%	16.3%	100%

Charges on Assets

As at 31st March 2025, the Group had certain charges on assets which included (i) bank deposits of approximately HK\$0.7 million (31st March 2024: bank deposits of approximately HK\$1.8 million), which were pledged as collateral for the Group's bill payables; (ii) investment properties of approximately HK\$1,246.6 million (31st March 2024: approximately HK\$1,280.7 million) were pledged as collaterals for certain bank borrowings of the Group; and (iii) machineries of approximately HK\$7.8 million (31st March 2024: approximately HK\$9.1 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\$3.1 million (2024: approximately HK\$15.9 million), which was primarily financed through cash generated from operating activities.

Capital Commitments

As at 31st March 2025, the Group's total capital commitments amounted to approximately HK\$102.9 million (31st March 2024: approximately HK\$115.0 million).

Contingent Liabilities

As at 31st March 2025, the Group had no material contingent liabilities (31st March 2024: Same).

Material Acquisitions and Disposals

The Group did not have any material acquisitions and disposals of subsidiaries and associated companies during the Year (2024: Same).

Events after the reporting period

On 2nd June 2025, Top Bloom Group Limited (the "Lender"), an indirect wholly-owned subsidiary of the Company, entered into a Loan Agreement with Skyline Holdings (BVI) Limited (the "Borrower"), pursuant to which the Lender has agreed to provide the loan in favour of the Borrower in the amount of RMB18,000,000 for a term of six months at an interest rate of 10% per annum. The loan shall be used by the Borrower or its subsidiaries for general working capital purposes. For details, please refer to the announcement of the Company dated 2nd June 2025.

Save as disclosed elsewhere in this announcement, the Group did not have any material events after the reporting period (31st March 2024: Nil).

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 2025, the Group employs 255 staff (31st March 2024: 250 staff). Total staff costs during the Year, including the contribution to retirement benefit schemes, amounted to approximately HK\$123.4 million (2024: HK\$130.5 million). During the Year, no option has been offered and/or granted to the Directors and employees under the share option scheme(s) adopted by the Company.

DIVIDENDS

The Board recommended the payment of a final dividend of HK1.50 cents per ordinary share for the year ended 31st March 2025 (2024: HK1.00 cent per ordinary share), payable to shareholders whose names appear on the register of members of the Company at the close of business on Wednesday, 3rd September 2025, subject to the approval of shareholders at the annual general meeting of the Company to be held on Friday, 22nd August 2025 (the "2025 AGM"). Final dividend is expected to be paid on Friday, 12th September 2025.

During the Year, an interim dividend of HK1.80 cents per ordinary share was paid to the shareholders by the Company on 9th January 2025.

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 2025 AGM:

The register of members of the Company will be closed from Tuesday, 19th August 2025 to Friday, 22nd August 2025, both days inclusive, for the purpose of ascertaining the shareholders' entitlement to attend and vote at the 2025 AGM. In order to be eligible to attend and vote at the 2025 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, 18th August 2025.

(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 2025 is duly passed at the 2025 AGM, the register of members of the Company will be closed from Monday, 1st September 2025 to Wednesday, 3rd September 2025, 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, 29th August 2025.

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

During the Year, the Company repurchased a total of 2,096,000 shares on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") at an aggregate consideration (before expense) of HK\$513,890.00. All the repurchased shares were subsequently cancelled on 29th August 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) (HK\$)
		Highest (HK\$)	Lowest (HK\$)	
18th July 2024	496,000	0.240	0.239	118,986.00
19th July 2024	400,000	0.245	0.236	96,320.00
1st August 2024	250,000	0.245	0.244	61,242.00
6th August 2024	330,000	0.250	0.243	82,370.00
13th August 2024	120,000	0.250	0.249	29,992.00
15th August 2024	500,000	0.250	0.245	124,980.00
Total	<u>2,096,000</u>			<u>513,890.00</u>

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 2025.

SCOPE OF WORK OF PRICEWATERHOUSECOOPERS

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 31 March 2025 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. Li Yinquan, the Independent Non-executive Director, was unable to attend the annual general meeting of the Company held on 23rd August 2024 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 2025 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, 26th June 2025

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