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Shunten International (Holdings) Limited

順騰國際(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 932)

FINAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2024

The board (the “**Board**”) of directors (the “**Director(s)**”) announces the audited consolidated results of Shunten International (Holdings) Limited (the “**Company**”, together with its subsidiaries collectively referred to as the “**Group**”) for the year ended 31 March 2024, together with the comparative figures for the previous financial year. The audited consolidated results of the Group for the year ended 31 March 2024 were reviewed by the audit committee of the Company (the “**Audit Committee**”) and agreed with the auditors.

FINANCIAL HIGHLIGHTS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Continuing operations		
Revenue		
— Health and beauty supplements and products business	230,580	215,920
— Property investment business	5,006	207
	<u>235,586</u>	<u>216,127</u>
Gross profit	184,212	166,310
Profit for the year attributable to owners of the Company	571	41,036
Adjusted profit for the year attributable to owners of the Company (the “ Adjusted Net Profit ”)*	15,571	24,847

* The adjustment process of Adjusted Net Profit:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Profit for the year attributable to owners of the Company	571	41,036
Adjustments:		
Government subsidies	—	(3,758)
Gain on disposal of equity instruments at fair value through profit or loss	—	(531)
Fair value change of investment properties	15,000	(11,900)
Adjusted Net Profit	15,571	24,847

The Adjusted Net Profit is arrived at by deducting the non-recurring items including the government subsidies and gain on disposal of equity instruments at fair value through profit or loss and unrealised item relating to the fair value change of investment properties. The management of the Group considers that these adjusted items are not related to our daily operations and does not track such adjusted items as key operating or financial metrics internally when reviewing our performance. Therefore, by eliminating the impacts of such items in the calculation of Adjusted Net Profit, it could better reflect our underlying operating performance and could better facilitate the comparison of operating performance from year to year.

The Adjusted Net Profit is not the measures of performance under Hong Kong Financial Reporting Standards (“**HKFRSs**”). These measures do not represent, and should not be used as substitutes for, net profit or cash flows from operations as determined in accordance with HKFRSs. These measures are not necessarily an indication of whether cash flow will be sufficient to fund our cash requirements. In addition, our definitions of these measures may not be comparable to other similarly titled measures used by other companies.

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

For the year ended 31 March 2024

	<i>Notes</i>	2024 HK\$'000	2023 <i>HK\$'000</i>
CONTINUING OPERATIONS:			
REVENUE	4	235,586	216,127
Cost of sales		<u>(51,374)</u>	<u>(49,817)</u>
GROSS PROFIT		184,212	166,310
Other income, gains or losses		1,643	3,936
Selling and distribution expenses		(54,499)	(47,447)
Administrative expenses		(103,802)	(85,256)
Share of profit of an associate		—	6
Impairment loss under expected credit loss model on trade and other receivables		(203)	(715)
Fair value change of investment properties		<u>(15,000)</u>	<u>11,900</u>
PROFIT FROM OPERATIONS		12,351	48,734
Finance costs	6	<u>(7,777)</u>	<u>(4,968)</u>
PROFIT BEFORE TAXATION	7	4,574	43,766
Taxation	8	<u>(4,056)</u>	<u>(2,590)</u>
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS		<u>518</u>	<u>41,176</u>
DISCONTINUED OPERATIONS:			
Loss for the year from discontinued operations		<u>—</u>	<u>(423)</u>
PROFIT FOR THE YEAR		<u>518</u>	<u>40,753</u>

<i>Notes</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
OTHER COMPREHENSIVE INCOME/ (EXPENSE)		
Item that will not be reclassified to profit and loss:		
Change in fair value upon transfer from property, plant and equipment to investment properties	27,770	—
Item that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of financial statements of foreign operations	<u>(141)</u>	<u>(210)</u>
OTHER COMPREHENSIVE INCOME/ (EXPENSE) FOR THE YEAR	<u>27,629</u>	<u>(210)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u><u>28,147</u></u>	<u><u>40,543</u></u>
Profit/(loss) for the year attributable to owners of the Company:		
— from continuing operations	571	41,296
— from discontinued operations	<u>—</u>	<u>(260)</u>
Profit for the year attributable to owners of the Company	<u><u>571</u></u>	<u><u>41,036</u></u>
Loss for the year attributable to non-controlling interests:		
— from continuing operations	(53)	(120)
— from discontinued operations	<u>—</u>	<u>(163)</u>
Loss for the year attributable to non-controlling interests	<u><u>(53)</u></u>	<u><u>(283)</u></u>
	<u><u>518</u></u>	<u><u>40,753</u></u>

	<i>Notes</i>	2024 HK\$'000	2023 <i>HK\$'000</i>
Total comprehensive income/(expense) attributable to:			
Owners of the Company		28,144	40,758
Non-controlling interests		<u>3</u>	<u>(215)</u>
		<u>28,147</u>	<u>40,543</u>
Total comprehensive income/(expense) attributable to owners of the Company:			
— from continuing operations		28,144	41,018
— from discontinued operations		<u>—</u>	<u>(260)</u>
		<u>28,144</u>	<u>40,758</u>
Earnings per share attributable to owners of the Company for the year:			
From continuing and discontinued operations			
— basic and diluted (HK cents)	<i>10</i>	<u>0.02</u>	<u>1.32</u>
From continuing operations			
— basic and diluted (HK cents)	<i>10</i>	<u>0.02</u>	<u>1.33</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2024

	Notes	2024 HK\$'000	2023 HK\$'000
Non-current assets			
Investment properties		207,100	136,900
Property, plant and equipment		12,719	68,401
Right-of-use assets		11,551	6,722
Intangible assets		16,325	7,425
Prepayments and deposits	11	10,671	22,918
Deferred tax assets		13	—
		<u>258,379</u>	<u>242,366</u>
Current assets			
Inventories		25,880	23,817
Trade and other receivables, prepayments and deposits	11	45,033	58,780
Tax recoverable		2,342	1,375
Cash and cash equivalents		12,700	13,108
		<u>85,955</u>	<u>97,080</u>
Current liabilities			
Trade payables, other payables and accruals	12	21,094	24,602
Contract liabilities		36	84
Amount due to a shareholder		25,909	79,909
Bank and other borrowings		110,965	79,737
Lease liabilities		4,754	2,692
Refund liabilities		1,260	1,274
Tax payable		1,482	3,657
		<u>165,500</u>	<u>191,955</u>
Net current liabilities		<u>(79,545)</u>	<u>(94,875)</u>
Total assets less current liabilities		<u>178,834</u>	<u>147,491</u>

	<i>Notes</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Non-current liabilities			
Lease liabilities		6,460	4,076
Deferred tax liabilities		766	5
		<u>7,226</u>	<u>4,081</u>
Net assets		<u>171,608</u>	<u>143,410</u>
Equity			
Share capital		7,770	7,770
Reserves		165,117	138,237
		<u>172,887</u>	<u>146,007</u>
Equity attributable to owners of the Company		172,887	146,007
Non-controlling interests		(1,279)	(2,597)
		<u>171,608</u>	<u>143,410</u>
Total equity		<u>171,608</u>	<u>143,410</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Shunten International (Holdings) Limited is a public limited company incorporated and domiciled in the Cayman Islands as an exempted company with limited liability on 5 December 2011 under the Companies Act of the Cayman Islands. The Company's shares are listed on the Main Board of the Stock Exchange.

The Company is an investment holding company and the Group is principally engaged in the sale, marketing and distribution of health and beauty supplements and products and property investment in Hong Kong.

The consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is also the functional currency of the Company.

2. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS

New and amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following new and amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") for the first time, which are mandatorily effective for the Group's annual period beginning on 1 April 2023 for the preparation of the consolidated financial statements:

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

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

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

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

The consolidated financial statements have been prepared on the historical cost basis except for investment properties that are measured at fair values at the end of the reporting period.

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

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

A fair value measurement of a non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

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

4. REVENUE

Disaggregation of revenue from contracts with customers by major products or service lines and geographical locations of customers from continuing operations are detailed as follows:

	For the year ended 31 March 2024		
	Health and beauty supplements and products business <i>HK\$'000</i>	Property investment business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Continuing operations			
Disaggregated by geographical locations of customers:			
Hong Kong (place of domicile)	<u>230,580</u>	<u>5,006</u>	<u>235,586</u>
Timing of revenue recognition:			
Point in time	<u>230,580</u>	<u>—</u>	<u>230,580</u>
Over time	<u>—</u>	<u>5,006</u>	<u>5,006</u>
	<u><u>230,580</u></u>	<u><u>5,006</u></u>	<u><u>235,586</u></u>
Principal	<u><u>230,580</u></u>	<u><u>5,006</u></u>	<u><u>235,586</u></u>
	For the year ended 31 March 2023		
	Health and beauty supplements and products business <i>HK\$'000</i>	Property investment business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Continuing operations			
Disaggregated by geographical locations of customers:			
Hong Kong (place of domicile)	<u>215,920</u>	<u>207</u>	<u>216,127</u>
Timing of revenue recognition:			
Point in time	<u>215,920</u>	<u>—</u>	<u>215,920</u>
Over time	<u>—</u>	<u>207</u>	<u>207</u>
	<u><u>215,920</u></u>	<u><u>207</u></u>	<u><u>216,127</u></u>
Principal	<u><u>215,920</u></u>	<u><u>207</u></u>	<u><u>216,127</u></u>

Health and beauty supplements and products business

Revenue from the sales of health and beauty supplements and products business is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods.

Certain contracts for the sale of health and beauty supplements and products business provide customers with rights of return. The rights of return give rise to variable consideration. For contracts which provide a customer with a right to return the goods within a specified period, the expected value method is used to estimate the goods that will not be returned. Revenue is recognised for sales which are considered highly probable that a significant reversal in the cumulative revenue recognised will not occur. For goods that are expected to be returned, a refund liability is recognised.

All goods provided by the Group are for contracts with originally expected duration of one year or less. As permitted under HKFRS 15 *Revenue from Contracts with Customers*, the transaction price allocated to these unsatisfied contracts is not disclosed.

Property investment business

Revenue from property investment business is recognised over time when rental income receivable from operating leases.

5. SEGMENT REPORTING

Information reported to the board of directors of the Company, being the Chief Operating Decision Maker (“**CODM**”), for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided.

Specifically, the Group’s reportable segments under HKFRS 8 *Operating Segments* are as follows:

- Health and beauty supplements and products business: development, manufacturing and sales of health and beauty supplements.
- Property investment business: leasing of investment properties.

During the year ended 31 March 2023, the Group completed the disposal of the operation for e-commerce promotion business through disposal of Advance Rider Limited (“**Advance Rider**”). As a result, the operation for e-commerce promotion business through Advance Rider was discontinued with effective from 30 August 2022.

(a) **Segment revenue, results, assets and liabilities**

Information regarding the Group's reportable segments as provided to the Group's CODM for the purposes of resource allocation and assessment of segment performance for the years ended 31 March 2024 and 2023 are set out below:

(i) **Segment revenue and results**

	For the year ended 31 March 2024		
	Health and beauty supplements and products business <i>HK\$'000</i>	Property investment business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Continuing operations			
Segment revenue:			
Revenue from external customers	230,580	5,006	235,586
Segment results	<u>52,140</u>	<u>(15,425)</u>	36,715
Unallocated other income, gains or losses			766
Unallocated finance costs			(3,284)
Unallocated corporate expenses			<u>(29,623)</u>
Profit before taxation			<u><u>4,574</u></u>
	For the year ended 31 March 2023		
	Health and beauty supplements and products business <i>HK\$'000</i>	Property investment business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Continuing operations			
Segment revenue:			
Revenue from external customers	215,920	207	216,127
Segment results	<u>69,555</u>	<u>11,762</u>	81,317
Unallocated other income, gains or losses			(8)
Share of profit of an associate			6
Unallocated finance costs			(4,676)
Unallocated corporate expenses			<u>(32,873)</u>
Profit before taxation			<u><u>43,766</u></u>

(ii) *Segment assets and liabilities*

	2024 <i>HK\$000</i>	2023 <i>HK\$000</i>
Segment assets		
Health and beauty supplements and products business	110,512	157,024
Property investment business	208,403	136,922
	<hr/>	<hr/>
Total reportable segment assets	318,915	293,946
Unallocated assets	25,419	45,500
	<hr/>	<hr/>
Total consolidated assets	344,334	339,446
	<hr/> <hr/>	<hr/> <hr/>
	2024 <i>HK\$000</i>	2023 <i>HK\$000</i>
Segment liabilities		
Health and beauty supplements and products business	16,492	23,720
Property investment business	76,237	81,495
	<hr/>	<hr/>
Total reportable segment liabilities	92,729	105,215
Unallocated liabilities	79,997	90,821
	<hr/>	<hr/>
Total consolidated liabilities	172,726	196,036
	<hr/> <hr/>	<hr/> <hr/>

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

- All assets are allocated to operating segments other than deferred tax assets, tax recoverable, unallocated property, plant and equipments, unallocated right-of-use assets, unallocated intangible assets, unallocated cash and cash equivalents and other unallocated corporate assets as these assets are managed on a group basis.
- All liabilities are allocated to operating segments other than deferred tax liabilities, tax payable, unallocated bank and other borrowings, amount due to a shareholder, unallocated lease liabilities and other unallocated corporate liabilities as these liabilities are managed on a group basis.

(iii) *Other segment information*

	For the year ended 31 March 2024			
	Health and beauty supplements and products business <i>HK\$'000</i>	Property investment business <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Total <i>HK\$'000</i>
Continuing operations				
Other information				
Additions of property, plant and equipment	4,246	—	726	4,972
Addition of right-of-use assets	1,025	—	7,647	8,672
Addition of intangible assets	10,000	—	—	10,000
Depreciation of property, plant and equipment	2,970	—	1,202	4,172
Depreciation of right-of-use assets	2,921	—	922	3,843
Amortisation of intangible assets	1,100	—	—	1,100
Impairment loss on trade and other receivables	203	—	—	203
Reversal of impairment loss on property, plant and equipment	(948)	—	—	(948)
Written off of inventories, net of reversal	422	—	—	422
Fair value change of investment properties	—	15,000	—	15,000
Finance costs	246	4,247	3,284	7,777

	For the year ended 31 March 2023			
	Health and beauty supplements and products business <i>HK\$'000</i>	Property investment business <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Total <i>HK\$'000</i>
Continuing operations				
Other information				
Additions of property, plant and equipment	1,896	—	—	1,896
Addition of right-of-use assets	6,770	—	—	6,770
Addition of intangible assets	5,500	—	—	5,500
Depreciation of property, plant and equipment	3,775	—	—	3,775
Depreciation of right-of-use assets	2,450	—	—	2,450
Amortisation of intangible assets	285	—	—	285
Impairment loss on trade and other receivables	715	—	—	715
Written off of inventories, net of reversal	106	—	—	106
Fair value change of investment property	—	(11,900)	—	(11,900)
Finance costs	111	182	4,675	4,968
Share of profit of an associate	—	—	(6)	(6)

(b) Geographical information

Analysis of the Group's revenue and results as well as analysis of the Group's carrying amount of segment assets by geographical market are not presented as the Group's operations and assets for the years ended 31 March 2024 and 2023 are mainly located in Hong Kong.

(c) Information about major customer

Revenue from external customer contributing 10% or more of the total revenue of the Group is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Customer A*	<u>137,366</u>	<u>160,930</u>

* The revenue was derived from the health and beauty supplements and products business.

6. FINANCE COSTS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Continuing operations		
Interest on bank borrowings	5,686	3,279
Interest on other borrowings	205	1,396
Interest on amount due to a shareholder	1,266	182
Interest on lease liabilities	620	111
	<u>7,777</u>	<u>4,968</u>

7. PROFIT BEFORE TAXATION

Profit before taxation from continuing operations is arrived at after charging/(crediting) the followings:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Continuing operations		
(a) Staff costs (including directors' emoluments):		
Salaries, commission, allowances, and other benefits	76,370	70,075
Retirement benefits	<u>2,392</u>	<u>2,024</u>
	<u>78,762</u>	<u>72,099</u>
(b) Other items:		
Auditors' remuneration	1,280	2,090
Cost of inventories	37,652	36,515
Depreciation charge:		
— property, plant and equipment	4,172	3,775
— right-of-use assets	3,843	2,450
Amortisation of intangible assets	1,100	285
Rent for special designated counters	32,716	16,904
Gain on disposal of property, plant and equipment, net	—	(303)
Written off of trade receivables	—	303
Written off of inventories, net of reversal	422	106
Rental income from investment properties less direct outgoings of HK\$988,000 (2023: HK\$18,000)	<u>(4,018)</u>	<u>(189)</u>

8. TAXATION

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Continuing operations		
Current tax		
Hong Kong Profits Tax	3,712	4,611
Overprovision in respect of prior years		
Hong Kong Profits Tax	(404)	(1,994)
Deferred tax	<u>748</u>	<u>(27)</u>
	<u>4,056</u>	<u>2,590</u>

Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of assessable profits of qualifying corporations will be taxed at 8.25%, and the assessable profits above HK\$2,000,000 will be taxed at 16.5%.

The directors of the Company considered the amount involved upon implementation of the two-tiered profits tax rates regime is insignificant to the consolidated financial statements. Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for both years.

Under the Law of the People's Republic of China (the "PRC") on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

For the years ended 31 March 2024 and 2023, no provision for PRC EIT has been made in the consolidated financial statements as the Group has no assessable profits under EIT.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

9. DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company during the years ended 31 March 2024 and 2023, nor has any dividend been proposed since the end of the reporting periods.

10. EARNINGS PER SHARE

From continuing operations

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

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Profit for the year attributable to owners of the Company for the purpose of basic earnings per share	571	41,036
Less: loss for the year from discontinued operations	<u>—</u>	<u>260</u>
Profit for the purpose of basic earnings per share from continuing operations	<u>571</u>	<u>41,296</u>
	2024	2023
	'000	<i>'000</i>
Weighted average number of ordinary shares for the purpose of basic earnings per share	<u>3,107,893</u>	<u>3,107,893</u>

From continuing and discontinued operations

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

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Profit for the year attributable to owners of the Company for the purpose of basic earnings per share	<u>571</u>	<u>41,036</u>

The denominators used are the same as those detailed above for basic earnings per share from continuing operations.

From discontinued operations

For the year ended 31 March 2023, basic loss per share for the discontinued operations is HK0.01 cents per share, based on the loss for the period from the discontinued operations of approximately HK\$260,000 and the denominators used is the same as those detailed above for basic earnings per share from continuing operations.

For the year ended 31 March 2024, no adjustment has been made to the basic earnings per share amount presented in the computation of diluted earnings per share as there were no potential dilutive ordinary shares during the year.

For the year ended 31 March 2023, the computation of diluted earnings per share does not assume the exercise of the Company's options because the exercise price of those options was higher than the average market price per share.

11. TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade receivables	29,136	41,433
Less: Allowance for credit losses	<u>(1,484)</u>	<u>(1,433)</u>
	27,652	40,000
Other receivables	2,493	2,528
Prepayments	16,120	27,684
Utility, trade and other deposits	9,438	11,327
Right-of-return assets	163	169
Less: Allowance for credit losses	<u>(162)</u>	<u>(10)</u>
	<u>55,704</u>	<u>81,698</u>

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Analysis of trade and other receivables, prepayments and deposits:		
Non-current portion	10,671	22,918
Current portion	45,033	58,780
	55,704	81,698

As at 31 March 2024, included in the Group's trade receivables balances are debtors with aggregate carrying amount of approximately HK\$3,200,000 (2023: HK\$5,621,000) which are past due. Out of the past due balances, no trade receivable (2023: HK\$125,000) has been past due 90 days or more and is not considered as in default due to long-term/on-going relationship, good repayment record and continuous repayment from these customers.

The Group generally allows credit period ranging from 0 to 90 days.

The following is an ageing analysis of trade receivables (net of allowance for credit losses) based on the date of revenue recognition.

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
0–30 days	24,452	34,379
31–60 days	3,200	5,491
61–90 days	—	5
91–180 days	—	8
181–365 days	—	5
Over 365 days	—	112
	27,652	40,000

12. TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade payables	2,357	3,040
Salary and welfare payables	10,327	13,957
Accrued advertising expenses	3,626	1,802
Other payables and accruals	2,480	3,971
Interest payable on bank and other borrowings	1,299	654
Deposits from tenants	1,000	1,048
Receipt in advance for leasing of an investment property	5	130
	<u>21,094</u>	<u>24,602</u>

The credit period on trade payable is ranging from 0 to 90 days.

The following is an ageing analysis of trade payables based on invoice date.

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
0–30 days	919	1,525
31–60 days	1,006	548
61–90 days	178	134
91–180 days	—	496
181–365 days	2	20
Over 365 days	252	317
	<u>2,357</u>	<u>3,040</u>

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is principally engaged in the sale, marketing and distribution of health and beauty supplements and products and property investment in Hong Kong.

The Group's revenue recorded an increase by approximately 9.0% or approximately HK\$19.5 million to approximately HK\$235.6 million for the year ended 31 March 2024 (the "Reporting Period") as compared to approximately HK\$216.1 million for the year ended 31 March 2023. Overall, the Group generated a profit attributable to owners of the Company of approximately HK\$0.6 million (2023: HK\$41.0 million). Despite for the non-recurring items in respect of government subsidies and gain on disposal of equity instruments at fair value through profit or loss and the unrealised item in respect of the fair value change of investment properties, the Group recorded an Adjusted Net Profit of approximately HK\$15.6 million (2023: HK\$24.8 million).

Market overview

In February 2023, the border between Hong Kong and mainland China has been fully reopened, the tourism and retail industries in Hong Kong have been rebounding. With reference to the Hong Kong Tourism Board, the total visitor arrivals in the Reporting Period recorded a significant increase of 715% to approximately 40,814,000 as compared to 5,008,000 for the year ended 31 March 2023, of which tourists from mainland China accounted for a considerable portion. Although the tourist arrivals and the consumption spending of the tourists have not fully recovered to the pre-pandemic levels, the increase in number of tourists show a sign of improvement in the Hong Kong economy.

To stimulate the post-pandemic economic recovery, the Hong Kong Government has launched a series of promotional activities, including the "Night Vibes Hong Kong" as well as the new rounds of consumption voucher schemes in April 2023 and July 2023, which increased visitor arrivals to Hong Kong and boosted the consumption sentiment of local residents, thus fostering a gradual improvement in the overall business environment of Hong Kong. However, global inflation, fierce market competition and changes in consumer consumption patterns of local customers and tourists undoubtedly pose various challenges to the retail industry.

According to the statistics from the Census and Statistics Department of Hong Kong, the overall retail sales in Hong Kong recorded a growth of 9.6% for the Reporting Period as compared to the year ended 31 March 2023. This demonstrated the gradual stabilization and recovery of the Hong Kong retail industry.

Health and beauty supplements and products business

The Group's health and beauty supplements and products are sold under the proprietary brands developed and managed by the Group and a private label brand specifically developed for and owned by a renowned retail chain of health and beauty products in Hong Kong and Macau. The major proprietary brands include "Royal Medic", "Legend", "MeltyEnz", "CleansingEnz", "La Gusto", "HARUKA" and "Mr. 75", and the major private label brand is "Health Proof". The Group mainly sells and distributes its products through a renowned local retail chain distributor, our special designated counters, the Hong Kong Brands and Products Expo and our own e-commerce online platform.

In terms of marketing, in addition to Ms. Michelle Yim Wai Ling (米雪) and Mr. Michael Miu Kiu Wai (苗僑偉) who are the existing spokespersons of "Royal Medic" brand, the Group has invited Mr. Hins Cheung (張敬軒), a popular idol singer who has been famous in the Hong Kong's entertainment business for more than 20 years, to be the spokesperson of newly launched nicotinamide mononucleotide (NMN) product of the Group. Mr. Hins Cheung is well-known for his positive image and pursuance of quality, which is in line with our mission of manufacturing and providing high quality healthcare products to the public. Mr. Hins Cheung also has a fanbase with wide age groups that range from 20 to 60 years old, which will undoubtedly help to attract customers from different ages. Besides, the Group will continue to strengthen its promotion plans to reshape the brand image of "Royal Medic" and capture the market of young consumers of healthcare products ahead of other competitors.

During the Reporting Period, the Group has increased the intensity to promote our brands and products through social media platforms including Facebook, Instagram, YouTube and Xiaohongshu and make commercial advertisements on the major television channels in Hong Kong. The management of the Group believes that the advertising and promotion activities will help to enhance the brand image and awareness of the Group and our products.

As at 31 March 2024, the Group had 61 special designated counters (as at 31 March 2023: 55 special designated counters) in Hong Kong and Macau. The Group will continue to explore the opportunities to expand our sales channels and identify suitable locations for our special designated counters in order to enhance the shopping experience of our customers.

Property investment business

As at 31 March 2024, the Group continues its property investment business by owning:

- (i) a 5-storey tenement building located at Sham Shui Po of Hong Kong being occupied for commercial and residential use. The property was purchased by the Group through acquisition of a property holding company on 13 March 2023;
- (ii) a residential property located at mid-levels of Hong Kong. The property was transferred from owner-occupied property to investment property during the Reporting Period following the change in use; and
- (iii) industrial properties located at Kwai Chung of Hong Kong. The properties were transferred from owner-occupied properties to investment properties during the Reporting Period following the change in use.

Despite the downward valuation of the investment properties during the Reporting Period, the Group remains committed to prudent investment strategies in the property investment business. The Group will continue to closely monitor the conditions of the property market in Hong Kong and implement appropriate strategic initiatives to optimise the performance of the investment properties with the aim to deliver sustainable returns in the years ahead.

FINANCIAL REVIEW

Revenue

The revenue of the Group represents income from sales of health and beauty supplements and products business and property investment business. An analysis of revenue is as follows:

	For the year ended 31 March	
	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Continuing operations		
Health and beauty supplements and products	230,580	215,920
Property investment	5,006	207
Total revenue	<u>235,586</u>	<u>216,127</u>

The Group's health and beauty supplements and products business in Hong Kong has witnessed a steady growth of approximately 6.8% increase in revenue from approximately HK\$215.9 million for the year ended 31 March 2023 to approximately HK\$230.6 million for the Reporting Period, which was driven by (i) the recovery of the tourism industry in Hong Kong following gradual easing of the travel restrictions which was taken place from February 2023; (ii) the new rounds of consumption voucher schemes in April 2023 and July 2023 launched by the Hong Kong Government which led to improvements in retail market sentiment; (iii) the reopening of special designated counters located at the immigration control points including the Hong Kong International Airport and cross border regions such as Lok Ma Chau mass transit railway station; and (iv) the increased intensity in advertising activities to enhance brand recognition and products promotion to the general public.

Revenue from the property investment business increased by 24 times from approximately HK\$0.2 million for the year ended 31 March 2023 to approximately HK\$5.0 million for the Reporting Period. This change primarily reflected the full year rent received from the 5-storey tenement building located at no. 127 Kweilin Street, Kowloon, Hong Kong during the Reporting Period as compared to the rent received for half month after the completion of acquisition of the property holding company on 13 March 2023 which holds the relevant property in the corresponding period.

Cost of sales

The cost of sales from continuing operations increased by approximately HK\$1.6 million or 3.2% to approximately HK\$51.4 million for the Reporting Period (2023: HK\$49.8 million). The increase was mainly due to the rise of revenue for the Reporting Period. The gross profit margin remained relatively stable with a slightly increase of 1.2% to 78.2% for the Reporting Period (2023: 77.0%).

Other income, gains or losses

The other income, gains or losses from continuing operations decreased by 59.0% to approximately HK\$1.6 million for the Reporting Period (2023: HK\$3.9 million). The decrease was mainly due to the absence of one-off subsidies under Employment Support Scheme of the Hong Kong Government during the Reporting Period as compared to one-off subsidies of approximately HK\$3.8 million recorded during the year 31 March 2023.

Selling and distribution expenses

The selling and distribution expenses from continuing operations of the Group increased by 15.0% to approximately HK\$54.5 million for the Reporting Period (2023: HK\$47.4 million). The increase was primarily due to the increase in commission expenses to promoters as a result of the Group's progressive commission policy.

Administrative expenses

The administrative expenses from continuing operations of the Group increased by 21.7% to approximately HK\$103.8 million for the Reporting Period (2023: HK\$85.3 million). The increase was mainly due to the increase in rent from special designated counters located at the stores of a renowned retail chain distributor which is in line with the growth in revenue from the special designated counters as the rent calculation is related to the gross sale proceeds from special designated counters.

Fair value change of investment properties

The Group recorded a fair value loss of investment properties of approximately HK\$15.0 million during the Reporting Period (2023: fair value gain of approximately HK\$11.9 million) as a result of the recent deterioration of property market condition in Hong Kong. The investment properties were fair-valued by reference to the valuation reports prepared by Ravia Global Appraisal Advisory Limited, an independent professional qualified valuer not connected with the Group.

Finance costs

The Group's finance costs from continuing operations for the Reporting Period amounting to approximately HK\$7.8 million (2023: HK\$5.0 million) represented interest on bank borrowings amounting to approximately HK\$5.7 million (2023: HK\$3.3 million), interest on other borrowings amounting to approximately HK\$0.2 million (2023: HK\$1.4 million), interest on amount due to a shareholder amounting to approximately HK\$1.3 million (2023: HK\$0.2 million) and interest on lease liabilities amounting to approximately HK\$0.6 million (2023: HK\$0.1 million). The increase in finance costs is mainly due to the increase in new bank borrowings and amount due to a shareholder during the Reporting Period in relation to financing the acquisition of a property holding company completed on 13 March 2023 which holds an investment property located in Hong Kong.

Taxation

Taxation from continuing operations for the Reporting Period amounting to approximately HK\$4.1 million (2023: HK\$2.6 million) comprises the current tax expense of approximately HK\$3.7 million (2023: HK\$4.6 million), overprovision in respect of prior years in the amount of approximately HK\$0.4 million (2023: HK\$2.0 million) and the deferred tax expense of approximately HK\$0.8 million (2023: deferred tax credit of approximately HK\$0.03 million). The overall increase in taxation was principally due to the net effect of the decrease in current tax which is in line with the overall decrease in taxable operating profits of subsidiaries of the Company; the decrease in overprovision of Hong Kong profits tax as compared to the previous year; and the increase in deferred tax expense from accelerated tax depreciation for the Reporting Period.

Profit for the year and Adjusted Net Profit

As a result of the above factors, the Group recorded a profit for the Reporting Period from continuing operations of approximately HK\$0.5 million (2023: HK\$41.2 million) and the Adjusted Net Profit of approximately HK\$15.6 million (2023: HK\$24.8 million).

The Adjusted Net Profit is arrived at by deducting the non-recurring items including the government subsidies and gain on disposal of equity instruments at fair value through profit or loss and unrealised item relating to the fair value change of investment properties. The Group's management considers that these adjusted items are not related to our daily operations and does not track such adjusted items as key operating or financial metrics internally when reviewing our performance. Therefore, by eliminating the impacts of such items in the calculation of adjusted profit for the year attributable to owners of the Company, it could better reflect our underlying operating performance and could better facilitate the comparison of operating performance from year to year.

The Adjusted Net Profit is not the measures of performance under HKFRSs. These measures do not represent, and should not be used as substitutes for, net profit or cash flows from operations as determined in accordance with HKFRSs. These measures are not necessarily an indication of whether cash flow will be sufficient to fund our cash requirements. In addition, our definitions of these measures may not be comparable to other similarly titled measures used by other companies.

INTANGIBLE ASSETS

As at 31 March 2024, the intangible assets of the Group amounted to approximately HK\$16.3 million (2023: HK\$7.4 million). Intangible assets mainly include computer softwares and club membership.

FINANCIAL POSITION AND LIQUIDITY

As at 31 March 2024, cash and bank balances of the Group amounted to approximately HK\$12.7 million (2023: HK\$13.1 million) and the current ratio (current assets divided by current liabilities) of the Group was approximately 0.5 times as at 31 March 2024 (2023: 0.5 times). The Group's gearing ratio, representing total borrowings (including bank and other borrowings and amount due to a shareholder) divided by total equity, was approximately 79.8% as at 31 March 2024 (2023: 111.3%). In view of the Group's current level of cash and bank balances, funds generated internally from operations and the unutilised banking facilities available, the Board is confident that the Group will have sufficient resources to meet its financial needs for its operations. As at 31 March 2024, the Group had unutilised general banking facilities of approximately HK\$40 million (2023: HK\$20 million).

CAPITAL MANAGEMENT

The Group's objectives in managing capital are to ensure that entities in the Group will be able to continue as a going concern while maximising the return to the shareholders through the optimisation of the debt and equity balance. The management of the Group reviews the capital structure by considering the cost of capital and the risks associated with each class of capital. In view of this, the Group will balance its overall capital structure through the payment of dividends, new share issues as well as the issue of new debt or the redemption of existing debt as it sees fit and appropriate. The Group also monitors capital on the basis of the net gearing ratio. The Group's overall strategy remains unchanged throughout the Reporting Period.

EMPLOYEE INFORMATION

As at 31 March 2024, the Group had 247 employees (2023: 276). For the Reporting Period, staff costs including directors' remuneration from continuing operations were approximately HK\$78.8 million (2023: HK\$72.1 million).

REMUNERATION POLICY

The Group's Directors and senior management receive compensation in the form of salaries, benefits in kind and discretionary bonuses with reference to salaries paid by comparable companies, time commitment and the performance of the Group. The Group also reimburses them for expenses, which are necessarily and reasonably incurred for the provision of services to the Group or executing their functions in relation to the operations of the Group. The Group regularly reviews and determines the remuneration and compensation package of the Group's Directors and senior management, by reference to, among other things, market level of salaries paid by comparable companies, the respective responsibilities of the Group's Directors and the performance of the Group.

OUTLOOK

The Group has kept pace with market development trends of the health and beauty supplements industry by improving the operational efficiency and market responsiveness through optimization on the internal workflow of the Group and implementation of effective operating and marketing strategies to better meet customer needs and further consolidate its market position in the health and beauty supplements and products industry. The Group will continue to focus on reshaping its existing brands and launching new products in order to capture the market of new customers from different ages and gender.

To capitalise on market opportunities and cater to evolving consumer needs, we will further expand our business through the cross-border e-commerce platforms to capture customers from mainland China. In June 2024, we have formally established a flagship store on Tmall. We believe that the cross-border e-commerce platform will help us to reach a broader spectrum of customers in the mainland China market and capitalize on the immense potential that the mainland China market offers.

To cope with the trend of global digitalisation, the Group is also actively investing in information technology tools to improve work efficiency, which not only reduces costs but also improves the Group's ability to respond to the ever-changing changes in the market. In June 2024, the Group has officially launched a new customer relationship management system and a new App for members of our customer loyalty membership program, the "RM Club", which offer a comprehensive digital service experience to our customers. Members will be able to check their point balances and manage their point redemption through the mobile app conveniently. On the other hand, the new App will help the management of the Group to understand the customers base more effectively through data analysis, which help to facilitate the Group to establish a more inseparable customer relationship. The Group's management believes that the new App will help us to thoroughly understand the consumption characteristics of customers, which is essential for us to formulate more targeted marketing strategies and product development proposals to enhance the profitability of the Group.

In terms of research and development, the Royal Medic Research and Development Centre (the “**R&D Centre**”) which is located at the Hong Kong Science Park has been committed to improving the quality control standard of our existing products, assisting in the research and development of new products and promoting academic exchange between Royal Medic and local universities. The primary scope of business of the R&D Centre covers chemical analysis of product ingredients, which develops rapid and accurate ingredient testing methods utilising an advanced chemical analysis platform to improve product safety and reliability. The high calibre product development team that operates the R&D Centre will continue to develop new products and upgrade the existing products to satisfy the evolving demand of our customers.

Looking forward, in this rapid changing business environment, changes in the consumption patterns and habits of customers have brought new opportunities and challenges to the health and beauty supplements and products industry. The Group will continue to forge ahead and strive to consolidate its position in the industry. The Group is ready to grasp for new business opportunities arising from the gradual recovery of the retail market to facilitate the steady development of the Group and create higher and long-term value for our shareholders.

MATERIAL DISPOSALS OR ACQUISITIONS

There was no material disposal and acquisition of subsidiaries, associated companies and joint ventures during the Reporting Period.

SIGNIFICANT INVESTMENTS

As at 31 March 2024, there was no significant investment with a carrying amount accounting for 5% or more of the Group’s total assets.

CONTINGENT LIABILITIES

The Group did not have material contingent liabilities as at 31 March 2024.

CAPITAL COMMITMENT

As at 31 March 2024, the Group was committed to acquire certain property, plant and equipment with a total amount of approximately HK\$0.3 million (as at 31 March 2023: HK\$2.4 million).

FOREIGN EXCHANGE EXPOSURE

Presently, the Group does not have a hedging policy with respect to the foreign exchange exposure. The Group is exposed to currency risk primarily through sales and purchases, which give rise to receivables and payables and cash balances that are denominated in foreign currencies, other than the functional currency of the operations to which the transactions relate. The currencies giving rise to this risk are primarily United States dollar (“US\$”) and Renminbi (“RMB”). In order to manage and minimise the foreign currency risk, the Group’s management will continue to manage and monitor the foreign currency exposure to ensure appropriate measures are implemented in a timely and effective manner.

CHARGES ON ASSETS

As at 31 March 2024, the Group had secured bank borrowings of approximately HK\$111.0 million (2023: HK\$61.7 million). The banking facilities are secured by the Group’s leasehold land and buildings and investment properties with carrying amounts of approximately HK\$7.5 million and approximately HK\$207.1 million respectively as at 31 March 2024 (2023: leasehold land and buildings with carrying amount of approximately HK\$66.1 million).

EVENTS AFTER REPORTING PERIOD

There is no significant event occurring after the Reporting Period up to the date of this announcement.

PRINCIPAL RISKS AND UNCERTAINTIES

Based on the Group’s risk management system, the Group has examined all of the possible risks and uncertainties that might affect the Group and considered that the most important risks and uncertainties would include:

Regulatory risks

The health supplement industry in Hong Kong generally believes that changes in regulatory policies and laws in respect of the monitoring and control of food and health supplement products which include Chinese medicinal ingredients may be proposed and implemented by the authorities concerned in the coming years. Significant effect may impact on the future development of health supplements as well as the food industry. If the Group fails to keep up and comply with these changes, such factors would affect the Group’s success.

The Group has closely monitored the regulatory changes, strengthened its interpretation and analysis capability of regulatory policies and would adjust strategies in advance to cope with the ever-changing operating environment.

Prolonged economic downturn

The Group's health and beauty supplements and products business is closely related to the economic conditions of Hong Kong. Slowing economic growth or a recession may affect consumers' preferences and spending which in turn could have a material adverse effect on the Group's business, operating results and financial conditions. In response to these challenges, the Group will closely monitor the changing economic conditions and also actively implement effective measures to control the administration and production costs. The Group will also continue to roll out more new products and open up more distribution channels, and diversify its business to improve the Group's overall performance.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities during the Reporting Period (2023: Nil).

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the Reporting Period (2023: Nil).

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, 28 August 2024 to Monday, 2 September 2024, both dates inclusive, for the purpose of determining the shareholders' eligibility to attend and vote at the annual general meeting of the Company to be held on Monday, 2 September 2024 (the "2024 AGM") and during which no transfer of shares of the Company will be registered. In order to qualify for attending and voting at the 2024 AGM, all completed transfer forms accompanied by the relevant share certificates of the Company must be lodged with the Company's Hong Kong branch share registrar and transfer agent, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Tuesday, 27 August 2024.

CORPORATE GOVERNANCE PRACTICES

The Company recognises the importance of good corporate governance to the Company's growth and has devoted considerable efforts to identifying and formulating corporate governance practices appropriate to the Company's needs. The Company has adopted the code provisions as set out in the Corporate Governance Code (as amended from time to time, the "**Code**") contained in Appendix C1 to the Listing Rules. As far as the Code is concerned, during the Reporting Period and up to the date of this announcement, the Company has complied with all applicable Code provisions as set out in the Code contained in Appendix C1 to the Listing Rules.

The Company has complied with the memorandum of association of the Company, the articles of association of the Company, the Companies Act of the Cayman Islands, the Securities and Futures Ordinance and the Listing Rules as well as other laws applicable to the Company.

COMPLIANCE WITH THE REQUIRED STANDARD OF DEALINGS IN SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 of the Listing Rules as the code of conduct regarding Directors' transactions in the securities of the Company. Upon the Company's specific enquiry, each Director has confirmed that he or she has fully complied with the required standards as set out in the Model Code under the Listing Rules throughout the Reporting Period, and there is no event of non-compliance. Employees of the Group, who are likely to be in possession of unpublished inside information, have been requested to comply with provisions of the Model Code.

AUDIT COMMITTEE

The Company has an Audit Committee which has been established in compliance with Rule 3.21 of the Listing Rules. The Audit Committee comprises three members, namely Mr. Leung Winson Kwan Yau (*chairman of Audit Committee*), Mr. Liu Ying Shun and Ms. Dong Jian Mei, all are independent non-executive Directors.

The Audit Committee has reviewed the consolidated financial statements and annual results of the Group for the Reporting Period. The Audit Committee is of the view that the consolidated financial statements have been prepared in accordance with the applicable accounting standards, the Listing Rules and the statutory provisions, and sufficient disclosures have already been made and also discussed auditing, risk management, internal control and financial reporting matters.

SCOPE OF WORK OF MOORE CPA LIMITED (formerly known as Moore Stephens 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 Reporting Period as set out in this preliminary announcement have been agreed by the Group's auditor, Moore CPA Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Moore CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Moore CPA Limited on this preliminary announcement.

PUBLICATION OF THE ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This results announcement is published on the respective websites of the Company at www.shunten.com.hk and the Stock Exchange at www.hkexnews.hk. The 2023/2024 Annual Report and the Notice of 2024 AGM will be published and despatched in due course in the manner as required by the Listing Rules.

By order of the Board
Shunten International (Holdings) Limited
CHEUNG Siu Fai
Chairman and Executive Director

Hong Kong, 27 June 2024

As at the date of this announcement, the executive director of the Company is Mr. CHEUNG Siu Fai; the non-executive director of the Company is Ms. SO Tsz Kwan; and the independent non-executive directors of the Company are Mr. LEUNG Winson Kwan Yau, Mr. LIU Ying Shun and Ms. DONG Jian Mei.