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## **SHEUNG YUE GROUP HOLDINGS LIMITED**

**上諭集團控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1633)**

### **ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2023**

The board (the “**Board**”) of directors (the “**Directors**”) of Sheung Yue Group Holdings Limited (the “**Company**”) is pleased to present the annual results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 March 2023 (the “**Year**”), together with the comparative audited figures for the year ended 31 March 2022 (the “**Previous Year**”).

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

*FOR THE YEAR ENDED 31 MARCH 2023*

	<i>Notes</i>	<b>2023</b> <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Revenue	4	<b>315,136</b>	213,665
Cost of services		<b>(280,741)</b>	(181,129)
Gross profit		<b>34,395</b>	32,536
Other income	4	<b>7,094</b>	3,505
Other net gains and losses		<b>(1,632)</b>	3,191
Administrative expenses		<b>(24,866)</b>	(25,915)
Profit from operation	5	<b>14,991</b>	13,317
Finance costs	6	<b>(4,155)</b>	(2,125)
Profit before taxation		<b>10,836</b>	11,192
Income tax	8	<b>–</b>	–
Profit and total comprehensive income for the year attributable to owners of the Company		<b>10,836</b>	11,192
		<i>HK cents</i>	<i>HK cents</i>
<b>Earnings per share</b>	10		
– Basic and diluted		<b>1.58</b>	1.63

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2023

	<i>Notes</i>	<b>2023</b> <i>HK\$'000</i>	2022 <i>HK\$'000</i>
<b>Non-current assets</b>			
Property, plant and equipment		92,846	63,244
Right-of-use assets		14,093	17,300
Financial asset at fair value through profit or loss		2,860	2,789
Rental deposit	11	520	520
Deposit paid for acquisition of machineries	11	2,250	6,280
		<b>112,569</b>	90,133
		<b>112,569</b>	90,133
<b>Current assets</b>			
Inventories		14,037	12,839
Contract assets		70,799	83,281
Trade and other receivables	11	85,375	76,468
Pledged bank deposits		–	11,238
Cash and cash equivalents		29,106	14,342
		<b>199,317</b>	198,168
		<b>199,317</b>	198,168
<b>Current liabilities</b>			
Trade and other payables	12	37,510	45,594
Lease liabilities		7,071	7,170
Bank and other loans		85,042	63,095
		<b>129,623</b>	115,859
		<b>129,623</b>	115,859
<b>Net current assets</b>		<b>69,694</b>	82,309
<b>Total assets less current liabilities</b>		<b>182,263</b>	172,442
<b>Non-current liabilities</b>			
Lease liabilities		2,030	6,180
Bank and other loans		3,135	–
		<b>5,165</b>	6,180
		<b>5,165</b>	6,180
<b>NET ASSETS</b>		<b>177,098</b>	166,262
		<b>177,098</b>	166,262
<b>Equity</b>			
Share capital		6,848	6,848
Reserves		170,250	159,414
<b>TOTAL EQUITY</b>		<b>177,098</b>	166,262
		<b>177,098</b>	166,262

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

## 1. GENERAL

The Company was incorporated in the Cayman Islands on 23 March 2016, as an exempted company with limited liability under the Companies Act, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The registered office of the Company is located at the offices of Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business of the Company is Units 103-105, 1st Floor, New East Ocean Centre, 9 Science Museum Road, Tsimshatsui East, Kowloon, Hong Kong.

The Company, an investment holding company, and its subsidiaries (together referred to as the “Group”) are principally engaged in the provision of foundation works including piling construction, ELS works, pile cap construction, site formation and ancillary services in Hong Kong and Macau.

The consolidated financial statements are presented in Hong Kong Dollars (“HK\$”), which is also the functional currency of the Company, and all values are rounded to the nearest thousands, except when otherwise indicated. Each entity in the Group maintains its books and records in its own functional currency.

As at 31 March 2023 and 2022, the directors consider the immediate and ultimate holding company of the Company to be Creative Elite Global Limited, which incorporated in British Virgin Islands.

## 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

### (a) Amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time, which are mandatorily effective for the annual periods beginning on or after 1 April 2022 for the preparation of the consolidated financial statements:

Amendments to HKFRS 3	Reference to the Conceptual Framework
Amendments to HKAS 16	Property, Plant and Equipment – Proceeds before Intended Use
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract
Amendments to HKFRSs	Annual Improvements to HKFRSs 2018-2020 Cycle

The application of the 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.

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

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

HKFRS 17 (including the October 2020 and February 2022 Amendments to HKFRS 17)	Insurance Contracts <sup>1</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>2</sup>
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback <sup>3</sup>
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) <sup>3</sup>
Amendments to HKAS 1	Non-current Liabilities with Covenants <sup>3</sup>
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies <sup>1</sup>
Amendments to HKAS 8	Definition of Accounting Estimates <sup>1</sup>
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction <sup>1</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2023.

<sup>2</sup> Effective for annual periods beginning on or after a date to be determined.

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2024.

The directors do not anticipate that the application of new and amendments to HKFRSs will have material impact on the consolidated financial statements in the foreseeable future.

### 3. SEGMENT INFORMATION

#### (i) Operating segments

The chief operating decision maker (“CODM”) has been identified as the executive directors who review the Group’s internal reporting in order to assess performance and allocate resources. The CODM has determined the operating segments based on these reports.

The CODM assesses the performance based on a measure of profit after income tax and considers all businesses to be included in a single operating segment.

The Group was principally engaged in provision of foundation works including piling construction, ELS works, pile cap construction, site formation and ancillary services in Hong Kong and Macau. Information reported to the Group’s CODM, for the purpose of resources allocation and performance assessment, focuses on the operating results and financial position of the Group as a whole, as the Group’s resources are integrated and no discrete operating segment financial information is available. Accordingly, no operating segment information is presented.

#### (ii) Geographical information

All of the Group’s revenue was derived from Hong Kong, based on the location of the customers, and all of its non-current assets were located in Hong Kong, based on the location of assets. Therefore, no geographical information is presented.

#### (iii) Information about major customers

Revenue attributed from customers that accounted for 10% or more of the Group’s total revenue during the year is as follows:

	2023 <i>HK\$’000</i>	2022 <i>HK\$’000</i>
Customer A	85,978	26,172
Customer B	78,382	–
Customer C	49,901	–
Customer D	35,242	22,724
Customer E	–*	37,767
Customer F	–*	35,361
Customer G	–*	35,105

\* The corresponding revenue did not contribute over 10% of the total revenue of the Group.

#### 4. REVENUE AND OTHER INCOME

##### (a) Revenue

The Group's revenue represents amount received and receivable from contract work performed and recognised during the year.

##### (b) Other income

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Interest income on bank deposits	<u>7</u>	<u>14</u>
Total interest income from financial assets that are not at fair value through profit or loss	7	14
Rental income	3,431	2,694
Government grant ( <i>note</i> )	2,792	–
Income from sale of scrap materials	121	51
Income from the staff outsourcing	649	672
Sundry income	<u>94</u>	<u>74</u>
	<u><u>7,094</u></u>	<u><u>3,505</u></u>

*Note:* During the year ended 31 March 2023, the Group recognised government grants of HK\$2,656,000 in respect of Covid-19-related subsidies from the Employment Support Scheme provided by the Hong Kong Government as a support. There were no unfulfilled conditions or contingencies relating to these government grants.

## 5. PROFIT FROM OPERATION

The Group's profit from operation has been arrived at after charging:

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Auditor's remuneration	480	430
Depreciation		
– Property, plant and equipment	21,185	15,423
– Right-of-use assets	6,786	5,406
	<u>27,971</u>	<u>20,829</u>
Expenses related to short term leases	18,211	15,541
Staff costs (including directors' remuneration) ( <i>Note 7</i> )	60,588	50,320

## 6. FINANCE COSTS

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Interest on lease liabilities	566	709
Interest on bank overdrafts	48	8
Interest on bank and other loans	3,541	1,408
	<u>4,155</u>	<u>2,125</u>

## 7. STAFF COSTS (INCLUDING DIRECTORS' REMUNERATION)

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Salaries and allowances	57,949	47,641
Contribution to defined contribution retirement plan	1,438	1,340
Performance related bonuses	1,201	1,339
	<u>60,588</u>	<u>50,320</u>

## 8. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Taxation in the consolidated statement of profit or loss and other comprehensive income represents:

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Income tax	—	—

*Notes:*

- (i) Pursuant to the rules and regulations of the Cayman Islands, the Group is not subject to any income tax in the Cayman Islands.
- (ii) Under the two-tiered profits tax rate regime of Hong Kong Profits Tax, the first HK\$2 million of profits of a qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million.

For the year ended 31 March 2023, Hong Kong Profits Tax is calculated at 8.25% on the first HK\$2,000,000 of the estimated assessable profits of one of the subsidiaries of the Company and at 16.5% on the estimated assessable profits above HK\$2,000,000 of that subsidiary. The profits of other group entities not qualified for the two-tier profits tax regime will continue to be taxed at a flat rate of 16.5%.

No provision for Hong Kong Profits Tax has been provided for the years ended 31 March 2023 and 31 March 2022 as the Group has no assessable profit for the year and the previous year.

- (iii) Macau Complementary Income Tax is calculated at 12% (2022: 12%) of the estimated assessable profits for the year ended 31 March 2023.

No Macau Complementary Income Tax has been provided since there were no assessable profit generated for the years ended 31 March 2023 and 31 March 2022.

## 9. DIVIDENDS

No dividend was paid or proposed for both years, nor has any dividend been proposed since the year ended 31 March 2023 to the date of this announcement.

## 10. EARNINGS PER SHARE

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

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
<b>Earnings</b>		
Profit for the year attributable to owners of the Company	<u>10,836</u>	<u>11,192</u>
	2023 <i>'000</i>	2022 <i>'000</i>
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share ( <i>Note</i> )	<u>684,750</u>	<u>684,750</u>

*Note:*

Weighted average number of ordinary shares for the years ended 31 March 2023 and 2022 are based on the number of ordinary shares in issue throughout the year.

Diluted earnings per share is same as basic earnings per share during the years ended 31 March 2023 and 2022. There was no potential dilutive ordinary shares.

## 11. TRADE AND OTHER RECEIVABLES

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Trade receivables ( <i>note (a)</i> )	31,545	20,975
Advances to subcontractors ( <i>note (b)</i> )	48,370	52,106
Other receivables	1,712	–
Prepayments and deposits	<u>6,518</u>	<u>10,187</u>
	<b>88,145</b>	<b>83,268</b>
Less: Non-current portion		
Rental deposit	(520)	(520)
Deposit paid for acquisition of machineries	<u>(2,250)</u>	<u>(6,280)</u>
Total current portion	<u><b>85,375</b></u>	<u><b>76,468</b></u>

### Notes:

- (a) Trade receivables were mainly derived from provision of foundation works, including piling construction, ELS works, pile cap construction, site formation and ancillary services, and are non-interest bearing. The Group does not hold any collateral or other credit enhancements over these balances.

A credit period of less than 60 days since the issuance of invoice or payments received from main contractor is granted by the Group to its trade customers of contract work. Application for progress payments of contract works is made on a regular basis.

The following is an aged analysis of trade receivables presented based on the invoice dates:

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
0-30 days	21,467	9,752
31-90 days	9,817	6,545
More than 90 days	<u>261</u>	<u>4,678</u>
	<u><b>31,545</b></u>	<u><b>20,975</b></u>

The directors do not consider the amounts as significant increase in credit risk with reference to the historical records, past experience and also available reasonable and supportive forward-looking information of these receivables, and the recurring overdue record of these receivables with satisfactory settlement history.

- (b) All advances to subcontractors are interest free and have no fixed terms of repayment.

Over 95% of advance to subcontractors was subsequently settled after the end of the reporting period.

## 12. TRADE AND OTHER PAYABLES

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Trade payables ( <i>note</i> )	20,969	22,843
Retention payables	8,837	14,240
Other payables and accruals	<u>7,704</u>	<u>8,511</u>
	<u><b>37,510</b></u>	<u><b>45,594</b></u>

*Note:*

An aged analysis of trade payables, based on the invoice dates, is as follows:

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
0-30 days	4,458	7,705
31-90 days	8,112	9,276
91-365 days	6,548	2,490
More than 365 days	<u>1,851</u>	<u>3,372</u>
	<u><b>20,969</b></u>	<u><b>22,843</b></u>

The Group's trade payables are non-interest bearing and generally have payment terms of 30 to 60 days.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **BUSINESS REVIEW**

During the year ended 31 March 2023 (the “**Year**”), the Group was engaged in the provision of foundation works in Hong Kong and Macau. The scope of foundation works undertaken by us mainly includes piling construction, ELS works, pile cap construction, site formation and ancillary services (such as loading test and construction machinery leasing services).

As at 31 March 2023, there are 9 projects on hand with total contract sum amounting to approximately HK\$512,129,000. Six projects are expected to be completed in the forthcoming financial year. Subsequent to the financial year end, the Group was awarded two foundation projects with contract sum amounting to approximately HK\$160,887,000.

### **PROSPECTS**

Looking forward, Hong Kong economy is expected to improve steadily with the re-opening of border and removal of quarantine restriction. Since the start of 2023, the relaxation of COVID-19 restrictions has enabled the Group to resume and increase its activities with its business partners and suppliers in China. With the Hong Kong government’s commitment in addressing the shortage of public housing issues through the plan to build 30,000 “Light Public Housing” in the coming five years as well as the phased implementation of large scale government-led infrastructure project such as the Northern Metropolis, it is expected that the demand for construction and foundation works will be driven up, providing a steady stream of business and a favourable environment for the Group to continue to develop its principal businesses in the future.

Riding on the new opportunities as they emerge, the Directors are positive and have strong faith that the Group will be able to keep up the positive financial performance it has yielded during the Reporting Period in the coming financial year. The Group will continue to keep abreast of market developments and act prudently in evaluating potential business opportunities to drive the continuous business development, broaden the sources of revenue and maximise the return to our shareholders.

### **FINANCIAL REVIEW**

#### **Revenue**

The Group’s total revenue for the Year was approximately HK\$315,136,000 (for the year ended 31 March 2022 (the “**Previous Year**”): approximately HK\$213,665,000), representing an increase of approximately 47.5% over the Previous Year. The increase in our revenue was mainly due to the fact that the Group undertook some more foundation works projects during the Year.

### **Gross Profit and Gross Profit Margin**

The Group's gross profit amounted to approximately HK\$34,395,000 for the Year (for the Previous Year: approximately HK\$32,536,000). The Group's gross profit margin during the Year was approximately 10.9% (for the Previous Year: approximately 15.2%).

The decrease in gross profit margin was mainly due to lower gross profit derived from the new projects commenced and the increase of subcontracting cost involved during the Year.

### **Other Income**

The Group's other income for the Year were approximately HK\$7,094,000 (for the Previous Year: approximately HK\$3,505,000), representing an increase of approximately 102.4% compared to the Previous Year. This was mainly due to the government grants of approximately HK\$2,656,000 from the Employment Support Scheme launched by the Hong Kong Government.

### **Other Net Gains and Losses**

The Group's other net losses for the Year were approximately HK\$1,632,000 (for the Previous Year: other net gains approximately HK\$3,191,000). This was mainly due to (i) the absence of gain on disposal of property and equipment of approximately HK\$1,729,000; and (ii) the provision in allowance for credit loss of contract assets of approximately HK\$254,000 during the Year as compared to the Previous Year.

### **General and Administrative Expenses**

The Group's administrative expenses for the Year were approximately HK\$24,866,000 (for the Previous Year: approximately HK\$25,915,000), representing a decrease of approximately 4.0% compared to the Previous Year. This was mainly due to the decrease in staff salaries and bonus of head office of approximately HK\$897,000 during the Year as compared to the Previous Year.

### **Income Tax**

There was no income tax for the Year of the Group (for the Previous Year: Nil).

### **Net Profit**

As a result of the abovementioned, the Group reported a net profit for the Year of approximately HK\$10,836,000 (for the Previous Year: approximately HK\$11,192,000).

### **Trade and Other Receivables**

Advances to subcontractors decreased by approximately 7.2% from approximately HK\$48,370,000 as at 31 March 2023 to approximately HK\$52,106,000 as at 31 March 2022. This was mainly due to the decrease in advances to certain subcontractors.

## **Liquidity, Financial Resources and Capital Structure**

As at 31 March 2023, the Group had bank balances of approximately HK\$29,106,000 (as at 31 March 2022: approximately HK\$14,342,000). The interest-bearing debts of the Group as at 31 March 2023 was approximately HK\$97,278,000 (as at 31 March 2022: approximately HK\$76,445,000). The gearing ratio was calculated based on the amount of bank and other loans, and lease liabilities divided by total equity. The gearing ratio of the Group as at 31 March 2023 was approximately 54.9% (as at 31 March 2022: approximately 46.0%), as a result of the increase in bank and other loans, and lease liabilities during the Year.

## **Pledge of Assets**

The Group's plant and machinery with an aggregate net book value of approximately HK\$16,997,000 as at 31 March 2023 were held under leases and other loan (as at 31 March 2022: HK\$11,378,000).

As at 31 March 2023, the Group did not have any banking facilities which were secured by the Group's bank deposits (as at 31 March 2022: HK\$11,238,000).

## **Foreign Exchange Risk**

The Group mainly operates in Hong Kong and most of the operating transactions (such as revenue, expenses, monetary assets and liabilities) are denominated in Hong Kong dollars. As such, the Directors are of the view that the Group's risk in foreign exchange is insignificant and that we should have sufficient resources to meet foreign exchange requirements as and if they arise. Therefore, the Group has not engaged in any derivative contracts to hedge its exposure to foreign exchange risk during the Year.

## **Employees and Remuneration Policy**

As at 31 March 2023, the Group employed 120 employees (as at 31 March 2022: 138 employees). Total remuneration costs including directors' emoluments for the Year amounted to approximately HK\$60,588,000 (for the Previous Year: approximately HK\$50,320,000). The salary and benefit levels of the employees of the Group are competitive and individual performance is rewarded through the Group's salary and bonus system. The Group conducts annual review on salary increase, discretionary bonuses and promotions based on the performance of each employee.

During the Year, the Group has not experienced any significant problems with its employees due to labour disputes nor has it experienced any difficulty in the recruitment and retention of experienced staff.

## **Capital Commitments**

The Group had capital commitments amounted to approximately HK\$1,050,000 in respect of acquisition of property, plant and equipment as at 31 March 2023 (as at 31 March 2022: HK\$24,220,000).

### **Distributable Reserves**

The Companies Act provides that share premium account of a company incorporated in the Cayman Islands may be applied in such manner as it may from time to time determine, subject to the provisions, if any, of its memorandum and articles of association, provided that no distribution or dividend may be paid to its members out of the share premium account unless, immediately following the date on which the distribution or dividend is proposed to be paid, The Company shall be able to pay its debts as they fall due in the ordinary course of business. The Company's reserves available for distribution comprise the share premium, contributed surplus and accumulated losses. In the opinion of the Board, the Company's reserves available for distribution to the shareholders at 31 March 2023 were approximately HK\$120,334,000 (as at 31 March 2022: HK\$121,893,000).

### **Contingent Liabilities**

The Group did not have any significant contingent liabilities as at 31 March 2023 (as at 31 March 2022: Nil).

## **CORPORATE GOVERNANCE AND OTHER INFORMATION**

### **Purchase, sale or redemption of the Company's listed securities**

No purchase, sale or redemption of the Company's listed securities was made by the Company or its subsidiaries from the Listing Date and up to the date of this announcement.

### **Compliance with the corporate governance code**

The Group is committed to uphold high standards of corporate governance. The Board considers that enhanced public accountability and corporate governance are beneficial to the healthy growth of the Group, improving customer and supplier confidence and safeguarding the interests of the shareholders of the Company.

The Company had complied with all applicable code provisions as set out in the Corporate Governance Code contained in Appendix 14 to the Listing Rules from the Listing Date and up to the date of this announcement.

### **Compliance with the Model Code**

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard as set out in the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules (the "**Model Code**"). In response to a specific enquiry by the Company, all Directors have confirmed that they complied with the requirements of the Model Code since the Listing Date and up to the date of this announcement.

## **Audit Committee**

The Company has established an audit committee (the “**Audit Committee**”) in accordance with the requirements of the Listing Rules with terms of reference aligned with the provision of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules. The Audit Committee is to serve as a focal point for communication between other Directors, the external auditors, and the management as their duties relate to financial and other reporting, internal controls and the audits; and to assist the Board in fulfilling its responsibilities by providing an independent review of financial reporting and make themselves satisfied as to the effectiveness of the Company’s internal controls and as to the efficiency of the audits. The Audit Committee comprises three independent non-executive Directors, namely Mr. Cheng Chi Hung (chairman), Mr. Li Hon Hung, *BBS, MH, JP* and Mr. Wong Yip Kong.

## **Review of Annual Results**

The Audit Committee of the Company has reviewed the accounting principles and practices adopted by the Group and the annual results for the year ended 31 March 2023. The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the Year as set out in this announcement have been reviewed and agreed by the Group’s auditor, Elite Partners CPA Limited, to the amounts set out in the Group’s audited consolidated financial statements for the Year. The work performed by Elite Partners 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 Elite Partners CPA Limited on this announcement.

## **Dividend Policy**

The declaration of payment of dividends are subject to the criteria set out in the dividend policy adopted by the Company (the “**Dividend Policy**”), shall remain to be determined at the sole discretion of the Board and are subject to all applicable laws and regulations and the Articles of Association of the Company. The Board shall take into account the following factors, among other factors, when considering the declaration and payment of dividends:

- (a) the Group’s overall results of operation, financial position, liquidity position, capital requirements, cash flow and future prospects;
- (b) the amount of distributable reserves of the Company;
- (c) the expected capital requirements and future expansion plans of the Group;
- (d) the general business and regulatory conditions, the business cycle of the Group and other internal or external factors that may have an impact on the business or financial performance and position of the Group;

- (e) the statutory and regulatory restrictions;
- (f) the contractual restrictions on the payment of dividends by the Company to the shareholders or by the subsidiaries of the Company to the Company;
- (g) the shareholders' interests; and
- (h) other factors that the Board deems relevant.

The Company will continually review the Dividend Policy and reserves the right in its sole and absolute discretion to update, amend, modify and/or cancel the Dividend Policy at any time. The Dividend Policy shall in no way constitute a legally binding commitment by the Company that dividends will be paid in any particular amount and/or in no way obligate the Company to declare a dividend at any time or from time to time.

### **Final Dividend and Annual General Meeting**

The Directors recommended no payment of final dividend for the Year. Notice of the annual general meeting will be published and despatched to shareholders of the Company in the manner required by the Listing Rules in due course.

### **Publication of Results Announcement and Annual Report**

This announcement is published on the website of the Stock Exchange at [www.hkex.com.hk](http://www.hkex.com.hk) and at the website of the Company at [www.simonandsons.com.hk](http://www.simonandsons.com.hk). The annual report will be despatched to the shareholders of the Company and available on the above websites in due course.

### **APPRECIATION**

On behalf of the Board, I would like to express my sincere gratitude to all our management and staff members for their dedication and contribution to the Group. In addition, I would like to thank all our shareholders and investors for their support and our customers for their patronage.

By order of the Board  
**Sheung Yue Group Holdings Limited**  
**Chan Lap Wai Gary**  
*Chairman*

Hong Kong, 30 June 2023

*As at the date of this announcement, the Board comprises Mr. Chan Lap Wai Gary (Chairman), Mr. Chan Lap Chuen Edmond and Ms. Chan Chin Ying Amanda as executive Directors, and Mr. Li Hon Hung, BBS, MH, JP, Mr. Cheng Chi Hung and Mr. Wong Yip Kong as independent non-executive Directors.*