



Almana Limited

曼纳有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 08186)

2023 THIRD QUARTERLY RESULTS

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited (“Stock Exchange”) take no responsibility for the content of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the content of this announcement.

This announcement, for which the board (“Board”) of directors (“Directors”) of Almana Limited (“Company”) collectively and individually accept full responsibility, includes particulars in compliance with the Rules Governing the Listing of Securities on GEM (“GEM Listing Rules”) for giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and beliefs, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in this announcement misleading.

UNAUDITED THIRD QUARTERLY RESULTS

The Board would like to present the unaudited condensed consolidated results (“Results”) of the Company and its subsidiaries (“Group”) for the three months and the nine months ended 30 September 2023 (“Reporting Period”), together with the unaudited comparative figures for the corresponding periods in 2022, as follows:

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Notes	For the three months ended 30 September		For the nine months ended 30 September	
		2023 HK\$'000	2022 HK\$'000	2023 HK\$'000	2022 HK\$'000
Revenue	2	11,979	4,372	24,570	20,381
Cost of sales		<u>(10,655)</u>	<u>(3,884)</u>	<u>(20,033)</u>	<u>(17,924)</u>
Gross profit		1,324	488	4,573	2,457
Other income and gains		127	56,478	261	56,795
Administrative expenses		(1,576)	(1,674)	(4,658)	(4,605)
Finance costs	3	<u>(1)</u>	<u>(308)</u>	<u>(3)</u>	<u>(1,322)</u>
(Loss)/profit before income tax expense		(126)	54,984	137	53,325
Income tax	4	<u>(44)</u>	<u>(40)</u>	<u>(345)</u>	<u>(388)</u>
(Loss)/profit and total comprehensive income for the period attributable to owners of the Company		<u>(170)</u>	<u>54,944</u>	<u>(208)</u>	<u>52,937</u>
(Loss)/earnings per Share (HK cents)					
Basic and diluted	5	<u>(0.6)</u>	<u>352.5</u>	<u>(0.7)</u>	<u>339.7</u>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1. BASIS OF PREPARATION

The Results are prepared in accordance with Hong Kong Financial Reporting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants), accounting principles generally accepted in Hong Kong and the applicable disclosure requirements of the GEM Listing Rules. The Results are prepared under the historical cost basis, except for equity investment at fair value through other comprehensive income and debt investment at fair value through profit or loss which are stated at fair value. The principal accounting policies used in the preparation of the Results are consistent with those applied in the Company's annual report for the year ended 31 December 2022, other than those new and revised Hong Kong Financial Reporting Standards that affect the Group and are adopted for the first time in the Results.

2. REVENUE

<i>HK\$'000</i>	For the three months ended 30 September		For the nine months ended 30 September	
	2023	2022	2023	2022
Revenue from contracts with customers				
Sale of household products	1,072	1,410	5,423	10,685
Sale of plantation products	476	1,182	2,886	3,787
Sale of accessory products	10,431	1,780	16,261	5,909
	<u>11,979</u>	<u>4,372</u>	<u>24,570</u>	<u>20,381</u>

<i>HK\$'000</i>	For the three months ended 30 September		For the nine months ended 30 September	
	2023	2022	2023	2022
Sales of household and plantation products and accessory items				
<i>Timing of revenue recognition</i>				
Goods transferred at a point of time	11,979	4,372	24,570	20,381
	<u>11,979</u>	<u>4,372</u>	<u>24,570</u>	<u>20,381</u>
Total revenue from contracts with customers	<u>11,979</u>	<u>4,372</u>	<u>24,570</u>	<u>20,381</u>

3. FINANCE COSTS

<i>HK\$'000</i>	For the three months ended 30 September		For the nine months ended 30 September	
	2023	2022	2023	2022
Interest on other loans	–	281	–	954
Interest on bond	–	23	–	354
Interest on lease liabilities	1	4	3	14
	<u>1</u>	<u>308</u>	<u>3</u>	<u>1,322</u>

4. INCOME TAX EXPENSES

Hong Kong Profits Tax is calculated at the rate of 8.25% on the first HK\$2,000,000 of the estimated assessable profits of and at 16.5% on the estimated assessable profits above HK\$2,000,000 of a Group's entity and the assessable profits of the Group's other entities are calculated at the rate of 16.5%. The Enterprise Income Tax of the People's Republic of China is calculated at a rate of 25%.

5. (LOSS)/EARNINGS PER SHARE

	For the three months ended 30 September		For the nine months ended 30 September	
	2023	2022	2023	2022
(Loss)/profit for the period (HK\$'000)				
(Loss)/profit for the period attributable to owners of the Company for calculation of basic (loss)/earnings per Share	<u>(170)</u>	<u>54,944</u>	<u>(208)</u>	<u>52,937</u>
Number of Shares ('000)				
Weighted average number of Shares in issue during the period for calculation of basic (loss)/earnings per Share	<u>28,467</u>	<u>15,585</u>	<u>28,467</u>	<u>15,585</u>

6. DIVIDEND

The Board does not recommend payment of dividend for the Reporting Period (2022: Nil).

7. COMPARATIVE FIGURES

Certain comparative figures and items are adjusted and reclassified to conform with the presentation of the current period.

8. RESERVES

For the nine months ended 30 September 2023

HK\$'000	Attributable to owners of the Company				Total
	Share premium	Working capital loan	Fair value reserve	(Accumulated losses)/retained earnings	
At 1 January 2023 (audited)	<u>4,777</u>	<u>200</u>	<u>(790)</u>	<u>(1,275)</u>	<u>2,912</u>
Loss for the period	–	–	–	<u>(208)</u>	<u>(208)</u>
Total comprehensive income for the period	–	–	–	<u>(208)</u>	<u>(208)</u>
As at 30 September 2023 (unaudited)	<u>4,777</u>	<u>200</u>	<u>(790)</u>	<u>(1,483)</u>	<u>2,704</u>
At 1 January 2022 (audited)	–	<u>2,004</u>	<u>(642)</u>	<u>(50,565)</u>	<u>(49,203)</u>
Profit for the period	–	–	–	<u>52,937</u>	<u>52,937</u>
Total comprehensive income for the period	–	–	–	<u>52,937</u>	<u>52,937</u>
Cancellation of shares held for share award scheme	–	<u>2,658</u>	–	–	<u>2,658</u>
As at 30 September 2022 (unaudited)	–	<u>4,662</u>	<u>(642)</u>	<u>2,372</u>	<u>6,392</u>

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL AND BUSINESS REVIEW

The Group is principally engaged in the household business, plantation business and accessory businesses. Despite its financial services business having become inactive in the past two years, the Company has been making efforts to explore opportunities in this business segment, especially in view of the Hong Kong government's establishment of a task force in August 2023 to increase the liquidity of the Hong Kong stock market and strengthen Hong Kong's competitiveness as an international financial centre by taking forward measures in the short, medium and long term. In addition, the Group will continue to focus on the development of its principal businesses and pursue appropriate business opportunities to expand into those businesses which would have synergy with its principal businesses. The Group's revenue for the Reporting Period increased by 20.6% to HK\$24.6 million (2022: HK\$20.4 million), and its gross profit and gross profit margin increased to HK\$4.6 million (2022: HK\$2.5 million) and 18.6% (2022: 12.1%) respectively due to improvement in the gross profit margin of household and accessories products. The Group recorded a consolidated loss attributable to owners of the Company of HK\$0.2 million (2022: profit of HK\$52.9 million). Basic and diluted loss per share of the Company attributable to owners of the Company was HK0.7 cents (2022: profit of HK339.7 cents).

Since almost all of the transactions of the Group and its recognised financial assets and liabilities are denominated either in Hong Kong dollars, United States dollars or Renminbi and the exchange rates of these currencies have been quite stable, the Group's foreign currency risk is not material and does not have a foreign currency hedging policy. However, the Group will continuously monitor its foreign exchange exposure and apply appropriate measures if necessary. The Group's businesses are also subject to certain risks including price fluctuations and competition of its product offerings.

PROSPECTS

Looking ahead, the outlook for the global economy is still uncertain. The challenges arising from the continuing Sino-United States conflict, the war in Ukraine, global interest rate hikes and tightening of monetary policies will continue to adversely impact on the business activities worldwide including the Group's business operation. The Company's experience in past years has shown that prompt response to changes in the business landscape and prudent financial and liquidity management are key factors in withstanding major disruptions and uncertainties. The Group will proactively respond to the evolving market dynamics with an aim at achieving growth in recurring earnings. Given the Group's improved profitability and financial position following completion of the scheme of arrangement and the rights issue, the Company is confident that it is in a good position to strengthen its business foundation for delivering solid performances in the years to come.

EVENTS AFTER THE REPORTING PERIOD

The shareholders of the Company approved at the special general meeting held on 21 September 2023 the rights issue on the basis of three rights shares for every one Share at subscription price of HK\$0.22 per rights share. The rights issue was completed in November 2023 and 85,401,480 rights shares were issued and allotted.

CAPITAL COMMITMENTS

The Group did not have any material commitment during the Reporting Period.

OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 September 2022, no Director or the chief executive of the Company or their associates had any interest or right to subscribe for any securities of the Company or any of its associated corporations as defined in the SFO. At no time during the period was the Company or any of its subsidiaries a party to any arrangement to enable the Directors or the chief executive of the Company or any of their respective associates (including spouses or children under eighteen years of age) to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate. Based on 28,467,160 shares then in issue, the interest and short positions of the Directors in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the minimum standards of dealings by directors as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

Name	Interests Capacity	Shares	Shareholding
Ms. Chan Ho Yee	Personal	676,127	2.4%

INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at 30 September 2023, based on 28,467,160 shares in issue, so far as being known to the Directors or the chief executive of the Company, the following persons (other than a Director and the chief executive of the Company as disclosed above) had interest or short position in the shares or underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO, who is interested in 5% or more of any class of share capital carrying right to vote at the general meetings of the Company.

Name	Interests Capacity	Shares	Shareholding
Perfect Advance Holdings Limited	Corporate owner	8,476,364	29.78%
Rising Sun Investments Limited	Corporate owner	2,640,000	9.27%

SHARE SCHEMES

The Company has adopted two share schemes, namely the share option scheme and the share award scheme pursuant to resolutions passed by the shareholders of the Company on 30 June 2023. The total number of shares which may be allotted and issued upon exercise of all share options and grant of share awards under the share option scheme and the share award scheme must not in aggregate exceed 2,846,716 shares based on the 28,467,160 shares then in issue. The Company may grant share options to eligible participants to subscribe for the Shares under its share option scheme or share award. No share option or share award was granted during the Reporting Period and the Company had no share option or share award outstanding as at 30 September 2023.

DIRECTORS' INTEREST IN CONTRACTS

No contract, commitment or agreement of significance in relation to the Company's businesses, to which the Company or any of its subsidiaries was a party and in which any of the Directors had a material interest, either directly or indirectly, subsisted during the Reporting Period.

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

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities.

COMPETING INTERESTS

During the Reporting Period, none of the Directors or the substantial shareholders of the Company or any of their respective associates (as defined in the GEM Listing Rules) had engaged in any business that competes or may compete with the businesses of the Group or has any other conflict of interests with the Group.

COMPLIANCE WITH CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by directors on terms not less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company has made enquiry to all Directors and each of them has confirmed his/her compliance with the required standard of dealings and code of conduct concerning securities transactions by directors during the Reporting Period.

CORPORATE GOVERNANCE

During the Reporting Period, the Company has complied with the Code on Corporate Governance Practices set out in Appendix 15 of the GEM Listing Rules, except for the vacancy of the office of the chief executive officer of the Company. The Board will continue to review the current structure of the Board from time to time and should a candidate with suitable knowledge, skill and experience be identified, the Company will make appointment to fill the post as appropriate.

AUDIT COMMITTEE

As at the date of this announcement, the audit committee of the Board comprises three members, all being independent non-executive Directors. The chairperson of the audit committee is Ms. Pang King Sze, Rufina and the other members are Mr. Hong Bingxian and Mr. Huang Zhe. The audit committee's primary duties include ensuring that the Group's financial statements, annual and interim reports/results announcements, and the independent auditor's report present a true and balanced assessment of the Group's financial position; reviewing the Group's financial control, internal control and risk management systems; and reviewing the Group's financial and accounting policies and practices. The audit committee is provided with sufficient resources to enable it to discharge its duties.

The audit committee has reviewed this quarterly results announcement for the Reporting Period and was of the opinion that its preparation had complied with applicable accounting standards, the GEM Listing Rules and that adequate disclosures had been made.

By order of the Board
Chan Ho Yee
Executive Director

Hong Kong, 14 November 2023

As at the date of this announcement, the board of directors of the Company comprises Ms. Chan Ho Yee as executive director, and Ms. Pang King Sze, Rufina, Mr. Hong Bingxian and Mr. Huang Zhe as independent non-executive directors.

This announcement will remain on the "Latest Listed Company Announcements" page of the website of The Stock Exchange of Hong Kong Limited at <http://www.hkexnews.hk> for seven days from the date of its publication and on the website of the Company at <http://www.mfpy.com.hk>.