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## **KAISA CAPITAL INVESTMENT HOLDINGS LIMITED**

**佳兆業資本投資集團有限公司**

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

**(Stock Code: 936)**

### **ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2023**

The board of directors (the “**Board**” or the “**Director(s)**”) of Kaisa Capital Investment Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) announces the audited consolidated results of the Group for the financial year ended 31 December 2023 (the “**FY2023**” or the “**Year**”) together with the comparative figures for the financial year ended 31 December 2022 (the “**FY2022**”) as follows:

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

*For the year ended 31 December 2023*

	<i>Notes</i>	<b>2023</b> <i>HK\$’000</i>	2022 <i>HK\$’000</i>
<b>Revenue</b>	5	<b>237,700</b>	200,168
Cost of sales and services		<u>(103,311)</u>	<u>(74,036)</u>
<b>Gross profit</b>		<b>134,389</b>	126,132
Other income and gains	6	<b>3,264</b>	6,145
Selling and distribution expenses		<b>(2,641)</b>	(2,565)
Administrative expenses		<b>(56,312)</b>	(47,450)
Other operating expenses	7	<b>(55,245)</b>	(66,169)
Finance costs	8	<u><b>(10,951)</b></u>	<u>(10,467)</u>
<b>Profit before income tax</b>	9	<b>12,504</b>	5,626
Income tax expense	10	<u><b>(7,123)</b></u>	<u>(447)</u>
<b>Profit for the year</b>		<u><b>5,381</b></u>	<u>5,179</u>

	<i>Notes</i>	<b>2023</b> <b>HK\$'000</b>	2022 HK\$'000
<b>Other comprehensive income/(loss)</b>			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translating foreign operations		<u>688</u>	<u>(316)</u>
<b>Total comprehensive income for the year</b>		<u><b>6,069</b></u>	<u>4,863</u>
<b>Earnings per share</b>			
– Basic and diluted (HK cents)	12	<u><b>0.51</b></u>	<u>0.49</u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*As at 31 December 2023*

	<i>Notes</i>	<b>2023</b> <b>HK\$'000</b>	2022 <i>HK\$'000</i>
<b>ASSETS AND LIABILITIES</b>			
<b>Non-current assets</b>			
Property, plant and equipment		<b>187,957</b>	206,043
Right-of-use assets		<b>139,572</b>	89,994
Intangible assets	13	<b>412</b>	1,511
Deferred tax assets		<b>–</b>	101
		<hr/> <b>327,941</b>	<hr/> 297,649
<b>Current assets</b>			
Properties under development	14	<b>137,212</b>	133,630
Inventories and consumables		<b>15,401</b>	18,701
Trade receivables	15	<b>62,380</b>	53,603
Prepayments, deposits and other receivables		<b>21,280</b>	17,521
Cash and cash equivalents		<b>24,228</b>	38,442
		<hr/> <b>260,501</b>	<hr/> 261,897
<b>Current liabilities</b>			
Trade payables	16	<b>83,806</b>	77,613
Receipt in advance, accruals and other payables		<b>95,270</b>	109,227
Contract liabilities		<b>248</b>	15,910
Borrowings		<b>23,506</b>	20,378
Other loans	17	<b>83,000</b>	83,000
Lease liabilities		<b>33,320</b>	25,763
Tax payable		<b>4,284</b>	4,133
		<hr/> <b>323,434</b>	<hr/> 336,024
<b>Net current liabilities</b>		<hr/> <b>(62,933)</b>	<hr/> (74,127)
<b>Total assets less current liabilities</b>		<hr/> <b>265,008</b>	<hr/> <b>223,522</b>

	<i>Notes</i>	<b>2023</b> <b>HK\$'000</b>	2022 HK\$'000
<b>Non-current liabilities</b>			
Borrowings		<b>19,201</b>	33,435
Lease liabilities		<b>57,208</b>	51,438
Receipt in advance, accruals and other payables		<b>36,808</b>	–
Deferred tax liabilities		<b>8,623</b>	1,550
		<u><b>121,840</b></u>	<u>86,423</u>
<b>Net assets</b>		<u><b>143,168</b></u>	<u>137,099</u>
<b>EQUITY</b>			
Share capital		<b>10,600</b>	10,600
Reserves		<b>132,568</b>	126,499
<b>Total equity</b>		<u><b>143,168</b></u>	<u>137,099</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*For the year ended 31 December 2023*

## 1. GENERAL INFORMATION

Kaisa Capital Investment Holdings Limited (the “Company”) is an exempted company with limited liability incorporated in the Cayman Islands. The address of its registered office is located at Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands. Its principal place of business in Hong Kong is Room 1901, 19/F., Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong. The Company is an investment company and its subsidiaries (collectively known as the “Group”) are principally engaged in (i) trading of construction machinery and spare parts, leasing of the construction machinery under operating leases and providing repair and maintenance services in respect of the construction machinery (“Construction Equipment Business”) and (ii) property development (“Property Development Business”).

The Company’s issued shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 19 July 2010. The Company’s immediate holding company is Mighty Empire Group Limited and the ultimate holding company is Kaisa Group Holdings Ltd. (“Kaisa Group”). Mighty Empire Group Limited was incorporated in the British Virgin Islands and Kaisa Group was incorporated in the Cayman Islands. The issued shares of Kaisa Group are listed on the Main Board of the Stock Exchange.

## 2. BASIS OF PREPARATION

### 2.1 Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“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 of Hong Kong Limited (“Listing Rules”) and by the Hong Kong Companies Ordinance.

As at 31 December 2023, the Group had net current liabilities of approximately HK\$62,933,000 and accumulated losses of approximately HK\$363,351,000. Besides, the Group’s total borrowings comprising borrowings, other loans and associated interest payables amounting to approximately HK\$154,432,000, of which current borrowings amounting to approximately HK\$135,231,000, while its cash and cash equivalents amounting to approximately HK\$24,228,000.

## **2. BASIS OF PREPARATION (CONTINUED)**

### **2.1 Basis of preparation of consolidated financial statements (Continued)**

The directors of the Company (the “Directors”) consider that the Group will be able to meet its financial obligations as they fall due for twelve months from 31 December 2023, on the basis that the Group has obtained a loan facility of HK\$120,000,000 from a third party in March 2024 which carries a fixed interest rate of 8% per annum and will be matured in 24 months after the loan drawdown date and the Group is obliged to repay the loan amount along with the accrued interest upon maturity. The relevant loan agreement does not contain a clause that provided the lender with an unconditional right to demand repayment at any time at its own discretion. The loan has not been drawn as at the date of this announcement.

Taking into account the above new loan facility obtained and after assessing the Group’s current and future cash flow positions, the Directors are satisfied that the Group will be able to meet their financial obligations when they fall due. Accordingly, the Directors are of the opinion that it is appropriate to prepare the consolidated financial statements on a going concern basis.

Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts, to provide for any future liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities respectively. The effect of these adjustments has not been reflected in the consolidated financial statements.

The consolidated financial statements have been prepared on the historical cost basis at the end of each reporting period, as explained in the accounting policies set out below.

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

It should be noted that accounting estimates and assumptions are used in preparation of the consolidated financial statements. Although these estimates are based on management’s best knowledge and judgement of current events and actions, actual results may differ from those estimates.

### **2.2 Functional and presentation currencies**

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

### 3. APPLICATION OF NEW AND AMENDMENTS TO HKFRSs

#### 3.1 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 HKICPA for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 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 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.

#### 3.2 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:

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

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

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

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

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

#### 4. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision makers (“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:

- a. Construction Equipment Business
- b. Property Development Business

These operating divisions are the basis of internal reports about components which are regularly reviewed by CODM, the executive directors of the Company, for the purpose of resources allocation and assessing their performance. Each of the operating division represents an operating segment and reporting segment.

- (a) Information regarding the Group's reportable segments as provided to the Group's executive directors is set out below:

	Construction Equipment Business				Sub-total HK\$'000	Property Development Business	Total HK\$'000
	Hong Kong HK\$'000	Singapore HK\$'000	Inter segment			Hong Kong HK\$'000	
			PRC HK\$'000	elimination HK\$'000			
<b>Year ended 31 December 2023</b>							
<b>Revenue</b>							
From external customers	79,589	116,877	41,234	-	237,700	-	237,700
From inter segment	52,244	-	-	(52,244)	-	-	-
<b>Reportable segment revenue</b>	<b>131,833</b>	<b>116,877</b>	<b>41,234</b>	<b>(52,244)</b>	<b>237,700</b>	<b>-</b>	<b>237,700</b>
<b>Reportable segment profit/(loss)</b>	<b>7,823</b>	<b>8,334</b>	<b>(3,766)</b>	<b>-</b>	<b>12,391</b>	<b>-</b>	<b>12,391</b>
Interest on other loans							(4,150)
Unallocated corporate expenses							
- Corporate staff costs							-
- Others							(2,860)
<b>Profit for the year</b>							<b>5,381</b>

#### 4. SEGMENT INFORMATION (CONTINUED)

- (a) Information regarding the Group's reportable segments as provided to the Group's executive directors is set out below: *(Continued)*

	Construction Equipment Business				Property Development Business	Total HK\$'000
	Hong Kong	Singapore	PRC	Sub-total	Hong Kong	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
<b>Year ended 31 December 2023</b>						
<b>Other reportable segment information</b>						
Interest income	-	-	4	4	-	4
Interest expenses	(2,113)	(1,959)	(2,729)	(6,801)	-	(6,801)
Depreciation of non-financial assets	(17,497)	(28,621)	(8,028)	(54,146)	-	(54,146)
Amortisation of intangible assets	(274)	-	(825)	(1,099)	-	(1,099)
Gain on disposal of property, plant and equipment	2,229	-	-	2,229	-	2,229
Income tax credit/(expenses)	36	(7,159)	-	(7,123)	-	(7,123)
Additions to non-current segment assets during the year	<u>45,290</u>	<u>64,495</u>	<u>1,688</u>	<u>111,473</u>	-	<u>111,473</u>

	Construction Equipment Business				Property Development Business	Total HK\$'000	
	Hong Kong	Singapore	Inter segment		Sub-total		Hong Kong
			PRC	elimination			
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
<b>Year ended 31 December 2022</b>							
<b>Revenue</b>							
From external customers	37,625	87,284	75,259	-	200,168	-	200,168
From inter segment	<u>34,022</u>	<u>-</u>	<u>-</u>	<u>(34,022)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Reportable segment revenue</b>	<u>71,647</u>	<u>87,284</u>	<u>75,259</u>	<u>(34,022)</u>	<u>200,168</u>	<u>-</u>	<u>200,168</u>
<b>Reportable segment profit/(loss)</b>	13,351	(707)	2,151	-	14,795	-	14,795
Interest on other loans							(4,150)
Unallocated corporate expenses							(3,678)
- Corporate staff costs							(1,788)
- Others							
<b>Profit for the year</b>							<u>5,179</u>

#### 4. SEGMENT INFORMATION (CONTINUED)

- (a) Information regarding the Group's reportable segments as provided to the Group's executive directors is set out below: *(Continued)*

	Construction Equipment Business				Property Development Business	Total HK\$'000
	Hong Kong HK\$'000	Singapore HK\$'000	PRC HK\$'000	Sub-total HK\$'000	Hong Kong HK\$'000	
<b>Year ended 31 December 2022</b>						
<b>Other reportable segment information</b>						
Interest income	-	-	6	6	-	6
Interest expenses	(872)	(2,670)	(2,775)	(6,317)	-	(6,317)
Depreciation of non-financial assets	(17,187)	(28,081)	(18,980)	(64,248)	-	(64,248)
Amortisation of intangible assets	(825)	-	(1,096)	(1,921)	-	(1,921)
Write-off of property, plant and equipment	(78)	-	-	(78)	-	(78)
Income tax credit/(expenses)	647	-	(1,094)	(447)	-	(447)
Additions to non-current segment assets during the year	24,264	21,235	28,512	74,011	-	74,011

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment results represent the results of each segment without allocation of corporate items, including emoluments of certain corporate expenses. This is the measure reported to the CODM for the purposes of resources allocation and performance assessment.

Inter-segment sales are charged at prevailing market rates.

	Construction Equipment Business				Property Development Business	Total HK\$'000	
	Hong Kong HK\$'000	Singapore HK\$'000	PRC HK\$'000	Inter segment elimination HK\$'000	Sub-total HK\$'000		Hong Kong HK\$'000
<b>At 31 December 2023</b>							
Reportable segment assets	153,194	254,533	88,672	(45,864)	450,535	137,241	587,776
Other unallocated segment assets							666
<b>Total assets</b>							<b>588,442</b>
Reportable segment liabilities	85,116	97,657	147,942	-	330,715	1,945	332,660
Other loans							83,000
Other unallocated segment liabilities							29,614
<b>Total liabilities</b>							<b>445,274</b>

#### 4. SEGMENT INFORMATION (CONTINUED)

- (a) Information regarding the Group's reportable segments as provided to the Group's executive directors is set out below: *(Continued)*

	Construction Equipment Business				Sub-total HK\$'000	Property Development Business	Total HK\$'000
	Hong Kong HK\$'000	Singapore HK\$'000	PRC HK\$'000	Inter segment elimination HK\$'000		Hong Kong HK\$'000	
<b>At 31 December 2022</b>							
Reportable segment assets	98,208	220,794	108,456	(3,191)	424,267	133,723	557,990
Other unallocated segment assets							1,556
<b>Total assets</b>							<b>559,546</b>
Reportable segment liabilities	61,199	82,142	164,259	-	307,600	2,911	310,511
Other loans							83,000
Other unallocated segment liabilities							28,936
<b>Total liabilities</b>							<b>422,447</b>

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

- all assets are allocated to operating segments except for certain property, plant and equipment, certain right-of-use assets, certain prepayment, deposits and other receivables and certain cash and cash equivalents; and
- all liabilities are allocated to operating segments except for certain receipt in advance, accruals and other payables, certain borrowings, other loans and certain lease liabilities.

#### 4. SEGMENT INFORMATION (CONTINUED)

- (b) In the following table, revenue is disaggregated by primary geographical markets of which the external customers from. The table also includes a reconciliation of the disaggregated revenue within the Group's reportable segment.

	For the year ended 31 December					
	Construction Equipment		Property		Total	
	Business (Note)		Development Business			
	2023	2022	2023	2022	2023	2022
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
<b>Primary geographical markets</b>						
Hong Kong						
(place of domicile)	91,616	39,718	-	-	91,616	39,718
Singapore	85,237	79,853	-	-	85,237	79,853
PRC	41,234	75,440	-	-	41,234	75,440
United Arab Emirates	15,212	1,929	-	-	15,212	1,929
Korea	3,847	1,326	-	-	3,847	1,326
Sri Lanka	487	-	-	-	487	-
Vietnam	67	387	-	-	67	387
Turkey	-	1,133	-	-	-	1,133
France	-	243	-	-	-	243
Thailand	-	139	-	-	-	139
<b>Total</b>	<b>237,700</b>	<b>200,168</b>	<b>-</b>	<b>-</b>	<b>237,700</b>	<b>200,168</b>

*Note:* The revenue under Construction Equipment Business is derived from the reportable segments in Hong Kong, PRC and Singapore.

#### 4. SEGMENT INFORMATION (CONTINUED)

The following table presents non-current assets (excluding deferred tax assets) by location of assets.

##### Non-current assets

	<b>Hong Kong</b> <b>(domicile)</b> <i>HK\$'000</i>	<b>Singapore</b> <i>HK\$'000</i>	<b>PRC</b> <i>HK\$'000</i>	<b>Total</b> <i>HK\$'000</i>
<b>At 31 December 2023</b>	<b>68,443</b>	<b>207,646</b>	<b>51,852</b>	<b>327,941</b>
At 31 December 2022	62,914	158,648	75,986	297,548

The Group's revenue from external customers for different products and services is set out in note 5.

##### Information about major customer

During the year ended 31 December 2023, 1 external customer contributed 10% or more of the total revenue of the Group.

	<b>2023</b> <i>HK\$'000</i>	<b>2022</b> <i>HK\$'000</i>
Customer A	<b>34,228</b>	N/A <sup>1</sup>

<sup>1</sup> The corresponding revenue did not contribute to 10% or more of the total revenue of the Group

## 5. REVENUE

Revenue from the Group's principal activities during the year are as follows:

	<b>2023</b>	2022
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
<b>Construction Equipment Business</b>		
<b><i>Revenue from Contract with Customers within the scope of HKFRS 15:</i></b>		
Sales of machinery	<b>15,801</b>	9,117
Sales of spare parts	<b>2,130</b>	1,599
Service income	<b>44,558</b>	25,868
	<b>62,489</b>	36,584
<b><i>Revenue from other sources:</i></b>		
Rental income from leasing of owned plant and machinery and right-of-use assets	<b>100,020</b>	76,908
Rental income from subleasing of leased plant and machinery	<b>75,191</b>	86,676
	<b>175,211</b>	163,584
	<b>237,700</b>	200,168

## 5. REVENUE (CONTINUED)

In following table, revenue is disaggregated by timing of revenue recognition. The table also includes revenue from other sources and a reconciliation of the disaggregated revenue within the Group's reportable segment.

	<b>For the year ended 31 December</b>	
	<b>2023</b>	2022
	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>Construction Equipment Business</b>		
<i>Timing of revenue recognition under HKFRS 15</i>		
At a point in time	<b>17,931</b>	10,716
Transferred over time	<b>44,558</b>	25,868
	<b>62,489</b>	36,584
<b>Revenue from other sources</b>		
<i>Transferred over time</i>	<b>175,211</b>	163,584
	<b>237,700</b>	200,168

## 6. OTHER INCOME AND GAINS

	<b>2023</b>	2022
	<i>HK\$'000</i>	<i>HK\$'000</i>
Bank interest income	<b>4</b>	6
Government grants ( <i>note (a)</i> )	–	1,187
Forfeited customers' deposits	–	1,326
Reversal of legal provision ( <i>note (b)</i> )	–	1,029
Exchange gain, net	<b>2</b>	1,220
Compensation received	<b>467</b>	494
Sale of scrap materials	–	514
Gain on disposal of property, plant and equipment	<b>2,229</b>	–
Others	<b>562</b>	369
	<b>3,264</b>	6,145

*Notes:*

- (a) In 2022, the Group received grants from the COVID-19 Anti-epidemic Fund under the Employment Support Scheme launched by the Government of the Hong Kong Special Administrative Region (the "Hong Kong Government") and grants received from the Job Support Scheme to support COVID-19 epidemic launched by the Ministry of Manpower of Singapore.
- (b) In 2022, the amounts represented the reversal of legal provisions made in prior years after obtaining the legal opinion that the Group is no longer liable to the legal claim.

**7. OTHER OPERATING EXPENSES**

	<b>2023</b>	2022
	<i>HK\$'000</i>	<i>HK\$'000</i>
Depreciation of property, plant and equipment:		
– Owned assets	<b>32,461</b>	38,337
– Right-of-use-assets	<b>21,685</b>	25,911
Amortisation of intangible assets	<b>1,099</b>	1,921
	<hr/>	<hr/>
	<b>55,245</b>	66,169
	<hr/> <hr/>	<hr/> <hr/>

**8. FINANCE COSTS**

	<b>2023</b>	2022
	<i>HK\$'000</i>	<i>HK\$'000</i>
Interest charges on financial liabilities stated at amortised cost:		
– Borrowings	<b>2,419</b>	2,921
– Other loan interests	<b>4,150</b>	4,150
– Lease liabilities	<b>4,382</b>	3,396
	<hr/>	<hr/>
	<b>10,951</b>	10,467
	<hr/> <hr/>	<hr/> <hr/>

## 9. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging/(crediting):

	2023	2022
	<i>HK\$'000</i>	<i>HK\$'000</i>
Auditor's remuneration	970	1,205
Cost of inventories recognised as an expense	27,297	2,210
Amortisation of intangible assets	1,099	1,921
Depreciation of property, plant and equipment	32,461	38,337
Depreciation of right-of-use assets	21,685	25,911
Impairment loss/ (reversal of provision) on trade receivables, net	4,199	(706)
Write-off of property, plant and equipment	–	78
Write-off of trade receivables	–	1,125
Provision for inventories, net	24	207
Lease charges in respect of short term leases	4,017	24,902
Employee costs (including Directors' remuneration (note (i)))		
– Wages, salaries and bonuses	51,410	31,435
– Contribution to defined contribution plans (note (ii))	3,259	2,893
	<b>54,669</b>	34,328
Gain on disposal of property, plant and equipment	2,229	–
Income from subleasing of leased plant and machinery	(75,191)	(86,676)
Income from leasing of owned plant and machinery and right-of-use assets	(100,020)	(76,908)
Net foreign exchange gain	(2)	(1,220)
	<b>=====</b>	<b>=====</b>

Notes:

- (i) Employee costs (including Directors' remuneration) had been included in cost of sales and services of approximately HK\$13,591,000 (2022: approximately HK\$6,667,000) and administrative expenses of approximately HK\$41,078,000 (2022: approximately HK\$27,661,000).
- (ii) There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

## 10. INCOME TAX EXPENSE

	<b>2023</b>	2022
	<b>HK\$'000</b>	HK\$'000
Current tax		
– Provision for PRC Enterprise Income Tax (“EIT”)	–	1,094
Deferred tax		
– Current year	<u>7,123</u>	<u>(647)</u>
<b>Total income tax expense</b>	<b><u>7,123</u></b>	<b><u>447</u></b>

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands (“BVI”), the Group is not subject to any taxation under the jurisdictions of the Cayman Islands and the BVI.

For group entities in Singapore, income tax will be provided at the applicable tax rate of 17% on the estimated assessable profits of the respective entities. No such provision was provided as the respective subsidiaries had no assessable profit in the periods and/or the estimated assessable profits of the respective subsidiaries were wholly absorbed by tax losses brought forward from previous years.

For subsidiaries of the Group engaged in construction equipment business in the PRC, no such provision was provided as the respective subsidiaries had no assessable profit for the year ended 31 December 2023. The provision for the EIT has been provided at the applicable tax rate of 25% on the estimated assessable profits of the respective subsidiaries for the year ended 31 December 2022.

For group entities in Hong Kong, under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. No such provision was provided as the respective subsidiaries had no assessable profit in the periods and/or the estimated assessable profits of the respective subsidiaries were wholly absorbed by tax loss brought forward from previous years.

## 11. DIVIDEND

The directors of the Company do not recommend the payment of any dividend for the year ended 31 December 2023 (2022: Nil).

## 12. EARNINGS PER SHARE

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

	2023	2022
<b>Profit</b>		
Profit for the purposes of basic and diluted earnings per share ( <i>HK\$'000</i> )	<u>5,381</u>	<u>5,179</u>
<b>Number of shares</b>		
Weighted average number of ordinary shares	<u>1,060,000,000</u>	<u>1,060,000,000</u>
Basic and diluted earnings per share ( <i>HK cents</i> )	<u>0.51</u>	<u>0.49</u>

Diluted earnings per share equals to basic earnings per share, as there were no potential dilutive ordinary shares issued during the year ended 31 December 2023 (2022: Nil).

## 13. INTANGIBLE ASSETS

	<b>Construction licenses <i>HK\$'000</i></b>
<b>Year ended 31 December 2022</b>	
Opening net carrying amount	3,432
Amortisation	<u>(1,921)</u>
Closing net carrying amount	<u>1,511</u>
<b>At 31 December 2022</b>	
Cost	6,037
Accumulated amortisation	<u>(4,526)</u>
<b>Net carrying amount</b>	<u>1,511</u>
<b>Year ended 31 December 2023</b>	
Opening net carrying amount	1,511
Amortisation	<u>(1,099)</u>
Closing net carrying amount	<u>412</u>
<b>At 31 December 2023</b>	
Cost	6,037
Accumulated amortisation	<u>(5,625)</u>
<b>Net carrying amount</b>	<u>412</u>

#### 14. PROPERTIES UNDER DEVELOPMENT

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
<b>Within normal operating cycle included under current assets:</b>		
Land use rights	85,900	85,900
Construction costs	46,944	43,362
Interest capitalised	4,368	4,368
	<u>137,212</u>	<u>133,630</u>
<b>Total</b>	<b><u>137,212</u></b>	<b><u>133,630</u></b>

The properties under development are all located in Hong Kong. No provision for impairment was made during years ended 31 December 2023 and 2022. The properties under development are expected to be completed and available for sale in more than 12 months.

The properties under development include costs of acquiring rights to use certain lands for property development over fixed periods. Land use rights are held on leases of 50 years.

At 31 December 2023, no properties under development (2022: Nil) was pledged as collateral for bank borrowings.

In 2022, borrowing costs capitalised arose on the bank borrowings to finance properties under development.

#### 15. TRADE RECEIVABLES

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
<b>Current portion:</b>		
Trade receivables, gross	69,152	56,176
Less: Loss allowance	(6,772)	(2,573)
	<u>62,380</u>	<u>53,603</u>
Trade receivables, net	<b><u>62,380</u></b>	<b><u>53,603</u></b>

As at 1 January 2022, trade receivables from contracts with customers amounted to approximately HK\$88,658,000.

The Group's trading terms with its existing customers are mainly on credit. The credit period is, in general, ranging from 0 to 90 days (2022: 0 to 90 days) or based on the terms agreed in the relevant sales and rental agreements.

## 15. TRADE RECEIVABLES (CONTINUED)

The ageing analysis of trade receivables as at the reporting date, net of impairment, based on invoice date, is as follows:

	<b>2023</b> <i>HK\$'000</i>	2022 <i>HK\$'000</i>
0 - 30 days	<b>26,265</b>	26,738
31 - 60 days	<b>5,586</b>	3,739
61 - 90 days	<b>2,486</b>	924
Over 90 days	<b>28,043</b>	22,202
	<u><b>62,380</b></u>	<u>53,603</u>

The movement in the loss allowance for trade receivables during the year is as follows:

	<b>2023</b> <i>HK\$'000</i>	2022 <i>HK\$'000</i>
<b>At 1 January</b>	<b>2,573</b>	3,279
Impairment loss recognised/(reversed), net	<b>4,199</b>	(502)
Recovery of impairment	–	(204)
	<u><b>6,772</b></u>	<u>2,573</u>

During the year ended 31 December 2023, included in impairment loss recognised for trade receivables of approximately HK\$846,000 (2022: approximately HK\$646,000) represented loss allowance for credit-impaired specific debtors. The credit-impaired specific debtors are due from customers experiencing dispute that were in default or past due event.

In addition, during the year ended 31 December 2022, there was a write-off of trade receivables of approximately HK\$1,125,000 and included in administrative expenses.

## 16. TRADE PAYABLES

	<b>2023</b>	2022
	<i>HK\$'000</i>	<i>HK\$'000</i>
Trade payables	<b>83,806</b>	77,613

The credit period is, in general, 30 to 90 days (2022: 30 to 90 days) or based on the terms agreed in purchase agreements.

The ageing analysis of trade payables as at the reporting date, based on invoice date, is as follows:

	<b>2023</b>	2022
	<i>HK\$'000</i>	<i>HK\$'000</i>
0 - 30 days	<b>7,494</b>	12,473
31 - 60 days	<b>1,676</b>	3,207
61 - 90 days	<b>12,698</b>	873
Over 90 days	<b>61,938</b>	61,060
	<b>83,806</b>	77,613

The fair values of trade payables which are expected to be repaid within one year are not materially different from their carrying amounts because these balances have short maturity periods on their inception.

## 17. OTHER LOANS

Since 2018, the Company has entered into several unsecured other loan agreements with Harbour Luck Investments Limited (“Harbour Luck”), a substantial shareholder of the Company until 29 April 2021. The loans are unsecured and repayable on demand.

On 6 August 2020, Harbour Luck had entered into a supplementary agreement with the Company where Harbour Luck agreed to adjust the annual interest rate from 10% to 5% for the outstanding loan balance of HK\$183,000,000, starting from the date of drawn down, and Harbour Luck agreed to waive HK\$17,537,000 interest payable by the Company as a result of the adjustment of the interest rate. The waived interest payable has been included in the capital reserve of the Company as a deemed contribution from shareholder.

In the opinion of the directors of the Company, the loans were granted to the Company on normal commercial terms to the Company.

## 18. CAPITAL MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, to maintain an optimal capital structure to reduce the cost of capital and to support the Group's stability and growth. The capital structure of the Group consists of net debt and equity attributable to owners of the Company, comprising issued share capital, reserves and accumulated losses. The Group actively and regularly reviews and manages its capital structure, taking into consideration the future capital requirements of the Group, to ensure optimal shareholder returns.

The Group monitors capital using a gearing ratio, which is net debts divided by total capital. Total debts are calculated as the sum of carrying amounts of borrowings, other loans and lease liabilities as shown in the consolidated statement of financial position. The Group aims to maintain the gearing ratio at a reasonable level.

	<b>2023</b>	2022
	<i>HK\$'000</i>	<i>HK\$'000</i>
Borrowings	<b>42,707</b>	53,813
Other loans	<b>83,000</b>	83,000
Lease liabilities	<b>90,528</b>	77,201
	<hr/>	<hr/>
<b>Total debts</b>	<b>216,235</b>	214,014
	<hr/>	<hr/>
<b>Total equity</b>	<b>143,168</b>	137,099
	<hr/>	<hr/>
<b>Total debts to equity ratio</b>	<b>1.5</b>	1.6
	<hr/> <hr/>	<hr/> <hr/>

## MANAGEMENT DISCUSSION AND ANALYSIS

### OPERATIONAL AND FINANCIAL REVIEW

#### Overall Performance

For the Year, the Group generated revenue of approximately HK\$237.7 million (2022: approximately HK\$200.2 million) with a profit for the Year of approximately HK\$5.4 million (2022: approximately HK\$5.2 million).

#### Business Review

##### *Construction Equipment Business*

Revenue from sales of machinery was approximately HK\$15.8 million for the Year, representing an increase of approximately 73.3% as compared to the amount the Group achieved for FY2022. This was due to an increase in demands of new cranes in Hong Kong and Singapore.

Rental income from leasing of machinery increased from approximately HK\$163.6 million to approximately HK\$175.2 million for the Year, representing an increase of approximately 7.1% year over year mainly due to an increase of demand in crane leasing market in Hong Kong and Singapore.

Revenue from service income increased from approximately HK\$25.9 million to approximately HK\$44.6 million for the Year, representing an increase of approximately 72.3% year over year mainly due to an increase in demand for service in Hong Kong.

Sales of spare parts was approximately HK\$2.1 million for the Year, representing an increase of approximately 33.2% from the amount recorded for FY2022. The increase was mainly due to the change in market demand for spare parts for the machinery.

##### *Hong Kong segment*

In Hong Kong segment, revenue increased by approximately HK\$42.0 million, or 111.5%, from approximately HK\$37.6 million in 2022 to approximately HK\$79.6 million in 2023. It was mainly due to an increase in the number of cranes and utilisation rate of cranes.

##### *Singapore segment*

In Singapore segment, revenue increased by approximately HK\$29.6 million, or 33.9%, from approximately HK\$87.3 million in 2022 to approximately HK\$116.9 million in 2023. It was mainly due to the increased number of heavy tower cranes, which earned higher rental values.

##### *PRC segment*

In PRC segment, revenue decreased by approximately HK\$34.0 million, or 45.2%, from HK\$75.3 million in 2022 to HK\$41.2 million in 2023. It was mainly due to the slowdown of construction activities of the real estate development company.

### ***Property Development Business***

As at 31 December 2023, the Group had one property development project under development in Hong Kong and it commenced construction work in the second quarter of 2020. There was no sale during the Year.

The Group's Property Development Project as at 31 December 2023

<b>Project name</b>	<b>Location/Postal address</b>	<b>Interests Attributable to the Group</b>	<b>Total site area (sq. ft. *)</b>	<b>Status</b>	<b>Estimated completion time (Note)</b>	<b>Usage</b>
Mong Kok	Lot No. 11238 at Reclamation Street and Shanghai Street, Mong Kok, Kowloon, Hong Kong	100%	2,718	Under development	March 2026	Residential

*Note:* The estimated completion time is made based on the present situation and progress of the project.

\* sq.ft. means square feet

Analysis of Properties Under Development as at 31 December 2023

<b>Project name</b>	<b>Total GFA* (sq. ft.)</b>	<b>GFA under development/ completed (sq. ft.)</b>	<b>Total saleable GFA* (sq. ft.)</b>	<b>Accumulated GFA* sold as at 31 December 2023 (sq. ft.)</b>	<b>Accumulated GFA* delivered as at 31 December 2023 (sq. ft.)</b>	<b>Average Selling Price (HK\$/sq. ft.)</b>
Mong Kok	17,910	0	10,308	0	0	Not applicable

\* GFA means gross floor area

## **Dividend**

The Board has resolved not to recommend the payment of any dividend for the Year (2022: Nil).

## **Financial Review**

### ***Results for the Year***

As stated in the section headed “**Overall Performance**” above, the Group recorded a profit of approximately HK\$5.4 million for the Year (2022: approximately HK\$5.2 million).

For FY2023, the Group’s other income and gains amounted to approximately HK\$3.3 million, representing a decrease of approximately 46.9% compared to that of FY2022. The decrease was mainly attributable to a decrease in government grants.

As at 31 December 2023, the Group’s property, plant and equipment amounted to approximately HK\$188.0 million, representing a decrease of approximately 8.8% compared to that as at 31 December 2022. The depreciation charges included in other operating expenses, and staff costs included in cost of sales and administrative expenses for the Year decreased by approximately HK\$10.1 million and increased by HK\$20.3 million, respectively, as compared to the amounts for the previous year.

Finance costs amounted to approximately HK\$11.0 million for FY2023, representing an increase of approximately 4.6% compared to those of FY2022.

### **Liquidity and Financial Resources**

The Group had cash and cash equivalents of approximately HK\$24.2 million as at 31 December 2023 (2022: approximately HK\$38.4 million).

The total equity of the Group increased to approximately HK\$143.2 million as at 31 December 2023 (2022: approximately HK\$137.1 million).

As at 31 December 2023, the Group had net current liabilities of approximately HK\$62.9 million (2022: approximately HK\$74.1 million).

### **Capital Structure**

As at 31 December 2023, the Company’s share capital comprised 1,060,000,000 issued ordinary shares with par value of HK\$0.01 each (the “**Shares**”, each, a “**Share**”). There was no change in the share capital of the Company during the Year.

### **Investment Position and Planning**

During the Year, the Group spent approximately HK\$111.5 million for acquisition of plant and equipment (2022: approximately HK\$74.0 million).

### **Significant Investments/Material Acquisitions and Disposals**

Saved as disclosed above, the Group had not made any significant investments or material acquisitions and disposals of subsidiaries, associates or joint ventures during the Year.

### **Future Plan for Material Investments or Capital Assets**

Saved as disclosed above, the Group did not have other plans for material investments and capital assets as at 31 December 2023.

### **Gearing**

The Group monitors capital using a gearing ratio, which is calculated by dividing the total debts (sum of carrying amounts of other loans, borrowings and lease liabilities) by the total equity as at the respective dates. The Group's gearing ratio as at 31 December 2023 was decreased to 1.5 (2022: 1.6), mainly due to decreases in interest-bearing borrowings/bank borrowings for the Year.

### **Pledge of Group Assets and Contingent Liabilities**

As at 31 December 2023,

- (a) the Group's banking facilities were secured by the Group's estate right title benefit and interest of the leasehold land, a building of the Group with an aggregate carrying amount of approximately HK\$27.4 million (2022: approximately HK\$28.5 million), property, plant and equipment of approximately HK\$3.2 million (2022: approximately HK\$5.9 million), and corporate guarantees executed by the Company and certain subsidiaries. As at 31 December 2023, no properties under development (2022: Nil) was pledged as collateral for bank borrowings;

- (b) the Group's lease liabilities were secured by property, plant and equipment of approximately HK\$143.4 million (2022: approximately HK\$82.4 million);
- (c) the Group's other borrowings were secured by property, plant and equipment of approximately HK\$30.7 million (2022: approximately HK\$27.1 million) and corporate guarantees executed by the Company and certain subsidiaries; and
- (d) the Group and the Company did not have any significant contingent liabilities (2022: Nil).

### **Exchange Rate Exposure**

During the Year and as at 31 December 2023, more than half of the revenue and part of assets and liabilities of the Group were denominated in currencies other than Hong Kong dollars. In particular, the revenue generated from the Group's rental operations in Singapore and the PRC were primarily denominated in Singapore dollars and Renminbi, respectively. Purchases of tower cranes, spare parts and accessories from suppliers were usually denominated in Euro, United States dollars or Renminbi. For purchases in foreign currencies, hedging transactions may be entered into against fluctuations in the foreign exchange rate. However, no hedging arrangement was undertaken for revenue generated from the Group's operations in Singapore and the PRC.

### **Treasury Policies**

The Group generally finances its ordinary operations with internally generated resources or banking facilities. The interest rates of most of the borrowings and finance lease arrangement are charged by reference to prevailing market rates.

### **Commitments**

As at 31 December 2023, the Group had total capital commitments of approximately HK\$51.6 million and HK\$9.8 million related to the acquisitions of property, plant and equipment and properties under development for sale, respectively (2022: approximately HK\$49.4 million and HK\$7.5 million, respectively).

### **EMPLOYMENT AND REMUNERATION POLICY**

As at 31 December 2023, the Group had a total of 110 (2022: 102) employees in Hong Kong, Singapore and the PRC. The Group has not had any significant problems with its employees or disruptions due to labour disputes nor has it experienced difficulties in the recruitment and retention of experienced staff. The Group remunerates its employees based on industry practices. Its staff benefits, welfare and statutory contributions, if any, are made in accordance with individual performance and prevailing labour laws of its operating entities. Periodic in-house trainings have been provided to the employees to enhance the knowledge of the workforce.

## **FUTURE OUTLOOK**

According to the Building and Construction Authority of Singapore, the estimated overall demand for the construction industry in 2024 is projected to be between S\$32 billion to S\$38 billion, representing an increase from S\$33.8 billion in 2023. The annual forecast for actual construction output in 2024 is expected to range from S\$34 billion to S\$37 billion. During the period from 2025 to 2028, the annual construction sector volume is estimated to be around S\$31 billion to S\$38 billion, indicating that the demand for construction services in the Singapore real estate market remains strong, possibly driven by infrastructure projects and increased housing needs. The actual construction volume is expected to increase as the construction industry continues to be active. The growth in construction output could be driven by government investments, private sector projects, and the trend towards sustainable construction. These factors contribute to the overall positive outlook for the construction sector, indicating potential opportunities for expansion and development in the industry. On 5 March 2024, the Singapore National Development Board announced plans for building 10,000 public rental housing units in Yishun and the development of an area of 27 hectares in Gillman Barracks, which will have a significant impact on the construction industry. Not only will it increase the supply of housing, but it will also create opportunities for architectural and infrastructure construction, including for commercial, cultural or residential purposes. Overall, the information and project announcements indicate that the construction industry in Singapore will remain vibrant in the coming years, with strong market demand, particularly in housing and infrastructure. As a result, the Group intends to continue investing in Singapore and seize abundant business opportunities in this favorable environment.

In Hong Kong, according to the 2024-25 Budget, sufficient land has been identified for the construction of approximately 308,000 public housing units and the completion of private residential units will average over 19,000 units annually in the five years from 2024. The expected first-hand private residential unit supply for the next 3 to 4 years will be around 109,000 units. The number of construction projects is expected to rise with the increase in public housing and private residential projects. More residential and commercial construction projects will require a significant number of tower cranes to support construction activities. The government and public projects are underway and expected to last for about 4 to 5 years, including traditional public housing, light public housing, hospital expansion projects, MTR line extensions, and public facility projects. These projects are projected to significantly increase the demand for tower cranes, bringing a positive impact on tower crane rental and engineering services.

## **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY**

During FY2023, the Company did not redeem any of its own listed securities, and neither the Company nor any of its subsidiaries had purchased or sold any of such securities.

## **SUBSEQUENT EVENT AFTER THE REPORTING PERIOD**

The Group did not have any other material subsequent event after the reporting period and up to the date of this announcement.

## **CORPORATE GOVERNANCE PRACTICES**

The Company believes that good corporate governance will not only improve management accountability and investor confidence, but also will lay a good foundation for the long term development of the Company. Therefore, the Company will continue to strive to develop and implement effective corporate governance practices and procedures.

The Company has adopted the code provisions as set out in the Corporate Governance Code as contained in Appendix C1 to the Listing Rules (the “**CG Code**”) as its own code of corporate governance. The Board has reviewed the Company’s corporate governance practices and is satisfied that the Company had complied with the applicable code provisions of the CG Code throughout the Year.

Full details of the Company’s corporate governance practices are set out in the annual report of the Company for the Year (the “**2023 Annual Report**”).

## **DIRECTORS’ AND CONTROLLING SHAREHOLDERS’ INTERESTS IN COMPETING BUSINESS**

None of the Directors, the controlling shareholders (as defined under the Listing Rules) of the Company or their respective close associates (as defined under the Listing Rules) (a) had interests in any business apart from the Group’s business which competed or was likely to compete, either directly or indirectly, with the businesses of the Group and (b) had or might have any other conflicts of interest with the Group during the Year.

## **COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the “**Model Code**”) as its own code of conduct governing securities transactions by the Directors. Having been made specific enquiries by the Company, all Directors confirmed that they had complied with the required standards set out in the Model Code throughout FY2023.

## **REVIEW BY AUDIT COMMITTEE**

The audit committee of the Company (the “**Audit Committee**”) comprises three independent non-executive Directors (“**INEDs**”), namely Mr. Xu Xiaowu (chairman of the Audit Committee), Mr. Li Yongjun and Mr. Diao Yingfeng. The Audit Committee has reviewed the consolidated financial statements of the Group for the Year (the “**Consolidated Financial Statements**”), including the accounting policies and practices adopted by the Group.

## **REVIEW BY INDEPENDENT AUDITOR**

The figures in respect of the Group’s consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position and the related notes thereto for FY2023 as set out in this annual results announcement have been agreed by the Group’s independent auditor, Baker Tilly Hong Kong Limited (“**Baker Tilly**”), to the amounts set out in the Consolidated Financial Statements. The work performed by Baker Tilly 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 HKICPA and consequently, no assurance has been expressed by Baker Tilly on this announcement.

## **2024 ANNUAL GENERAL MEETING**

The 2024 annual general meeting of the Company (the “**2024 AGM**”) will be held on Tuesday, 28 May 2024. The Notice of the 2024 AGM will be published and dispatched to the shareholders of the Company (the “**Shareholders**”) in due course in the manner as required by the Listing Rules.

## **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from Thursday, 23 May 2024 to Tuesday, 28 May 2024, both dates inclusive, during which period no transfer of shares of the Company will be effected. In order to be eligible to attend, speak and vote at the 2024 AGM, non-registered Shareholders must lodge all duly completed and stamped transfer documents, accompanied by the relevant share certificates with the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 22 May 2024.

## **PUBLICATION OF 2023 ANNUAL RESULTS ANNOUNCEMENT AND 2023 ANNUAL REPORT**

This annual results announcement is published on the respective websites of Hong Kong Exchanges and Clearing Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.kaisa-capital.com](http://www.kaisa-capital.com)). The 2023 Annual Report, containing all the information required by Appendix D2 to the Listing Rules, will be dispatched to the Shareholders and published on the same websites in due course in the manner as required by the Listing Rules.

By Order of the Board  
**Kaisa Capital Investment Holdings Limited**  
**Kwok Ying Shing**  
*Chairman and Executive Director*

Hong Kong, 26 March 2024

*As at the date of this announcement, the Board comprises Mr. Kwok Ying Shing (Chairman), Mr. Zheng Wei and Ms. Lee Kin Ping Gigi as executive Directors; and Mr. Xu Xiaowu, Mr. Li Yongjun and Mr. Diao Yingfeng as INEDs.*