APEX ACE HOLDING LIMITED
光麗科技控股有限公司*

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 6036)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2023

RESULTS HIGHLIGHT.

- Revenue amounted to approximately HK$2,529.8 million in the Year 2023, representing a decrease of 5.9% as compared to the Year 2022
- Gross profit amounted to approximately HK$164.0 million in the Year 2023, representing a growth of 42.8% as compared to the Year 2022
- The net loss attributable to owners of the Company for the Year 2023 amounted to HK$16.2 million (Year 2022: HK$32.4 million)
- Basic loss per share for the Year 2023 was 1.53 HK cents (Year 2022: 3.13 HK cents)

Note: Rounding adjustments have been made to the amounts and percentage figures included in this announcement, including information presented in thousands or millions of units.

ANNUAL RESULTS

On behalf of the board of directors of Apex Ace Holding Limited (the "Company", the "Directors" and the "Board", respectively), I present the audited consolidated financial results of the Company and its subsidiaries (collectively the "Group") for the year ended 31 December 2023 (the "Year 2023") together with the comparative figures for the year ended 31 December 2022 (the "Year 2022"). These audited financial results for the Year 2023 have been reviewed by the audit committee of the Board (the "Audit Committee").

* *For identification purpose only*

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	**Year 2023** *HK$'000*	Year 2022 *HK$'000*
Revenue	*3*	**2,529,796**	2,689,094
Cost of sales		**(2,365,799)**	(2,574,218)
Gross profit		**163,997**	114,876
Other income	*4*	**3,661**	5,255
(Decrease)/increase in fair value of investment property		**(3,000)**	200
(Impairment loss)/reversal of impairment loss on trade receivables		**(8,191)**	7,594
Reversal of impairment loss/(impairment loss) on interest, loan and other receivables, net		**452**	(3,865)
Fair value gain/(loss) in financial instrument at fair value through profit or loss		**451**	(484)
Fair value gain/(loss) in derivative asset		**729**	(3,178)
Distribution and selling expenses		**(49,899)**	(54,495)
Administrative expenses		**(78,078)**	(79,802)
Finance costs	*5*	**(35,324)**	(19,968)
Loss before tax	*6*	**(5,202)**	(33,867)
Income tax (expense)/credit	*7*	**(4,958)**	831
Loss for the year		**(10,160)**	(33,036)
Other comprehensive expense:			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		**(2,075)**	(5,977)
Other comprehensive expense for the year, net of tax		**(2,075)**	(5,977)
Total comprehensive expense for the year		**(12,235)**	(39,013)

	Note	**Year 2023**	Year 2022
		HK$'000	*HK$'000*
Loss for the year attributable to:			
– Owners of the Company		**(16,160)**	(32,386)
– Non-controlling interests		**6,000**	(650)
		(10,160)	(33,036)
Total comprehensive expenses for the year attributable to:			
– Owners of the Company		**(18,202)**	(38,157)
– Non-controlling interests		**5,967**	(856)
		(12,235)	(39,013)
Loss per share attributable to owners of the Company			
– Basic	*8*	**(1.53) HK cents**	(3.13) HK cents
– Diluted		**(1.53) HK cents**	(3.13) HK cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

	Note	**As at 31 December 2023** *HK$'000*	As at 31 December 2022 *HK$'000*
Non-current assets			
Property, plant and equipment		**85,973**	90,807
Right-of-use assets		**8,849**	9,367
Investment property	*10*	**48,200**	51,200
Financial instrument at fair value through profit or loss		**13,125**	12,674
Intangible assets		**7,253**	12,280
Deposits paid for acquisition of property, plant and equipment		**228**	–
Deferred tax assets		**13,094**	11,806
		176,722	188,134
Current assets			
Derivative asset		**1,730**	1,001
Inventories		**227,665**	174,970
Trade and bills receivables	*11*	**747,721**	499,292
Other receivables, deposits and prepayments		**103,844**	49,682
Income tax recoverable		**84**	793
Bank balances, restricted balance and cash		**96,520**	99,562
		1,177,564	825,300

	Note	As at 31 December 2023 HK$'000	As at 31 December 2022 HK$'000
Current liabilities			
Trade payables	*12*	**164,622**	131,812
Other payables, accruals and deposits received		**25,075**	22,789
Lease liabilities – current portion		**3,702**	2,885
Loan from controlling shareholder, unsecured	*13*	**43,784**	–
Bank borrowings, secured		**759,072**	483,666
Income tax payable		**3,802**	3,873
		1,000,057	645,025
Net current assets		**177,507**	180,275
Total assets less current liabilities		**354,229**	368,409
Non-current liabilities			
Convertible bond	*14*	**16,150**	15,227
Lease liabilities – non-current portion		**5,448**	6,731
Deferred tax liabilities		**4,552**	3,901
		26,150	25,859
Net assets		**328,079**	342,550
Capital and reserves			
Share capital	*15*	**10,751**	10,751
Reserves		**269,865**	290,413
Equity attributable to owners of the Company		**280,616**	301,164
Perpetual subordinated convertible securities		**10,000**	10,000
Non-controlling interests		**37,463**	31,386
Total equity		**328,079**	342,550

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 4 July 2012 as an exempted company with limited liability under the Companies Law of the Cayman Islands. The address of its registered office is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and the address of its principal place of business is Units 2-3, 1/F., Sun Cheong Industrial Building, 1 Cheung Shun Street, Kowloon, Hong Kong. The Company is an investment holding company and the principal activities of its subsidiaries are sales and integration of semiconductors, electronic components and storage systems.

The shares of the Company (the "Shares") in issue were initially listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 16 March 2018.

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

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

(a) New and revised HKFRSs adopted as at 1 January 2023

For the current year, the Group has adopted for the first time the following new standard and amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), which are effective for the Group's accounting period beginning on 1 January 2023.

HKFRS 17	Insurance Contracts and the related amendments
Amendments to Hong Kong Accounting Standand ("HKAS") 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies
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

Except for the adoption of Amendments to HKAS 12 "Deferred Tax related to Assets and Liabilities arising from a Single Transaction", the Group did not have any material changes of its accounting policies and impact on the Group's financial position and financial performance when adopting these new standard and amendments.

Amendments to HKAS 12 "Deferred Tax related to Assets and Liabilities arising from a Single Transaction"

Amendments to HKAS 12 "Deferred Tax related to Assets and Liabilities arising from a Single Transaction" narrow the scope of the initial recognition exception in HKAS 12 so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences, such as leases and decommissioning obligations. Therefore, entities are required to recognise a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability for temporary differences arising from these transactions at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with (i) right-of-use assets and lease liabilities; and (ii) decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments as of 31 December 2022 was not material and hence no adjustment was made to the beginning retained earnings, or another component of equity. In addition, the change will impact disclosures of components of deferred tax assets and liabilities in the annual financial statements.

(b) New and revised HKFRSs issued but not yet effective

The Group has not applied the following amendments to HKFRSs and interpretation that have been issued but are not yet effective for the current year.

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

1 Effective for annual periods beginning on or after 1 January 2024.

2 Effective for annual periods beginning on or after 1 January 2025.

3 Effective for annual periods beginning on or after a date to be determined.

The Group is currently assessing the full impact of the amendments to standards and interpretation.

3. REVENUE AND SEGMENT INFORMATION

Segment information reported internally was analysed on the basis of the type of products sold and activities carried out by the Group's operating division. The Group is currently operating in two operating segments as follows:

(a) Digital storage products; and

(b) General components.

	Year 2023	Year 2022
	HK$'000	*HK$'000*
SEGMENT REVENUE		
Digital storage products	**1,753,883**	2,019,970
General components	**775,913**	669,124
	2,529,796	2,689,094

	Year 2023	Year 2022
	HK$'000	*HK$'000*
SEGMENT RESULTS		
Digital storage products	**96,956**	44,499
General components	**67,041**	70,377
Total reportable segment profit	**163,997**	114,876
Other income	**3,661**	5,255
(Decrease)/increase in fair value of investment property	**(3,000)**	200
Fair value gain/(loss) on financial instruments at fair value through profit or loss	**451**	(484)
Fair value gain/(loss) in derivative asset	**729**	(3,178)
Finance costs	**(35,324)**	(19,968)
Depreciation of property, plant and equipment	**(5,418)**	(5,227)
Depreciation of right-of-use assets	**(3,363)**	(1,826)
Amortisation of intangible asset	**(4,716)**	(4,826)
(Impairment loss)/reversal of impairment loss on trade receivables	**(8,191)**	7,594
Reversal of impairment loss/(impairment loss) on interest, loan and other receivables, net	**452**	(3,865)
Unallocated corporate expenses	**(114,480)**	(122,418)
Loss before tax	**(5,202)**	(33,867)
Income tax (expenses)/credit	**(4,958)**	831
Loss for the year	**(10,160)**	(33,036)

Geographical information

The Group is domiciled in Hong Kong. The following table sets out information about the geographical location of (i) the Group's revenue from external customers; and (ii) the Group's non-current assets. The geographical location of customers is based on the location of the customers. The geographical location of the non-current assets other than deposits paid for acquisition of property, plant and equipment, financial instrument at fair value through profit or loss and deferred tax assets is based on the physical location of the assets in case of property, plant and equipment, investment property and right-of-use assets, and the location of operations to which they are allocated in case of intangible asset.

	Year 2023	Year 2022
	HK$'000	*HK$'000*
Revenue from external customers		
Hong Kong	**666,594**	390,802
The People's Republic of China ("PRC")	**1,833,342**	2,200,140
Others	**29,860**	98,152
	2,529,796	2,689,094

	As at 31 December 2023	As at 31 December 2022
	HK$'000	*HK$'000*
Non-current assets		
Hong Kong	**125,745**	132,970
The PRC	**24,530**	30,609
Others	**–**	75
	150,275	163,654

Information about major customers

The Group's revenue from customers which accounted for 10% or more of the Group's total revenue are as follow:

		Year 2023	Year 2022
	Segment	***HK$'000***	*HK$'000*
Customer A	Digital storage products	**350,520**	643,303
Customer B	Digital storage products	**280,369**	N/A*

* *The corresponding revenue did not account for over 10% of the total revenue of the Group for that year.*

4. OTHER INCOME

	Year 2023	Year 2022
	HK$'000	*HK$'000*
Bank interest income	**886**	184
Rental income	**1,380**	1,352
Government subsidies	**221**	344
Commission income	**–**	574
Sundry income	**1,174**	2,801
	3,661	5,255

5. FINANCE COSTS

	Year 2023	Year 2022
	HK$'000	*HK$'000*
Discounting charges on factoring loans	**6,758**	4,571
Interest on convertible bond ("CB")	**1,023**	883
Interest on other bank borrowings	**26,793**	14,339
Interest expense on lease liabilities	**436**	175
Interest expense on loan from controlling shareholder	**314**	–
	35,324	19,968

6. LOSS BEFORE TAX

Loss for the year has been arrived at after charging:

	Year 2023	Year 2022
	HK$'000	*HK$'000*
Cost of inventories recognised as an expenses	**2,363,301**	2,567,228
Write-down of inventories	**2,498**	6,990
Auditor's remuneration	**1,716**	1,552
Depreciation of property, plant and equipment	**5,418**	5,227
Depreciation – right-of-use assets	**3,363**	1,826
Amortisation of distribution right *(note 1)*	**4,716**	4,826
Net foreign exchange loss	**4,239**	5,822
Short term leases expenses in respect of land and buildings	**881**	1,469
Commission expenses	**13,857**	24,722
Research and development expenses *(note 2)*	**2,882**	3,105
Staff costs including director's emoluments		
– Basic salaries and allowance	**40,196**	44,359
– Share-based payments	**568**	1,311
– Contributions to defined contribution retirement plans	**4,277**	4,655
– Messing and welfare	**1,153**	451
Loss on disposal of property, plant and equipment	**14**	20

Notes:

1. Amortisation of intangible assets was included in administrative expenses.

2. Staff costs of approximately HK$2,605,000 (Year 2022: HK$2,243,000) were included in research and development expenses.

7. INCOME TAX EXPENSE/(CREDIT)

	Year 2023	Year 2022
	HK$'000	*HK$'000*
Current tax –		
Hong Kong Profits Tax	**5,392**	879
PRC tax	**71**	94
Over-provision in prior years – Hong Kong profits tax	**(6)**	(157)
Under-provision in prior years – PRC tax	**–**	23
	5,457	839
Deferred tax	**(499)**	(1,670)
Total income tax expense/(credit) recognised in profit or loss for the year	**4,958**	(831)

Hong Kong Profits Tax is calculated at 8.25% on the first HK$2 million of the estimated assessable profits of the qualifying group entity and at 16.5% on the estimated assessable profits above HK$2 million. 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%.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%.

For qualified small and thin-profit enterprises in the PRC, the effective Enterprise Income tax rate ("EIT rate") for the year ended 31 December 2023 is 5% on the annual taxable income up to RMB3 million (inclusive). For the year ended 31 December 2022, the effective EIT rate was 2.5% on the annual taxable income up to RMB1 million (inclusive), and any portion exceeding RMB1 million but not exceeding RMB3 million (inclusive) was subject to an effective EIT rate of 5%. Certain PRC subsidiaries of the Company enjoy this preferential income tax treatment for the years.

8. LOSS PER SHARE

Basic loss per share

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

	Year 2023	Year 2022
	HK$'000	*HK$'000*
Loss for the year attributable to owners of the Company	**(16,160)**	**(32,386)**
Interest on perpetual subordinated convertible securities ("PSCS")	**(50)**	**(50)**
Loss used in the calculation of basic loss per share	**(16,210)**	**(32,436)**

	As at 31 December 2023	As at 31 December 2022
Number of ordinary shares		
Weighted average number of ordinary shares in issue for the purpose of basic loss per share	**1,059,232,823**	1,036,498,027

For the Year 2023 and Year 2022, the weighted average number of ordinary shares for the purpose of calculation of basic loss per share has been adjusted for the effect of shares held by the custodian of restricted share award scheme (the "Custodian") pursuant to the restricted share award scheme.

Diluted loss per share

The loss used in the calculation of diluted loss per share are as follows:

	Year 2023	Year 2022
	HK$'000	*HK$'000*
Loss used in the calculation of diluted loss per share	**(16,210)**	(32,436)

For the Year 2023 and Year 2022, as the Group incurred losses, the potential ordinary shares under restricted share awards scheme, PSCS and CB are not included in the calculation of diluted loss per share as their inclusion would be anti-dilutive.

9. DIVIDENDS

The Board of Directors did not recommend any dividend for the Year 2023 (Year 2022: Nil).

For the Year 2023, the subsidiaries of the Company did not make distributions to their non-controlling shareholders. For the Year 2022, a subsidiary of the Company made the following distributions:

	Year 2022
	HK$'000
Dividend declared and paid to non-controlling shareholder by Data Star Inc.	3,276

10. INVESTMENT PROPERTY

	As at 31 December 2023	As at 31 December 2022
	HK$'000	*HK$'000*
At fair value		
At 1 January	**51,200**	51,000
(Decrease)/increase in fair value	**(3,000)**	200
At 31 December	**48,200**	51,200

The Group's investment property is commercial property situated in Hong Kong and leased out to a third party. The investment property was revalued by independent professional property valuers, as at 31 December 2023 and 31 December 2022 on an open market value basis.

11. TRADE AND BILLS RECEIVABLES

	As at 31 December 2023	As at 31 December 2022
	HK$'000	*HK$'000*
Trade receivables	**818,065**	562,741
Bills receivables	**1,220**	–
	819,285	562,741
Less: allowance for impairment	**(71,564)**	(63,449)
	747,721	499,292

The following is an ageing analysis of trade receivables based on the invoice date:

	As at 31 December 2023 *HK$'000*	As at 31 December 2022 *HK$'000*
0 – 30 days	**273,114**	211,630
31 – 60 days	**257,946**	142,883
61 – 90 days	**124,439**	64,134
More than 90 days	**162,566**	144,094
Total trade receivables before impairment	**818,065**	562,741
Bills receivables	**1,220**	–
Less: Allowance for impairment	**(71,564)**	(63,449)
	747,721	499,292

The Group's trading terms with its customers are mainly on open account terms, except for new customers, where payment in advance is normally required. The balance of the trade receivables is on open account terms, which is normally covered by customers' letters of credit or factored to external financial institutions. The credit terms vary from 1 day to 120 days after the monthly statement. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are regularly reviewed by management. Trade receivables are non-interest-bearing and their carrying amounts approximate to their fair values.

12. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of each reporting period, based on the invoice date, is as follows,

	As at 31 December 2023 *HK$'000*	As at 31 December 2022 *HK$'000*
Trade payables:		
0-30 days	**114,953**	71,745
31-60 days	**33,620**	14,045
61-90 days	**8,288**	9,303
More than 90 days	**7,761**	36,719
	164,622	131,812

13. LOAN FROM CONTROLLING SHAREHOLDER, UNSECURED

The amount was unsecured, repayable within 1 year and carried interest of 7% per annum.

14. CONVERTIBLE BOND

	As at 31 December 2023	As at 31 December 2022
	HK$'000	*HK$'000*
Liability component:		
– Non-current liabilities	**16,150**	15,227

The Company issued a CB with principal amount of HK$20,000,000 to Nicegoal Limited on 23 February 2022. The coupon rate of the CB is 0.5% per annum. The CB will mature in the fifth anniversary of the issue date, i.e. 23 February 2027 (the "Maturity Date"), or can be converted into 57,140,000 shares at any time up to and including the date falling on the seventh day immediately prior to the Maturity Date at the bondholder's option at the conversion price of HK$0.35 per share. At any time prior to the Maturity Date, the Company shall have the right to partly or fully redeem the CB early, by giving 10 business days' prior notice in writing to the bondholder.

15. SHARE CAPITAL

	Number of shares	Amount
		HK$
The Company		
Ordinary shares of HK$0.01 each		
Authorised:		
As at 1 January 2022, 31 December 2022, 1 January 2023 and 31 December 2023	2,000,000,000	20,000,000
Issued and fully paid:		
As at 1 January 2022	1,009,550,000	10,095,500
Issued during the Year 2022 *(note 1)*	65,560,000	655,600
As at 31 December 2022, 1 January 2023 and 31 December 2023	1,075,110,000	10,751,100

Note

1. On 10 May 2022, the Company and a placing agent (the "Placing Agent") entered into a conditional placing agreement, pursuant to which, among other things, the Company conditionally agreed to place through the Placing Agent, on a best effort basis, up to 67,500,000 placing shares ("Placing" and "Placing Shares" respectively) at the placing price of HK$0.4 per Placing Share under general mandate. On 26 May 2022, the Company announced that a total of 65,560,000 Placing Shares were successfully placed by the Placing Agent. All the Placing Shares rank pari passu with the existing shares in issue in all respects.

2. During the Year 2023, the Company caused the Custodian to purchase the Shares on the Stock Exchange for the Restricted Share Award Scheme as follows:

Month of purchase	Number of ordinary shares	Price per Share Highest	Price per Share Lowest	Aggregate consideration paid
		(HK$)	*(HK$)*	*HK$'000*
April 2023	2,380,000	0.425	0.400	995
November 2023	3,295,000	0.420	0.410	1,367
December 2023	1,470,000	0.435	0.420	629

As at 31 December 2023, 19,155,000 of the Shares are held by the Custodian (31 December 2022: 14,710,000).

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRIAL OVERVIEW

The Group is a Hong Kong-based distributor of semiconductors and other electronic components, and is engaged in the supply of digital storage products and general electronic components along with the provision of complementary technical support. It focuses on identifying, sourcing, selling and distributing quality electronic components produced by branded upstream manufacturers to downstream manufacturers within the technology, media and telecommunications sector in Mainland China and Hong Kong.

In 2023, affected by various factors such as excessive inventory of upstream suppliers, demand for end consumer electronics such as smartphones, personal computers, and servers, and the seasonal consumption downturn in the first quarter of each year, the industry's performance growth rate in the first half of the Year 2023 fell sharply on a year-on-year basis. During this period, leading suppliers such as Samsung, SK Hynix, and Micron actively destocked in response to the downward cycle, and the overall industry inventory decreased quarter by quarter. The destocking effect was obvious, and the launch of new models by Huawei, Apple and other companies drove the recovery of terminal demand, with some categories showing a trend of unit price rebound. The bottoming out of the storage industry was basically completed.

However, due to the continued release of demand in industries such as new energy, automotive electronics, AI, and industrial automation, the performance of the automotive industry (especially electric vehicles), defence, and aerospace industries was better than most of the other application areas. In particular, the wave of generative AI has spawned a demand for high-performance computing chips, and the application of artificial intelligence has driven strong growth in non-storage semiconductors. However, from a global perspective, industrial growth is relatively weak, and the automotive electronics industry is still in the early stages of increasing penetration. The development trend of automotive sensors is constantly evolving with the development of technologies such as artificial intelligence and the Internet of Things, posing higher requirements for onboard storage chips in terms of capacity, reliability, and security.

In addition, developed countries such as the United States have further restricted the export of semiconductor-related technologies and equipment to China since 2023. Under the situation where restrictive policies are not relaxed, domestic substitution is still an important direction for the development of China's semiconductor industry. Driven by the demand for domestic substitution, domestic policies strongly support the development of the domestic semiconductor industry, and domestic brands will continue to benefit from the wave of such substitution.

BUSINESS REVIEW

As a stable supplier of digital storage products and general electronic components, the Group has adopted a diversified strategy to better cope with the impact of industry fluctuations, promote product structure optimisation and supply chain optimisation, and achieve stable business operations. In the Year 2023, the Group achieved revenue of approximately HK$2,529.8 million, a decrease of 5.9% compared to the same period last year; the attributable net loss to owners of the Company was approximately HK$16.2 million, a significant decrease of approximately 50.1% from the approximately HK$32.4 million in the Year 2022.

By Product type

Digital Storage Products

The Group's digital storage products include dynamic random access memory ("DRAM"), flash ("FLASH") and multi chip package ("MCP") memory products, which are widely applied to multimedia and mobile devices such as set-top boxes, smart TVs, wearable devices, mobile phones, etc. These products also include optical and mass storage products which are mainly used in enterprise-level storage and server systems.

During the Year 2023, revenue generated from this product segment amounted to HK$1,753.9 million (Year 2022: HK$2,020.0 million). Gross profit of the segment increased to HK$97.0 million (Year 2022: HK$44.5 million), representing an increase of 117.9% compared to 2022. Gross profit margin was 5.5% (Year 2022: 2.2%). Gross profit margin for the Year 2022 was below the industry norm, which was affected by the overall inventory buildup in the channel caused by the optimism for the Year 2021, while the gross profit margin resumed to normal level in the Year 2023.

General Components

General components include switches, connectors, passive components, main chips, sensors, power semiconductors and analog-to-digital converters, which are mainly designed for use in mobile and multimedia devices.

The Group achieved revenue generated from this segment was HK$775.9 million for the Year 2023 (Year 2022: HK$669.1 million). However, gross profit of this segment decreased by 4.7% to HK$67.0 million (Year 2022: HK$70.4 million) due to lower prices for most of the general components as a result of lower demand. Gross profit margin decreased slightly to 8.6% (Year 2022: 10.5%).

FINANCIAL REVIEW

Revenue

The two major product segments, namely (i) Digital Storage Products; and (ii) General Components, contributed 69.3% and 30.7% of the Group's total revenue during the Year 2023 respectively.

The Group's revenue for the Year 2023 was HK$2,529.8 million (Year 2022: HK$2,689.1 million), representing a decrease of 5.9% from the Year 2022. The decrease was a result of a combination of the weak demand in the consumer market and the downward cycle in semiconductor industry.

Gross profit and gross profit margin

The Group's gross profit for the Year 2023 amounted to HK$164.0 million (Year 2022: HK$114.9 million), representing an increase of 42.8% when compared with the Year 2022. The gross profit margin for the Year 2023 was 6.5% (Year 2022: 4.3%).

Other income and decrease/increase in fair value of investment property

For the Year 2023, the fair value of an investment property of the Group was decreased by HK$3.0 million (Year 2022: increased by HK$0.2 million). The other income dropped from HK$5.3 million in Year 2022 to HK$3.7 million in the Year 2023, which was mainly due to the lesser amounts subsidised by the government and the drop in commission income in the Year 2023.

Impairment loss/reversal of impairment loss on trade receivables

An impairment loss on trade receivables of approximately HK$8.2 million was recognised during the Year 2023 (Year 2022: reversal of impairment loss of HK$7.6 million). The increase in impairment loss was caused by the prolonged outstanding sums owed to the Group.

In respect of trade receivables, the Group has put in place a credit policy and will perform credit evaluations on all customers requiring credit over a certain amount. Certain trade receivable balances on open account terms are covered by customers' letters of credit or are factored to external financial institutions.

As at 31 December 2023, trade receivables past due over one year amounted to HK$73.9 million (31 December 2022: HK$60.5 million) and provision for impairment loss amounted to HK$66.5 million had been made (31 December 2022: HK$60.5 million). Substantial part of which was brought forward from the Year 2022. To the best knowledge of the Directors, the past due over one year as at 31 December 2023 was mainly attributable to the business deterioration of several customers as a result of COVID-19 pandemic. Up to the date of this announcement, approximately HK$6.7 million has been settled from customers.

The Group has been negotiating various repayment schedules with customers taking into account their respective circumstances. Contemporaneous to the negotiations and rescheduling, we have also sought legal advice from our Hong Kong legal advisor and PRC legal advisor on the procedures for taking legal actions against the relevant customers and/or their guarantors (if any).

For the customers who have been making partial repayments from time to time, we will withhold taking legal action against them. The Group will pay close attention to their business development and continue monitoring their progress of repayment. If they cease to make any further repayment or if the amount of their further repayment is not to the Group's satisfaction, the Group shall take all such steps as are appropriate to recover the sum, including taking legal actions.

The Group aims to maintain healthy business relationships with these customers while taking all reasonable steps to recover the trade receivables as it is the Group's belief that their business performance should progressively improve as the COVID-19 pandemic gradually subsides.

Distribution and selling expenses

The distribution and selling expenses mainly include salaries of marketing and sales staff, commission expenses, transportation fees, freight charges, declarations and sample expenses. For the Year 2023, distribution and selling expenses amounted to approximately HK$49.9 million (Year 2022: HK$54.5 million), mainly as the result of decreased commission expenses.

Administrative expenses

Administrative expenses primarily comprise salaries and benefits (including emoluments to executive Directors), legal and professional fees, insurance, short-term lease expenses and other premises fees, foreign exchange differences, bank charges and depreciation expenses. The Group's administrative expenses decreased by HK$1.7 million to HK$78.1 million in the Year 2023 (Year 2022: HK$79.8 million), which was mainly attributable to the appropriate cost control measures implemented by the Group.

Finance costs

The Group's finance costs mainly represent interest expenses on its bank borrowings during the Year 2023. Such bank borrowings were obtained by the Group for general working capital. For the Year 2023 the Group had finance costs of approximately HK$35.3 million (Year 2022: HK$20.0 million), which edged up on the back of an increased use of factoring loans, import loans and trust receipts loans and increase in market interest rate.

Net loss for the Year

For the Year 2023, the Group recorded a net loss of HK$10.2 million (Year 2022: HK$33.0 million). The improvement was mainly attributable to the increase in gross profit of the Group resulting from the improved sales performance in the second half of the Year 2023, partially offset by increased finance costs and impairment loss on trade receivables, as well as decrease in fair value of investment property..

Net loss attributable to the owners of the Company

The net loss attributable to the owners of the Company for the Year 2023 was HK$16.2 million, compared with a net loss attributable to the owners of the Company in the sum of HK$32.4 million in the Year 2022. The loss was mainly due to continued decline in the unit price of certain products in the first half of the Year 2023, resulting in a decrease in gross profit. As the relevant unit price rebounded in the second half of the Year 2023, gross profit increased significantly, which partially offset the losses in the first half of the Year 2023.

LIQUIDITY AND FINANCIAL RESOURCES

During the Year 2023, the Group met its liquidity requirements principally through a combination of internal resources and bank borrowings. The Group's cash resources as at 31 December 2023 were approximately HK$96.5 million (31 December 2022: HK$99.6 million) and were mainly denominated in Renminbi ("RMB"), Hong Kong dollars ("HK$") and United States dollars ("US$").

As at 31 December 2023, the Group's total outstanding bank borrowings amounted to approximately HK$759.1 million (31 December 2022: HK$483.7 million), which mainly comprised bank factoring loans, import loans, trust receipts loans, instalment loans and revolving loans. The Group's bank borrowings that were unrestricted and carried at amortised cost with a clause of repayment on demand are classified as current liabilities. The gearing ratio increased from 148.4% as at 31 December 2022 to 252.4% as at 31 December 2023 as a result of rapidly increase in the Group's capital needs as the market became more active in the fourth quarter of 2023. Gearing ratio is calculated based on total external loans and borrowings divided by total equity at the respective reporting dates.

The Group's financial statements are presented in HK$. The Group carried out its business transactions mainly in HK$, RMB and US$. As the HK$ remained pegged to the US$, there was no material exchange risk in this respect. As the portion of RMB revenue is insignificant, there is no material exchange risk in this respect. The Group currently does not have any interest rate hedging policies. However, the management will monitor the Group's exposure to interest rate risk on an ongoing basis and will consider hedging that risk should the need arise. Credit risk was mainly hedged through credit policy and factored into external financial institutions.

On 21 October 2021, I-Sky Electronic Limited, a wholly-owned subsidiary of the Company (the "Purchaser"), the Company and Nicegoal Limited (the "Vendor"), which is ultimately wholly-owned by Mr. Lee Bing Kwong, a controlling Shareholder, an executive Director, the chairman of the Board and the chief executive officer of the Company, entered into a sale and purchase agreement (as supplemented on 25 November 2021) (the "Agreement"), pursuant to which the Vendor has agreed to sell, and the Purchaser has conditionally agreed to purchase, the target property, namely Unit No. 1, 1st Floor, Sun Cheong Industrial Building, Nos. 2 Cheung Yee Street, Cheung Sha Wan, Hong Kong (the "Target Property") at the consideration of HK$30.0 million. The consideration shall be settled by the issue of the PSCS in the principal amount of HK$10.0 million and the CB in the principal amount of HK$20.0 million. On 23 February 2022, the Company issued the CB in the principal amount of HK$20.0 million and the PSCS in the principal amount of HK$10.0 million to the Vendor for the acquisition of the Target Property pursuant to the terms of the Agreement as detailed in the circular of the Company dated 13 January 2022. The PSCS was issued without maturity date, it bears a distribution rate of 0.5% per annum and carries rights to convert the principal amount into Shares at a conversion price of HK$0.35 per Share (to be rounded down to the nearest board lot of 5,000 Shares as per the deed poll constituting the PSCS), convertible into 28,570,000 conversion Shares, representing 2.66% of the issued Shares as at 31 December 2023 and as at the date of this announcement or 2.59% as enlarged by the conversion Shares. The Company has an option to redeem the PSCS at any time at 100% or 50% of their principal amount plus any accrued but unpaid distribution.

The CB was issued with a maturity of five years from date of issue (i.e. 23 February 2022), it bears an interest rate of 0.5% per annum and carries rights to convert the outstanding principal amount into Shares at a conversion price of HK$0.35 per Share subject to adjustment (to be rounded down to the nearest board lot of 5,000 Shares as per the instrument constituting the CB), convertible into 57,140,000 conversion Shares, representing 5.31% of the issued shares of the Company as at 31 December 2023 and as at the date of this announcement or 5.05% as enlarged by the conversion Shares of CB. The Company has an option to redeem the CB at any time before their maturity in whole or in part of their principal amount plus any accrued but unpaid interest.

The aggregate conversion shares of CB and PSCS represent 7.97% of the issued shares of the Company as at 31 December 2023 and at the date of this announcement or 7.38% as enlarged by the conversion Shares. As at 31 December 2023 and up to the date of this announcement, none of the PSCS and CB have been converted into any Shares.

CONTINGENT LIABILITIES

As at 31 December 2023, the Group did not have any material contingent liabilities.

CHARGES ON ASSETS

As at 31 December 2023, the banking facilities of the Group were secured by its trade receivables with an aggregate carrying amount of approximately HK$452.8 million (31 December 2022: HK$138.5 million), the legal charge over the investment property of the Group of approximately HK$48.2 million (31 December 2022: HK$51.2 million), the Group's leasehold land and buildings valued at approximately HK$76.0 million (31 December 2022: HK$79.2 million), the deposit placed for life insurance policy of the Group of approximately HK$13.1 million (31 December 2022: HK$12.7 million), bank deposit of the Group of approximately HK$10.4 million (31 December 2022: HK$10.0 million), personal guarantee executed by Mr. Pai Yin Lin (a director and a non-controlling shareholder of subsidiaries of the Company) and corporate guarantees executed by the Group.

DIVIDEND

The Board has resolved not to recommend any final dividend for the Year 2023 (Year 2022: nil).

EMPLOYMENT AND REMUNERATION POLICY

As at 31 December 2023, the Group had 141 employees (as at 31 December 2022: 144) in Hong Kong and the PRC. The Group's remuneration policy is built on the principle of equitability with incentive-based, performance-oriented and market-competitive remuneration packages for its employees. Remuneration packages are normally reviewed on a regular basis. Other staff benefits include provident fund contributions, medical insurance coverage and performance-based bonuses. In addition, the Company has adopted a share option scheme and a restricted share reward scheme as incentives or rewards for eligible participants for their contribution to the Group, and the Company also provides continuous training to its employees to improve their marketing skills and enhance their product knowledge.

SHARE SCHEMES

Restricted Share Award Scheme

On 23 July 2021, the Company granted 9,550,000 restricted shares (the "Restricted Shares") to nine selected participants (the "Grantees") in accordance with the terms of the restricted share award scheme ("Restricted Share Award Scheme") at nil consideration, and as a result, on 12 August 2021, the Company issued and allotted 9,550,000 Restricted Shares under the general mandate granted by the shareholders of the Company (the "Shareholders") at the general meeting of the Company held on 26 May 2021 to the custodian nominated by the Company (the "Custodian"). These Restricted Shares are held on trust by the Custodian who shall transfer the Restricted Shares to the Grantees in three tranches subject to satisfaction of the vesting conditions as specified in the grant notice issued to each Grantee. To the best knowledge of the Directors, none of the Grantees is a Director, chief executive or substantial shareholder (as defined in the rules governing the listing of securities on the Stock Exchange ("Listing Rules")) of the Company, or an associate (as defined in the Listing Rules) of any of them. The Custodian and its ultimate beneficial owner(s), and all of the Grantees are third parties independent of the Company and are not connected persons of the Company. During the Year 2023, 2,700,000 Restricted Shares have been vested. Accordingly, there were 4,940,000 Restricted Shares unvested as at 31 December 2023, which represented 0.46% of the issued share capital as at 31 December 2023 and as at the date of this announcement. In addition, the Custodian purchased a total of 7,145,000 Shares on the market for the purpose of the Restricted Share Award Scheme on 18 April 2023, from 27 November 2023 to 30 November 2023 and 4 December 2023 to 8 December 2023 respectively. Accordingly, the Custodian held 19,155,000 Shares, representing 1.78% of the issued Shares, as at 31 December 2023 and as at the date of this announcement.

The number of Shares that may be issued in respect of share awards granted under the Restricted Share Award Scheme divided by the weighted average number of Shares in issue during the Year 2023 was nil.

Subject to any early termination of the Restricted Share Award Scheme as may be determined by the Board, the Restricted Share Award Scheme is valid and effective for a term of 10 years commencing on 30 August 2019 (i.e. the adoption date of the Restricted Share Award Scheme). As at 31 December 2023, the remaining life of the Restricted Share Award Scheme is approximately 5 years and 8 months.

Details of the grant of the Restricted Shares are set out in the Company's announcement dated 23 July 2021. Capitalised terms used herein shall have the same meanings as those defined in such announcement.

Share Option Scheme

The share option scheme was adopted by the Company on 15 February 2018 ("Share Option Scheme") and is valid for a period of 10 years from its adoption. No options have been granted under the Share Option Scheme since its adoption. Accordingly, the number of shares that may be issued in respect of share options granted under the Share Option Scheme divided by the weighted average number of Shares in issue during the Year 2023 was nil.

USE OF NET PROCEEDS FROM LISTING

The net proceeds received by the Company from the global offering of the Shares (the "Global Offering") in March 2018 was approximately HK$116.9 million and the net proceeds received by the Company under the Placing was approximately HK$25,566,000. The net proceeds received under the Global Offering and the Placing had been applied by the Company from 16 March 2018 up to 31 December 2023 as follows:

	Application of Net Proceeds *HK$'000*	Actual Use of Net Proceeds up to 31 December 2023 *HK$'000*	Actual Use of Net Proceeds during the Year 2023 *HK$'000*	Unused Net Proceeds *HK$'000*	Percentage of Unused Net Proceeds *%*	Expected timeframe of full utilisation of unused Net Proceeds
Intended Use of Net Proceeds						
Under the Global Offering						
Repayment of bank loans	39,045	39,045*	–	–	–	–
Establishing a new product and development department	2,810	2,810*	–	–	–	–
Strengthening sales and marketing and technical support team by recruiting staff and providing trainings	10,750	10,750*	–	–	–	–
Enhancing warehouse and office in Hong Kong	4,600	2,746*	287	1,854	40	Q2 2024 – Q4 2024
Installing enterprise resource planning and supporting software	7,090	5,419*	606	1,671	24	Q3 2024 – Q4 2025
Establishing new offices in the PRC	5,027	5,027*	–	–	–	–
Acquisition and establishment of Shenzhen head office	35,888	–	–	35,888	100	Q3 2024 – Q4 2025
Working capital for general corporate purpose	11,690	11,690*	–	–	–	–
Under the Placing						
General working capital	25,566	25,566*	25,566	–	–	–

The Company will continue to utilise the net proceeds from the Global Offering for the purposes as mentioned above.

* *Such net proceeds had been used as intended.*

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

The Group did not have any material acquisitions and disposals of subsidiaries, associates and joint ventures during the Year 2023.

SIGNIFICANT INVESTMENTS HELD AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

The Group did not have any significant investments held as at 31 December 2023 and did not have any future plans for material investments or capital assets as of the date of this announcement.

SUBSEQUENT EVENT

The Board is not aware of any significant event affecting the Group and requiring disclosure that has been taken place subsequent to 31 December 2023 and up to the date of this announcement.

PROSPECTS

As the time of destocking of storage chips continues to extend, the consumer electronics market, such as smartphones and PCs has gradually recovered, and the unit price of storage chips has begun to rebound in the second half of 2023. In 2024, the storage chip market is expected to continue to recover, driving the semiconductor industry to end its downward trend. In the medium to long term, with the deepening of digital transformation, the demand for high-performance chips in emerging fields such as artificial intelligence and the Internet of Things is expected to increase. At the same time, new markets are constantly emerging in industries such as new energy, 5G, and autonomous driving, accelerating the development of the semiconductor industry. According to the latest forecast by the World Semiconductor Trade Statistics Association (WSTS), global semiconductor sales are expected to grow by 13.1% in 2024, reaching US$588.36 billion.

Benefiting from China's "dual carbon" strategy, the new energy industry (including electric vehicles/smart cars and photovoltaic energy storage) is developing rapidly. According to the China Association of Automobile Manufacturers, China's total automobile sales are expected to reach 31 million vehicles in 2024, a year-on-year increase of 3%. Among them, sales of new energy vehicles are expected to reach around 11.5 million vehicles, a year-on-year increase of 20%; while export sales are expected to increase to around 5.5 million vehicles. In terms of photovoltaic energy storage, the National Energy Administration stated that China's wind and photovoltaic new installed capacity will reach about 200 million kilowatts in 2024. In the future, with the development of new energy vehicles and photovoltaic industries, supply chain opportunities will continue to drive the high-speed development and technological breakthroughs of power semiconductors and third-generation semiconductors.

On the one hand, with the clear trend of global automobile intelligence and electrification, in-vehicle entertainment systems and advanced driver assistance systems (ADAS) will become important drivers of the semiconductor market. In terms of photovoltaic energy storage, Insulated Gate Bipolar Transistor (IGBT) power devices are the core semiconductor components for photovoltaic inverters, wind power converters, and energy storage converters, and play a role in rectifying and converting electricity to achieve functions such as AC grid connection for new energy generation and charging and discharging of energy storage batteries. With the acceleration of energy transformation, its future development potential is enormous. On the other hand, with the iteration and upgrade of technology, traditional silicon-based power devices have reached their limits, and third-generation semiconductors with superior performance such as high frequency, high efficiency, high power, high voltage resistance, high temperature resistance, and strong radiation resistance will become key core materials to support the sustainable development of industries such as new energy vehicles and photovoltaic energy storage.

In addition, with the upgrading of technical sanctions on China's chip industry by countries such as the United States and others, the vulnerability of China's chip supply chain has been exposed, prompting China to increase efforts to achieve semiconductor self-sufficiency and accelerate the process of domestication. In recent years, China has continuously introduced policies to support the development of the domestic chip industry. At present, China's imports and import ratio of semiconductors are still relatively high, leaving room for domestic substitution. With continuous technological breakthroughs in key industrial chain links such as semiconductor equipment and materials, wafer manufacturing, and Electronic Design Automation (EDA) in China, the domestic semiconductor industry will open up greater room for growth.

In the face of the development trend of the semiconductor industry, the Group has implemented a diversified development strategy to seize the development opportunities brought about by industry changes and achieve long-term and sustainable development. In the traditional market field, the Group continues to expand its product agency layout while improving the supply chain ecosystem and strengthening its competitive advantages. In the emerging market field, in addition to be a distributor, the Group has expanded its business operation into new energy product design and own brand product marketing.

Especially in the sector of new energy, the Group established a new energy product design company in 2022 to design inverters and energy storage products under our own brand to seize future growth opportunities in this sector. The new energy company has scheduled to actively attend global trade shows exhibiting its own products and promote its brand name in 2024. In addition, in order to further expand sources of income, the Group has established a trading platform company for new materials to accelerate the introduction of new material products. In the future, the Group will continue to monitor and assess the market trends, as well as to adjust business development strategies in order to cope with the market changes with a view to mitigate any adverse impact of downstream industry changes and provide better performance to the shareholders of the Company (the "**Shareholders**") and its potential investors.

PURCHASE, SALES OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Save for the purchase of 7,145,000 Shares during the Year 2023 through the Custodian for the purpose of the Restricted Share Award Scheme as set out in the section headed "Restricted Share Award Scheme" in this announcement, the Company did not redeem any of its Shares listed on the Stock Exchange nor did the Company or any of its subsidiaries purchase or sell any of such Shares during the Year 2023.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is dedicated to adopting, maintaining and ensuring high standards of corporate governance practices and principles in the best interest of the Group and the Shareholders. The Company has adopted the applicable code provisions and, where appropriate, adopted certain recommended best practices as set out in Part 2 of the Corporate Governance Code contained in Appendix C1 (formerly Appendix 14) to the Listing Rules ("CG Code"). Save as disclosed below, the Board considered that the Company had complied with all applicable code provisions set out in the CG Code during the Year 2023.

Under code provision C.2.1 of the CG Code, the roles of the chairman and chief executive should be separate and should not be performed by the same individual. Mr. Lee Bing Kwong ("Mr. Lee"), who has considerable experience in the semiconductor and other electronic components industry, is the chairman of the Board (the "Chairman") and the chief executive officer of the Company (the "CEO"). The Board believes that vesting the roles of both the Chairman and the CEO in Mr. Lee has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning of the Group. The Board considers that this structure will not impair the balance of power between the Board and the management of the Company. The balance of power is further enhanced by the Audit Committee, which comprises all independent non-executive Directors and is responsible for overseeing the internal control procedures of our Group. The independent non-executive Directors have free and direct access to the Company's independent auditor and independent professional advisers when considered necessary. The Board will, nevertheless, review the structure from time to time and separate the roles of the Chairman and the CEO to two individuals, if appropriate.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 (formerly Appendix 10) to the Listing Rules (the "Model Code") as the code for dealing in securities of the Company by the Directors. A specific enquiry was made by the Company with each of the Directors and all the Directors confirmed that they had complied with the requirements set out in the Model Code throughout the Year 2023.

REVIEW OF ANNUAL RESULTS

The Audit Committee has reviewed and confirmed the accounting principles and practices adopted by the Group, and the Group's audited annual results for the Year 2023 and discussed auditing, internal control, risk management systems and financial reporting matters of the Group.

The Audit Committee comprises three independent non-executive Directors, namely Mr. Yim Kwok Man (chairman), Mr. Cheung Siu Kui and Dr. Chow Terence. None of them is employed by or otherwise affiliated with the former or current independent auditor of the Company.

SCOPE OF WORK OF 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 the Year 2023 as set out in the this preliminary announcement have been agreed by the Company's independent auditor, Graham H.Y. Chan & Co., to the amounts set out in the Group's audited consolidated financial statements for the Year 2023. The work performed by the Auditor 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 Engagement issued by the HKICPA and consequently, no assurance has been expressed by the Auditor on this preliminary announcement.

PUBLICATION OF THE ANNUAL REPORT

The annual report of the Company for the Year 2023 containing all the information required by Appendix D2 (formerly Appendix 16) to the Listing Rules will be published on the respective websites of the Stock Exchange (http://www.hkexnews.hk) and the Company (http://www.apexace.com) in the manner as required by the Listing Rules and will be despatched to the Shareholders around the end of April 2024.

APPRECIATION

I, on behalf of the Board, would like to take this opportunity to thank all our Shareholders, business partners, bankers and customers for their continuing support to the Group. I would also like to thank my fellow Directors, the management team and our staff for their dedication and commitment in contributing to the success of the Group.

On behalf of the Board
Apex Ace Holding Limited
Lee Bing Kwong
Executive Director, Chairman and Chief Executive Officer

Hong Kong, 27 March 2024

As at the date of this announcement, the executive Directors are Mr. Lee Bing Kwong (Chairman and Chief Executive Officer), Mr. Lo Yuen Kin and Ms. Lo Yuen Lai; and the independent non-executive Directors are Mr. Cheung Siu Kui, Mr. Yim Kwok Man and Dr. Chow Terence.