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(incorporated in the Cayman Islands with limited liability)

(Stock code: 2663)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2024

FINANCIAL HIGHLIGHTS	Year ended 31 March	
	2024	2023
	<i>HK\$ million</i>	<i>HK\$ million</i>
Revenue	666.0	568.5
Gross profit	115.2	100.8
Gross profit margin	17.3%	17.7%
Profit for the year	46.4	37.1
Less: Government grants	–	2.1
Profit for the year on a normalised basis	46.4	35.0
Net profit margin on a normalised basis	7.0%	6.2%
Dividends		
Final	HK4.0 cents per share	HK3.0 cents per share
Special	HK4.0 cents per share	Nil
	As at 31 March	
	2024	2023
	<i>HK\$ million</i>	<i>HK\$ million</i>
Total assets	526.6	498.0
Total equity	292.4	263.8
Gearing ratio	6.4%	20.8%

The board (the “Board”) of directors (the “Directors”) of KPa-BM Holdings Limited (the “Company”) is pleased to announce the annual results of the Company and its subsidiaries (the “Group”) for the year ended 31 March 2024, together with the comparative figures for the year ended 31 March 2023, as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	<i>Notes</i>	Year ended 31 March	
		2024	2023
		HK\$'000	HK\$'000
Revenue	5	666,037	568,490
Cost of revenue		(550,806)	(467,723)
Gross profit		115,231	100,767
Other income	6	7,187	3,701
Fair value loss on investment property		(294)	(138)
Provision of loss allowance on trade receivables		(8,794)	(577)
Provision of loss allowance on retention receivables		(2,352)	(791)
Reversal/(Provision) of loss allowance on contract assets		896	(920)
Marketing and distribution expenses		(2,515)	(1,996)
Administrative and other operating expenses		(50,132)	(52,626)
Finance costs		(3,477)	(2,119)
Profit before income tax	7	55,750	45,301
Income tax expense	8	(9,372)	(8,154)
Profit for the year		46,378	37,147
Other comprehensive income for the year			
<i>Item that may be reclassified subsequently to profit or loss</i>			
Exchange differences arising from translation of foreign operations		(1,108)	(1,176)
Other comprehensive income for the year		(1,108)	(1,176)
Total comprehensive income for the year		45,270	35,971
		HK cents	HK cents
Earnings per share			
Basic and diluted earnings per share	10	8.33	6.28

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at 31 March	
		2024	2023
<i>Notes</i>		<i>HK\$'000</i>	<i>HK\$'000</i>
ASSETS AND LIABILITIES			
Non-current assets			
	Property, plant and equipment	14,871	13,588
	Investment property	3,913	4,434
	Goodwill	601	601
	Deposits	156	1,787
<i>11</i>	Deferred tax assets	405	139
		<hr/> 19,946	<hr/> 20,549
Current assets			
	Inventories	14,926	17,705
	Contract assets	45,398	113,403
	Trade and other receivables, deposits and prepayments	275,793	220,664
<i>11</i>	Tax recoverable	339	712
	Fixed term deposit	–	10,125
	Cash and bank balances	170,231	114,818
		<hr/> 506,687	<hr/> 477,427
Current liabilities			
	Contract liabilities	76,384	55,513
	Trade and other payables	135,871	122,239
<i>12</i>	Lease liabilities	5,306	5,489
<i>13</i>	Tax payable	3,250	1,608
<i>14</i>	Bank borrowings	9,276	45,867
		<hr/> 230,087	<hr/> 230,716
	Net current assets	<hr/> 276,600	<hr/> 246,711
	Total assets less current liabilities	<hr/> 296,546	<hr/> 267,260

		As at 31 March	
		2024	2023
	<i>Notes</i>	HK\$'000	HK\$'000
Non-current liabilities			
Lease liabilities	<i>13</i>	4,176	3,410
Deferred tax liabilities		16	58
		<u>4,192</u>	<u>3,468</u>
Net assets		<u>292,354</u>	<u>263,792</u>
CAPITAL AND RESERVES			
Share capital	<i>16</i>	5,569	5,569
Reserves		286,785	258,223
Total equity		<u>292,354</u>	<u>263,792</u>

NOTES

1. GENERAL INFORMATION

KPa-BM Holdings Limited (the “Company”) was incorporated as an exempted company in the Cayman Islands with limited liability on 15 May 2015. The shares of the Company were listed on the Main Board of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The address of its registered office is Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands. Its principal place of business is located at 27/F, The Octagon, 6 Sha Tsui Road, Tsuen Wan, New Territories, Hong Kong.

The Group, comprising the Company and its subsidiaries, is principally engaged in (i) provision of structural engineering works; (ii) supply and installation of building material products; and (iii) trading of building material products.

The Company’s parent is Success Wing Investments Limited (“Success Wing”), a company incorporated in the British Virgin Islands (“BVI”). In the opinion of the Directors, Success Wing is also the ultimate parent of the Company.

The consolidated financial statements for the year ended 31 March 2024 were approved and authorised for issue by the Directors on 24 June 2024.

2. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations (hereinafter collectively referred to as “HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the disclosure requirements of the Hong Kong Companies Ordinance which concern the preparation of financial statements. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange.

The consolidated financial statements have been prepared under the historical cost basis except for investment property, which are measured at fair value. The measurement basis are fully described in the accounting policies.

Amounts are rounded to the nearest thousands, unless otherwise stated.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is same as the functional currency of the Company and its major subsidiaries.

3. ADOPTION OF NEW OR REVISED HKFRSs

(a) Adoption of new and amendments to HKFRSs – effective on 1 April 2023

The HKICPA has issued a number of new and amendments to HKFRS that are relevant to and effective for the current accounting period of the Group:

Amendments to 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
HKFRS 17	Insurance Contracts

Except as disclosed below, the adoption of these new and revised HKFRSs did not have any material impact on the Group's accounting policies or financial results and financial position.

Amendments to HKAS 1 and HKFRS Practice Statement 2 – Disclosure of Accounting Policies

Amendments to HKAS 1 require entities to disclose their material accounting policy information rather than their significant accounting policies. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

Amendments to HKFRS Practice Statement 2 Making Materiality Judgements provide non-mandatory guidance on how to apply the concept of materiality to accounting policy disclosures.

These amendments have no effect on the measurement or presentation of any items in the consolidated financial statements of the Group but affect the disclosure of accounting policies of the Group.

HKFRS 17 – Insurance Contracts (“HKFRS 17”)

HKFRS 17 defines an insurance contract as a contract under which the Group accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder.

In October 2020, the HKICPA issued Amendments to HKFRS 17 to address concerns and implementation challenges that were identified after HKFRS 17 was published. The amendments defer the date of initial application of HKFRS 17 (incorporating the amendments) to annual reporting periods beginning on or after 1 January 2023. At the same time, the HKICPA issued Amendments to HKFRS 4 Extension of the Temporary Exemption (“HKFRS 4”) from HKFRS 9 Financial Instruments (“HKFRS 9”) that extends the fixed expiry date of the temporary exemption from applying HKFRS 9 in HKFRS 4 to annual reporting periods beginning on or after 1 January 2023.

In February 2022, the HKICPA issued Amendment to HKFRS 17 Initial Application of HKFRS 17 and HKFRS 9 – Comparative Information to address implementation challenges that were identified after HKFRS 17 was published. The amendment addresses challenges in the presentation of comparative information.

Certain contracts entered into by the Group, including guarantee contracts in respect of the surety bond (note 15) and assurance type warranty to customers issued by the Group, meet the definition of insurance contracts under HKFRS 17. However, these contracts are specifically scoped out from HKFRS 17 and the Group continues to account for these contracts under relevant accounting standards. Therefore, the application of HKFRS 17 in the current year had no material impact on the consolidated financial statements.

(b) New guidance on accounting implications of the abolition of the MPF-LSP offsetting mechanism

In June 2022, the Hong Kong SAR Government gazetted the Employment and Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) Ordinance 2022 (the “Amendment Ordinance”), which will come into effect from 1 May 2025 (the “Transition Date”). Once the Amendment Ordinance takes effect, an employer can no longer use any of the accrued benefits derived from its mandatory contributions to mandatory provident fund (“MPF”) scheme to reduce the long service payment (“LSP”) in respect of an employee’s service from the Transition Date (the abolition of the “offsetting mechanism”). In addition, the LSP in respect of the service before the Transition Date will be calculated based on the employee’s monthly salary immediately before the Transition Date and the number of years of employee’s service up to that date.

Due to the complexities of the accounting for the offsetting of employer’s MPF contributions and its LSP obligation and hence the impact arising from the Abolition, in July 2023, the HKICPA published “Accounting implications of the abolition of the MPF-LSP offsetting mechanism in Hong Kong” that provides accounting guidance relating to the offsetting mechanism and the abolition of the mechanism.

For the years ended 31 March 2024 and 2023, the application of the Guidance had no material effect on the consolidated financial statements of the Group.

(c) Amendment to HKFRSs that have been issued but are not yet effective

The following amendment to HKFRSs, potentially relevant to the Group’s financial statements, have been issued, but are not yet effective and have not been early adopted by the Group:

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current ¹
Amendments to HKAS 1 HK Interpretation 5 (Revised)	Non-current Liabilities with Covenants ¹ Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause ¹
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements ¹
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback ¹

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

The Directors of the Company anticipate that all of the relevant pronouncements will be adopted in the Group's accounting policy for the first period beginning after the effective date of the pronouncement. The Directors are currently assessing the possible effect of these new or revised standards on the Group's results and financial position in the first year of application. The new or revised HKFRSs that have been issued but are not yet effective are unlikely to have material impact on the Group's results and financial position upon application.

4. SEGMENT INFORMATION

(a) Operating segment information

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the executive directors for their decisions about resources allocation to the Group's business components and for their review of the performance of those components.

The Group determines its operating segments based on the reports reviewed by the chief operating decision-maker, i.e. executive directors of the Company who make strategic decisions.

The Group has three reportable segments. The segments are managed separately as each business offers different products and services and requires different business strategies. The following summary describes the operations in each of the Group's reportable segments:

- | | | |
|---|---|--|
| Structural Engineering Works | – | This segment mainly engages in provision of structural engineering works for the public and private sectors in Hong Kong and the Group mainly acts as a subcontractor. |
| Supply and Installation of Building Material Products | – | This segment engages in supply of building material products with installation services provided in Hong Kong. |
| Trading of Building Material Products | – | This segment mainly engages in sales of building material products to third-party customers in Hong Kong, the PRC (other than Hong Kong) and overseas. |

Revenue and costs/expenses are allocated to the operating segments with reference to sales generated by those segments and the costs/expenses incurred by those segments. Corporate income and expenses are not allocated to the operating segments as they are not included in the measure of the segments' profit or loss that is used by the chief operating decision-maker for assessment of segment performance.

Segment assets include all assets with the exception of tax assets and corporate assets, including cash and bank balances, investment property and other assets that are not directly attributable to the business activities of the operating segments as these assets are managed on a group basis.

Information of the operating segments of the Group reported to the chief operating decision-maker for the purposes of resources allocation and performance assessment does not include liabilities. Accordingly, no information of segment liabilities is presented.

Segment results, segment assets and other segment information

Information regarding the Group's reportable segments including the reportable segment revenue, segment profit, segment assets, reconciliations to revenue, profit before income tax and total assets and other segment information are as follows:

	Structural Engineering Works HK\$'000	Supply and Installation of Building Material Products HK\$'000	Trading of Building Material Products HK\$'000	Total HK\$'000
Year ended 31 March 2024				
Segment revenue				
Sales to external customers	616,541	26,938	22,558	666,037
Intersegment sales	–	291	522	813
	<u>616,541</u>	<u>27,229</u>	<u>23,080</u>	<u>666,850</u>
Elimination of intersegment sales				<u>(813)</u>
				<u>666,037</u>
Segment profit	<u>87,718</u>	<u>7,608</u>	<u>7,483</u>	<u>102,809</u>
Corporate and unallocated income				7,187
Fair value loss on investment property				(294)
Corporate and unallocated expenses				
– Marketing and distribution expenses				(665)
– Administrative and other operating expenses*				(49,810)
– Finance costs				<u>(3,477)</u>
Profit before income tax				<u>55,750</u>

	Structural Engineering Works <i>HK\$'000</i>	Supply and Installation of Building Material Products <i>HK\$'000</i>	Trading of Building Material Products <i>HK\$'000</i>	Total <i>HK\$'000</i>
Year ended 31 March 2023				
Segment revenue				
Sales to external customers	521,065	42,587	4,838	568,490
Intersegment sales	–	122	1,539	1,661
	<u>521,065</u>	<u>42,709</u>	<u>6,377</u>	570,151
Elimination of intersegment sales				<u>(1,661)</u>
				<u>568,490</u>
Segment profit	<u>80,161</u>	<u>14,114</u>	<u>2,253</u>	96,528
Corporate and unallocated income				3,701
Fair value loss on investment property				(138)
Corporate and unallocated expenses				
– Marketing and distribution expenses				(325)
– Administrative and other operating expenses*				(52,346)
– Finance costs				<u>(2,119)</u>
Profit before income tax				<u>45,301</u>

* Administrative and other operating expenses mainly comprise employee costs, depreciation of right-of-use assets and property, plant and equipment and legal and professional fees

	Structural Engineering Works <i>HK\$'000</i>	Supply and Installation of Building Material Products <i>HK\$'000</i>	Trading of Building Material Products <i>HK\$'000</i>	Total <i>HK\$'000</i>
As at 31 March 2024				
Segment assets	339,605	4,321	5,493	349,419
Property, plant and equipment				221
Investment property				3,913
Tax assets				744
Cash and bank balances				170,231
Other corporate assets				2,105
Total consolidated assets				526,633

	Structural Engineering Works <i>HK\$'000</i>	Supply and Installation of Building Material Products <i>HK\$'000</i>	Trading of Building Material Products <i>HK\$'000</i>	Total <i>HK\$'000</i>
As at 31 March 2023				
Segment assets	342,856	17,867	1,655	362,378
Property, plant and equipment				185
Investment property				4,434
Tax assets				851
Fixed term deposit				10,125
Cash and bank balances				114,818
Other corporate assets				5,185
Total consolidated assets				497,976

	Structural Engineering Works HK\$'000	Supply and Installation of Building Material Products HK\$'000	Trading of Building Material Products HK\$'000	Corporate/ Unallocated HK\$'000	Total HK\$'000
Year ended 31 March 2024					
Other information					
Interest income	-	-	-	4,010	4,010
Interest expense	-	-	-	3,477	3,477
Depreciation	9,148	9	7	126	9,290
(Reversal of provision)/ Provision of allowance for inventories	-	(15)	22	-	7
Impairment loss on trade receivables	8,140	654	-	-	8,794
Impairment loss /(reversal of impairment) on retention receivables	2,395	(43)	-	-	2,352
Reversal of impairment on contract assets	(874)	(22)	-	-	(896)
Additions to specified non-current assets [#]	10,831	10	8	-	10,849
	<u>10,831</u>	<u>10</u>	<u>8</u>	<u>-</u>	<u>10,849</u>
	Structural Engineering Works HK\$'000	Supply and Installation of Building Material Products HK\$'000	Trading of Building Material Products HK\$'000	Corporate/ Unallocated HK\$'000	Total HK\$'000
Year ended 31 March 2023					
Other information					
Interest income	-	-	-	718	718
Interest expense	-	-	-	2,119	2,119
Depreciation	8,635	16	2	111	8,764
Provision of allowance for inventories	-	2	93	-	95
Impairment loss on trade receivables	492	85	-	-	577
Impairment loss on retention receivables	770	21	-	-	791
Impairment loss on contract assets	904	16	-	-	920
Additions to specified non-current assets [#]	3,189	-	-	982	4,171
	<u>3,189</u>	<u>-</u>	<u>-</u>	<u>982</u>	<u>4,171</u>

[#] *Specific non-current assets represent non-current assets other than deferred tax assets and deposits.*

(b) Geographical segment information

The Company is an investment holding company and the principal place of the Group's operations are in Hong Kong. For the years ended 31 March 2024 and 2023, the Group's revenue was derived from the activities in Hong Kong (place by domicile).

An analysis of the Group's specified non-current assets, excluding deferred tax assets, and deposits, by geographical locations, determined based on physical location of the assets is as follows:

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Hong Kong	5,522	9,526
The People's Republic of China (other than Hong Kong) (the "PRC")	13,863	9,097
	19,385	18,623

(c) Information about major customers

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Customer A	376,726	290,331
Customer B	103,332	102,233

Revenue from both Customer A and Customer B for the years ended 31 March 2024 and 2023 were generated for the Structural Engineering Works and Supply and Installation of Building Material Products segments.

5. REVENUE

The Group is principally engaged in (i) provision of structural engineering works; (ii) supply and installation of building material products; and (iii) trading of building material products. Revenue derived from these principal activities comprises the following:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Revenue from contracts with customers		
Revenue recognised over time:		
– Structural engineering works	616,541	521,065
– Supply and installation of building material products	26,938	42,587
Revenue recognised at a point in time:		
– Trading of building material products	22,558	4,838
	<u>666,037</u>	<u>568,490</u>

Revenue expected to be recognised in the future arising from the provision of construction works, which represents the aggregate amount of the consideration the Group is entitled allocated to the remaining performance obligations under the Group's contracts of construction works existed at the end of the reporting period, is summarised as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Amounts expected to be recognised as revenue		
– Within one year	820,461	1,081,517
– After one year	78,064	62,509
Total	<u>898,525</u>	<u>1,144,026</u>

The Group will recognise the expected revenue arising from its existing contracts of construction work in future as the project work is progressed, which is expected to occur over the next 1 to 34 months (2023: 1 to 27 months).

The Group has applied the practical expedient to its sales contracts for trading of building material products and therefore the above information does not include revenue that the Group will be entitled to when it satisfies the remaining performance obligation under the contracts for trading of building material products that had an original expected duration of one year or less.

6. OTHER INCOME

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Bank interest income	4,010	718
Rental income	170	180
Government grants (<i>note</i>)	60	2,140
Gain on disposal of property, plant and equipment	43	–
Gain on exchange difference	1,894	–
Write-back of trade and retention payables	182	457
Reversal of provision for long service payment	644	–
Others	184	206
	<hr/> 7,187 <hr/>	<hr/> 3,701 <hr/>

Note:

For the year ended 31 March 2024, there is no government grants obtained from the Employment Support Scheme under the Anti-epidemic Fund which is launched by the Hong Kong SAR Government for supporting the payroll of the Group's employees (2023: HK\$2,064,000).

The amount of HK\$60,000 recognised for the year ended 31 March 2024 mainly represented the subsidy which was obtained from the PRC government as maternity benefits to compensate the maternity leave pay of the staff. There is no subsidy granted aims to relief the impact of outbreak of COVID-19 for small-medium size enterprises (2023: HK\$76,000). The Group does not have other unfulfilled obligations relating to these programs.

7. PROFIT BEFORE INCOME TAX

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

	2024	2023
	HK\$'000	HK\$'000
Auditor's remuneration	750	740
Cost of inventories recognised as expense		
– Carrying amount of inventories consumed	189,273	178,127
– Provision of allowance for inventories	7	95
	<u>189,280</u>	<u>178,222</u>
Depreciation charge:		
Right-of-use assets included in property, plant and equipment under the following categories:		
– Other properties leased for own use	7,213	6,800
– Motor vehicles	–	215
Other property, plant and equipment	<u>2,077</u>	<u>1,749</u>
	<u>9,290</u>	<u>8,764</u>
Employee costs (including Directors' emoluments)		
– Salaries, allowances and other benefits	75,510	68,625
– Contribution to defined contribution retirement plans (note)	<u>4,540</u>	<u>4,512</u>
	<u>80,050</u>	<u>73,137</u>
Exchange (gain)/loss, net*	(1,894)	8,489
Short-term leases expenses	<u>558</u>	<u>807</u>

Note:

For the year ended 31 March 2024, no forfeited contribution in respect of the defined contribution retirement plans were utilised by the Group to reduce the contribution payable to the plans (2023: nil). As at 31 March 2024, no forfeited contribution under these plans is available to reduce future contribution (2023: nil).

* Included in "Administrative and other operating expense"

8. INCOME TAX EXPENSE

The amount of income tax expense in the consolidated statement of comprehensive income represents:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Current tax for the year		
– Hong Kong Profits Tax	8,644	6,270
– Other regions of the PRC – Enterprise Income Tax (“EIT”)	1,488	980
Over-provision in respect of prior years	<u>(454)</u>	<u>(48)</u>
	9,678	7,202
Deferred tax	<u>(306)</u>	<u>952</u>
	<u><u>9,372</u></u>	<u><u>8,154</u></u>

Hong Kong Profits Tax is calculated at 16.5% (2023: 16.5%) on the estimated assessable profits for the year.

The Group is subject to Hong Kong Profits Tax under the two-tiered profits tax rates regime. For the years ended 31 March 2024 and 2023, the first HK\$2 million of profits of qualifying entities will be taxed at 8.25% whereas profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered tax rates regime will continue to be taxed at a flat rate of 16.5% on their estimated assessable profits.

For the years ended 31 March 2024 and 2023, the Group’s PRC subsidiaries were eligible to be classified as small enterprise by the local bureau and the corresponding assessable profits are taxed at progressive rate. The first Renminbi (“RMB”) 1,000,000 assessable profit is taxed at 2.5% and 5% (2023: 2.5% and 5%) and assessable profit above RMB1,000,000 but less than RMB3,000,000 is taxed at 5% (2023: 5%). EIT arising from other regions of the PRC is calculated at 25% on the estimated assessable profits.

For the year ended 31 March 2024, pursuant to the relevant tax rules and regulations in the PRC, the Group’s subsidiaries fulfill the requirement of small low-profit business and are entitled to additional tax deduction at 40%.

9. DIVIDENDS

(a) Dividends payable to owners of the Company attributable to the year

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Proposed final dividend – HK4.0 cents (2023: HK3.0 cents) per ordinary share	22,277	16,708
Proposed special dividend – HK4.0 cents (2023: nil) per ordinary share	22,277	–
	<u>44,554</u>	<u>16,708</u>

Note:

A final dividend and special dividend in respect of the financial year ended 31 March 2024 of HK4.0 cents (2023: HK3.0 cents) and HK4.0 cents (2023: nil) per ordinary share respectively, amounting to HK\$22,277,000 (2023: HK\$16,707,900) and HK\$22,277,000 (2023: nil) respectively have been proposed by the Directors of the Company and are subject to approval by the shareholders of the Company in the forthcoming annual general meeting.

Those dividends declared subsequent to 31 March 2023 and 2024 have not been recognised as a liability as at 31 March 2023 and 2024 respectively.

(b) Dividends payable to owners of the Company attributable to the previous financial year, approved and paid during the year

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Dividends in respect of previous financial year, approved and paid during the year of HK3.0 cents (2023: HK1.5 cents) per ordinary share	<u>16,708</u>	<u>9,000</u>

10. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the following data:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Earnings		
Profit for the year attributable to owners of the Company	<u>46,378</u>	<u>37,147</u>
	2024 <i>'000</i>	2023 <i>'000</i>
Weighted average number of ordinary shares in issue		
Weighted average number of ordinary shares in issue during the year	<u>556,930</u>	<u>591,386</u>

Diluted earnings per share are same as the basic earnings per share as there are no dilutive potential ordinary shares in existence during the year or in prior year.

11. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Trade receivables	145,382	97,150
Less: loss allowance	(10,435)	(1,641)
	<hr/>	<hr/>
Trade receivables, net (<i>note (a)</i>)	134,947	95,509
	<hr/>	<hr/>
Retention receivables	103,329	104,270
Less: loss allowance	(5,215)	(2,863)
	<hr/>	<hr/>
Retention receivables, net (<i>note (b)</i>)	98,114	101,407
	<hr/>	<hr/>
Other receivables	35,668	9,723
Deposits	1,898	2,326
Prepayments	5,322	13,486
	<hr/>	<hr/>
	42,888	25,535
	<hr/>	<hr/>
Less: non-current portion-deposits	(156)	(1,787)
	<hr/>	<hr/>
Current portion	275,793	220,664
	<hr/> <hr/>	<hr/> <hr/>

Notes:

(a) Trade receivables

The Group normally allows a credit period of 30 and 60 days to its customers for provision of construction works and trading of building material products respectively.

The ageing analysis of the trade receivables (net of loss allowance), based on invoice date, as at the end of the reporting period is as follows:

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
0 – 30 days	114,490	41,661
31 – 60 days	12,747	35,052
61 – 90 days	122	1,167
Over 90 days	7,588	17,629
	<hr/>	<hr/>
	134,947	95,509
	<hr/> <hr/>	<hr/> <hr/>

The movements in the loss allowance for impairment on trade receivables are as follows:

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
At the beginning of the reporting period	1,641	1,064
Provision of impairment loss	8,794	577
	<hr/>	<hr/>
At the end of the reporting period	10,435	1,641
	<hr/> <hr/>	<hr/> <hr/>

(b) Retention receivables

The Group generally provides retention period of 1 to 2 years and normally retention monies represent 5% to 10% of the contract sum. Retention receivables are part of the consideration arising from structural engineering contracts and sizable supply and installation of building material products contracts that are retained by the customers and are payable to the Group upon completion of the retention period of the relevant contract or in accordance with the terms specified in the relevant contract. Retention monies are intended to protect the customers from the Group failing to complete its obligations under the contracts rather than to provide financing to the customers. Retention receivables are in nature as contract assets.

The terms and conditions in relation to the release of retention monies vary from contract to contract, which may be subject to practical completion of contracts, expiry of defect liability period and rectification of defects to the satisfaction of customers (i.e. at the expiry of the defect liability period that is at a point at which the Group has unconditional right to invoice to the customers). Upon release of retention monies by the customers, retention receivables will be reclassified to "Trade receivables". For other small-scale supply and installation of building material products contracts, the Group normally issues bill to the customers for payment along when the services are rendered.

The movements in the loss allowance for impairment on retention receivables are as follows:

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
At the beginning of the reporting period	2,863	2,072
Provision of impairment loss	2,352	791
	<hr/>	<hr/>
At the end of the reporting period	5,215	2,863
	<hr/> <hr/>	<hr/> <hr/>

The retention receivables as of the end of the reporting period are to be settled, based on the terms and conditions in relation to the release of the retention monies by customers and taking into account the status of rectification works, as follows:

	2024	2023
	HK\$'000	HK\$'000
On demand or within one year	19,510	5,425
After one year	78,604	95,982
	<u>98,114</u>	<u>101,407</u>

12. TRADE AND OTHER PAYABLES

	2024	2023
	HK\$'000	HK\$'000
Trade payables (<i>note (a)</i>)	95,993	68,950
Retention payables (<i>note (b)</i>)	23,040	39,603
Accrued staff costs	11,333	9,522
Other payables and accruals	5,505	4,164
	<u>135,871</u>	<u>122,239</u>

Notes:

- (a) For trade payables, the credit period granted by suppliers and contractors is normally 30 to 60 days.

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

	2024	2023
	HK\$'000	HK\$'000
0 – 30 days	60,206	43,131
31 – 60 days	22,904	18,913
61 – 90 days	4,665	803
Over 90 days	8,218	6,103
	<u>95,993</u>	<u>68,950</u>

- (b) Based on the terms and conditions agreed in relation to the release of retention monies to subcontractors and taking into account the status of rectification work, the retention payables as at the end of the reporting period are to be settled as follows:

	2024	2023
	HK\$'000	HK\$'000
On demand or within one year	23,040	35,568
After one year	–	4,035
	<u>23,040</u>	<u>39,603</u>

13. LEASES

The Group leases office premises, factories, warehouse, quarters and motor vehicles for use in its operation. The periodic rent is fixed over the lease term, and the leases are negotiated for an initial period of two to ten years (2023: two to ten years).

The movements of the lease liabilities are as follows:

	Properties leased for own use	Motor vehicles	Total
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
At 1 April 2022	13,372	309	13,681
Additions	3,189	–	3,189
Finance costs	338	5	343
Lease payments	(7,704)	(300)	(8,004)
Exchange adjustment	(310)	–	(310)
	<u>8,885</u>	<u>14</u>	<u>8,899</u>
At 31 March 2023 and 1 April 2023	8,885	14	8,899
Additions	8,217	–	8,217
Finance costs	447	–	447
Lease payments	(7,918)	(14)	(7,932)
Exchange adjustment	(149)	–	(149)
	<u>9,482</u>	<u>–</u>	<u>9,482</u>
At 31 March 2024	<u>9,482</u>	<u>–</u>	<u>9,482</u>

Future lease payments are due as follows:

	Minimum lease payments <i>HK\$'000</i>	Interest <i>HK\$'000</i>	Present value of minimum lease payments <i>HK\$'000</i>
As at 31 March 2024			
Not later than one year	5,601	(295)	5,306
Later than one year but no later than two years	3,590	(119)	3,471
Later than two years but no later than five years	727	(22)	705
	<u>9,918</u>	<u>(436)</u>	<u>9,482</u>
As at 31 March 2023			
Not later than one year	5,678	(189)	5,489
Later than one year but no later than two years	2,532	(65)	2,467
Later than two years but no later than five years	984	(41)	943
	<u>9,194</u>	<u>(295)</u>	<u>8,899</u>

The present value of future lease payments are analysed as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Current liabilities	5,306	5,489
Non-current liabilities	4,176	3,410
	<u>9,482</u>	<u>8,899</u>

14. BANK BORROWINGS

	2024	2023
	HK\$'000	HK\$'000
Bank borrowings repayable within one year	9,276	45,867

The bank borrowings, including trade financing, are interest bearing at the bank's prime rate or the bank's prime rate adjusted by certain basis points per annum. The interest rate of the Group's bank borrowings as at 31 March 2024 granted under banking facilities ranged from 5.6% to 9.3% (2023: 2.2% to 8.9%) per annum. The bank borrowings are subject to repayment on demand clause.

The Group has entered into certain supplier finance arrangements with banks, under which the Group obtained extended credit in respect of the invoice amounts owed to certain suppliers of construction material. Under these arrangements, the banks pay suppliers the amounts owed by the Group on the original due date, and then the Group settles the banks within 120 days later than the original due date with suppliers, with interest.

In the consolidated statement of financial position, the Group has presented payables to the banks under these arrangements as "Bank borrowings", having compared the nature and function of such liabilities with trade payable to suppliers.

As at 31 March 2024 and 2023, the banking facilities granted to the Group were secured by the corporate guarantee provided by the Company.

15. GUARANTEE

The Group provided guarantee in respect of the surety bonds issued by the bank in favour of the customers of the Group's certain construction contracts as security for the due performance and observance of the Group's obligations under the contracts entered into between the Group and its customers. If the Group fails to provide satisfactory performance to its customers to whom surety bonds have been given, such customers may demand the bank to pay to them the sum or sum stipulated in such demand. The Group has unconditionally and irrevocably agreed to indemnify the bank as issuer of the bonds for claims and losses they may incur in respect of the bonds. Details of these guarantees at the end of the reporting period are as follows:

	2024	2023
	HK\$'000	HK\$'000
Aggregate value of the surety bonds issued in favour of customers	28,115	7,276

As assessed by the Directors, these surety bonds are an assurance-type warranty and it is not probable that the bank would claim the Group for losses in respect of the guarantee contracts as it is unlikely that the Group is unable to fulfill the performance requirements of the relevant contract.

16. SHARE CAPITAL

Ordinary shares	Par value <i>HK\$</i>	Number of shares	Amount <i>HK\$'000</i>
Authorised:			
At 1 April 2022, 31 March 2023 and 31 March 2024	0.01	2,000,000,000	20,000
Issued and fully paid:			
At 1 April 2022	0.01	600,000,000	6,000
Cancellation of shares repurchased (<i>note</i>)	0.01	(43,070,000)	(431)
At 31 March 2023 and 31 March 2024	0.01	556,930,000	5,569

Note:

On 18 January 2023, the Company repurchased 43,070,000 ordinary shares from a member of key management with consideration of approximately HK\$0.245 per share, totally approximately HK\$10,544,000. All those ordinary shares were immediately cancelled once repurchased by the Company. Upon cancellation of the 43,070,000 repurchased shares, the number of shares of the Company was reduced from 600,000,000 to 556,930,000. Of the repurchase cost of HK\$10,544,000, an amount of HK\$431,000, representing the par value of the cancelled shares was deducted from share capital whereas the remaining amount of HK\$10,113,000 was deducted from share premium.

MANAGEMENT DISCUSSION AND ANALYSIS

The Board is pleased to present the annual results of the Group for the year ended 31 March 2024 (the “Year” or “FY2024”), together with the comparative figures for the corresponding year ended 31 March 2023 (the “Previous Year” or “FY2023”).

BUSINESS ACTIVITIES

The Group is principally engaged in (i) provision of structural engineering works with a focus on design and build projects in Hong Kong; (ii) supply of building material products together with installation services of such products in Hong Kong; and (iii) trading of building material products predominately in Hong Kong. There has been no significant change in the business operations of the Group. During the Year, the Group recognised revenue from rendering structural engineering works and supply and installation of building material products as well as trading of building material products.

BUSINESS REVIEW

During the Year, the Group recorded a revenue of approximately HK\$666.0 million, representing an increase of approximately HK\$97.5 million or 17.2% from the Previous Year. The increase in revenue was mainly due to the progress of certain key projects are favorable. The following table sets forth the major projects undertaken by the Group during the Year.

Major projects undertaken by the Group during the Year	Revenue recognised during the Year <i>HK\$ million</i>	Status as at 31 March 2024	Expected completion date
Design, Supply and Fixing of Roof Cladding Works for Certain Sports Facilities in Kowloon City	285.8	Ongoing	Expected completion in Q4 2024
Main Plaza Canopy & Western Bridge Canopy for Certain Sports Facilities in Kowloon City	62.7	Ongoing	Expected completion in Q4 2024
Glass Box and Footbridge Upgrading Works Contract for a Commercial Building in Central	49.5	Ongoing	Expected completion in Q3 2024
Design, Supply & Installation of External Façade for District Cooling System in Kowloon City	31.5	Ongoing	Expected completion in Q2 2024
Tower Facade for Proposed Office Redevelopment for a Commercial Building in Central	28.9	Ongoing	Expected completion in Q4 2024

FUTURE PROSPECTS

The Group's outstanding contracts on hand as at 31 March 2024 amounted to approximately HK\$899 million, including the following projects with estimated outstanding contract sum of over HK\$50 million each as at 31 March 2024:

Projects with outstanding contract sum of over HK\$50 million as at 31 March 2024	Status as at 31 March 2024	Expected completion date
Design, Supply and Installation of Structural Steel Works for Certain Infrastructures in Kowloon City	Ongoing	Q4 2024
Main Plaza Canopy & Western Bridge Canopy for Certain Sports Facilities in Kowloon City	Ongoing	Q4 2024
Tower Facade for Proposed Office Redevelopment for a Commercial Building in Central	Ongoing	Q4 2024
Design, Supply and Installation of Structural Steel Works for Footbridge in Kowloon City	Ongoing	Q1 2025
Noise Barrier Project in Fanling North Development Area	Ongoing	Q4 2025
Noise Barrier Project in Anderson Road	Ongoing	Q1 2027

Construction activities in the private sector had been affected by the sluggish real estate market and the uncertain economics outlook in general, and we noted less projects being launched and customers becoming more conscious with project pricing. Faced with worsening operating conditions, the Group is blessed to have accumulated a relatively diverse customer base and work portfolio and is therefore less susceptible to downturn in the private property projects. Meanwhile, public sector and government initiated development projects are expected to remain as driving force for the construction industry with various infrastructure, civil and community development projects associated with the Lautau Tomorrow, Northern Metropolis, Kai Tak Sports City and Kowloon East CBD development blueprint. The Group has current and proven track records in Highways Department projects, power generation facility projects, public recreational facility projects, etc. and is in an advantageous position to take on business opportunities from a wide range of sources. At the same time, the Group is wary of the tight labour supply and fluctuations in material and transportation costs and will remain cautious and refrain from engaging in excessive price competition. Overall, the Group maintains a cautiously optimistic outlook for its business in the medium to long term

Financial Highlights

	Year ended 31 March		Percentage change Increase
	2024	2023	
	<i>HK\$'000</i>	<i>HK\$'000</i>	
Revenue	666,037	568,490	17.2%
Cost of revenue	550,806	467,723	17.8%
Gross profit	115,231	100,767	14.4%
Profit before income tax	55,750	45,301	23.1%
Net profit	46,378	37,147	24.8%
Profit before income tax (excluded non-recurring income)	55,750	43,161	29.2%
Net profit (excluded non-recurring income)	46,378	35,007	32.5%
Earnings per share (<i>HK cents</i>)	8.33	6.28	32.6%

	As at 31 March		Percentage change Increase/ (Decrease)
	2024	2023	
	<i>HK\$'000</i>	<i>HK\$'000</i>	
Current assets	506,687	477,427	6.1%
Current liabilities	230,087	230,716	(0.3%)
Total assets	526,633	497,976	5.8%
Total equity	292,354	263,792	10.8%

	Year ended 31 March	
	2024	2023
Key Performance Indices		
Gross profit margin	17.3%	17.7%
Net profit margin	7.0%	6.5%
Return on equity	15.9%	14.1%
Return on total assets	8.8%	7.5%

	As at 31 March	
	2024	2023
Current ratio (<i>times</i>)	2.2	2.1
Gearing ratio (%)	6.4	20.8

Financial Review

Revenue

The Group recorded revenue of approximately HK\$666.0 million for the Year, representing an increase of approximately HK\$97.5 million or 17.2% as compared to that of the Previous Year. Such increase was mainly attributable to the progress of certain key projects are favorable.

Cost of Revenue and Gross Profit

The Group's cost of revenue mainly comprised material and processing charges and subcontracting charges. The Group's cost of revenue for the Year amounted to approximately HK\$550.8 million, representing an increase of approximately 17.8% as compared to approximately HK\$467.7 million for the Previous Year which was inline with the revenue growth.

The Group recorded gross profit of approximately HK\$115.2 million for the Year, representing an increase of approximately 14.4% as compared to that of approximately HK\$100.8 million for the Previous Year, and the gross profit margin slightly decreased to approximately 17.3% for the Year as compared to 17.7% for the Previous Year. The stable gross profit margin was a result of effective cost control during the Year, the increase in labour cost, plant costs and material prices during the Year is not significant.

Other Income

The Group recorded other income of approximately HK\$7.2 million for the Year, which mainly comprised bank interest income of approximately HK\$4.0 million and a gain on exchange difference of approximately HK\$1.9 million, whereas other income for the Previous Year mainly comprised government grants of approximately HK\$2.1 million, bank interest income of approximately HK\$0.7 million and a write back of trade payables of approximately HK\$0.5 million.

Administrative and Other Operating Expenses

The Group's administrative and other operating expenses for the Year were approximately HK\$50.1 million, representing an decrease of approximately HK\$2.5 million from approximately HK\$52.6 million for the Previous Year. Such decrease was mainly due to there was an exchange gain in the Year compared to there was an exchange loss of HK\$8.5 million in Previous Year while offset by an increase in Directors discretionary bonus of approximately HK\$3.4 million as an incentive of improved revenue and profit of the Group.

Finance Costs

For the Year, the Group's finance costs were approximately HK\$3.5 million (FY2023: HK\$2.1 million), representing an increase of approximately HK\$1.4 million or 64.1%, which was mainly due to increase in interest rate of bank borrowings.

Income Tax Expense

The Group incurred income tax expense of approximately HK\$9.4 million and HK\$8.2 million for the Year and the Previous Year, respectively, representing effective tax rate of approximately 16.8% and 18.0%, respectively. The lower effective tax rate for the Year was because the bank interest income for the Year were not taxable.

Profit for the Year

As a result of the increase in gross profit and the bank interest income and offsetting the effect of increase in the provision of loss allowance, the Group's profit for the Year increased from approximately HK\$37.1 million for the Previous Year to approximately HK\$46.4 million for the Year, representing an increase of approximately HK\$9.3 million or 24.8%.

Dividend

On 24 June 2024, the Board recommended a final dividend of HK4.0 cents (FY2023: HK3.0 cents) per share and a special dividend of HK4.0 cents (FY2023: nil) per share, totalling HK\$22.3 million and HK\$22.3 million respectively (FY2023: HK\$16.7 million and nil) which are subject to the approval of shareholders at the forthcoming annual general meeting of the Company. The special dividend is recommended having considered the accumulated reserves, liquidity condition, expected cash flows and working capital needs of the Group.

Liquidity, Financial Resources and Capital Structure

	As at 31 March	
	2024	2023
	HK\$'000	HK\$'000
Current assets	506,687	477,427
Current liabilities	230,087	230,716
Current ratio (<i>times</i>)	2.2	2.1

The Group generally meets its working capital requirements by cash flows generated from its operations and short term borrowings. During the Year, the Group generated net cash inflow from operating activities of approximately HK\$109.5 million, together with the availability of banking facilities, the Group has been financially sound in its daily operations throughout the Year.

During the Year, the Group financed its operations by its internal resources and banking facilities. As at 31 March 2024, the Group had net current assets of approximately HK\$276.6 million (31 March 2023: HK\$246.7 million). The Group's current ratio as at 31 March 2024 was approximately 2.2 times (31 March 2023: 2.1 times).

As at 31 March 2024, the Group had a total cash and bank balances and fixed term deposit of approximately HK\$170.2 million and nil respectively (31 March 2023: HK\$114.8 million and HK\$10.1 million), mainly denominated in HK\$.

As at 31 March 2024, the Group had a total available banking facilities of approximately HK\$256.0 million, of which HK\$246.7 million was unutilised and available for use.

There has been no change in capital structure of the Company during the Year. As at 31 March 2024, the equity attributable to owners of the Company amounted to approximately HK\$292.4 million (31 March 2023: HK\$263.8 million).

Gearing Ratio

The gearing ratio is calculated as total debts to equity. Total debts include lease liabilities and bank borrowings of the Group. Equity represents the total equity of the Group.

The Group is able to generate net cash from operating activities of approximately HK\$116.2 million for the Year. The gearing ratio of the Group as at 31 March 2024 was 6.4% (31 March 2023: approximately 20.8%). The decrease in gearing ratio was because the Group has improved liquidity and repaid certain bank borrowings near the year end.

Foreign Currency Exposure and Treasury Policy

Operations of the Group are mainly conducted in HK\$, United States dollars ("US\$"), British Pound ("GBP"), Euro ("EUR") and Renminbi ("RMB"). It is the Group's treasury policy to manage its foreign currency exposure whenever its financial impact is material to the Group and will closely monitor its foreign exchange position. During the Year, the Group did not engage in any hedging activities.

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the Year. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

Pledge of Assets

As at 31 March 2024, the Group have bank borrowings of approximately HK\$9.3 million (31 March 2023: HK\$45.9 million) and banking facilities are unsecured and guaranteed by the Company as at 31 March 2024 (31 March 2023: unsecured and guaranteed by the Company).

As at 31 March 2024, the Group did not have any pledged deposit (31 March 2023: nil).

Significant Investments

Other than the investment in its subsidiaries, the Group did not hold any significant investments during the Year.

Material Acquisitions and Disposals

The Group did not acquire nor dispose of any subsidiaries or fixed assets during the Year.

Contingent Liabilities

As at 31 March 2024, the Group did not have any significant contingent liabilities.

Employees and Remuneration Policies

As at 31 March 2024, the Group had 217 staff (31 March 2023: 198). The total employee benefit expenses for the Year (including Directors' emoluments, salaries to staff and other staff benefits included provident fund contributions, medical insurance coverage and other staff benefits) were approximately HK\$80.1 million (FY2023: HK\$73.1 million). The Group determines the salaries of its employees mainly based on each employee's qualifications, relevant experience, position and seniority. The Group conducts annual review on salary increment, discretionary bonuses and promotions based on the performance of each employee. During the Year, the Group has not experienced any significant problems with its employees due to labour disputes nor has it experienced any difficulty in the recruitment and retention of experienced staff. The Group maintains a good relationship with its employees.

Purchase, Sale or Redemption of the Company's Listed Shares

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed shares of the Company during the Year.

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Listing Rules as the code of conduct for dealing in securities of the Company by the Directors (the “Model Code”). Upon specific enquiries made, each of the Directors confirmed he/she has complied with the Model Code throughout the Year.

Corporate Governance and Compliance with the Corporate Governance Code

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

The Company has adopted the code provisions of the Corporate Governance Code and Corporate Governance Report as set out in Appendix 14 of the Listing Rules (the “CG Code”) and has complied with the CG Code throughout the Year.

EVENT AFTER THE YEAR

No event has occurred after 31 March 2024 and up to the date of this announcement which would have a material effect on the Group.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available and within the knowledge of the Directors, at least 25% of the Company’s issued share capital were held by the public as at the date of this announcement.

MANAGEMENT CONTRACTS

No management contracts concerning the whole or any substantial part of the business of the Company were entered into or existed during the Year.

FINAL AND SPECIAL DIVIDEND

The Board has proposed to declare a final dividend of HK4.0 cents (FY2023: HK3.0 cents) per share and a special dividend of HK4.0 cents (FY2023: Nil) per share, amounting to HK\$22.3 million (FY2023: HK\$16.7 million) and HK\$22.3 million (FY2023: Nil) respectively, to the shareholders of the Company whose name appear on the register of members of the Company on 30 August 2024. Subject to the approval of shareholders at the forthcoming annual general meeting of the Company, the proposed final and special dividends are expected to be paid on or around 20 September 2024. No interim dividend was recommended for the Year (FY2023: nil). The special dividend is recommended having considered the accumulated reserves, liquidity condition, expected cashflows and working capital needs of the Group.

CLOSURE OF REGISTER OF MEMBERS

In order to determine the entitlement to attend the annual general meeting to be held on 21 August 2024 (Wednesday) (the “AGM”), the register of members of the Company will be closed from 16 August 2024 (Friday) to 21 August 2024 (Wednesday) (both days inclusive), during which period no transfer of the shares of the Company can be registered. In order to qualify for attending the AGM, all transfer of the shares of the Company accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre 16 Harcourt Road, Hong Kong for registration by not later than 4:30 p.m. on 15 August 2024 (Thursday).

In order to determine the entitlement to the final dividend and special dividend for the year ended 31 March 2024, the register of members of the Company will be closed from 28 August 2024 (Wednesday) to 30 August 2024 (Friday) (both days inclusive), during which period no transfer of the shares of the Company can be registered. In order to qualify for the proposed final and special dividends for the year ended 31 March 2024, all transfer of the shares of the Company accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre 16 Harcourt Road, Hong Kong for registration by not later than 4:30 p.m. on 27 August 2024 (Tuesday).

AUDIT COMMITTEE AND REVIEW OF FINANCIAL STATEMENTS AND THIS ANNUAL RESULTS ANNOUNCEMENT

The audit committee of the Company (the “Audit Committee”) has reviewed this annual results announcement and the consolidated financial statements for the year ended 31 March 2024.

The Audit Committee comprises three independent non-executive Directors and is chaired by Ms. Lai Pik Chi, Peggy, who has appropriate professional qualifications and experience as required by Rule 3.10(2) of the Listing Rules.

The figures in respect of the Group’s consolidated statement of financial position and consolidated statement of comprehensive income and the related notes thereto for the year ended 31 March 2024 as set out in this announcement have been agreed by the Group’s auditor, BDO Limited, to the amounts set out in the Group’s audited consolidated financial statements for the Year. The work performed by BDO Limited in this respect did not constitute an assurance engagement and consequently no assurance has been expressed by BDO Limited on this announcement.

PUBLICATION OF THE ANNUAL RESULTS AND ANNUAL REPORT

This annual results announcement is published on the websites of the Stock Exchange and the Company, and the annual report of the Company for the Year containing all the information required by the Listing Rules will be despatched to the shareholders of the Company and published on the respective websites of the Stock Exchange and the Company in due course.

By order of the Board
KPa-BM Holdings Limited
Yip Pak Hung
Chairman and Executive Director

Hong Kong, 24 June 2024

As at the date of this announcement, the executive Directors are Mr. Yip Pak Hung (chairman of the Board) and Mr. Wai Yat Kin; and the independent non-executive Directors are Ms. Lai Pik Chi Peggy, Mr. Lam Chi Wai, Peter and Dr. Yeung Kit Ming.

* *For identification purpose only*