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## 香港經濟日報集團有限公司

HONG KONG ECONOMIC TIMES HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 00423)

### ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 MARCH 2024

The Directors of Hong Kong Economic Times Holdings Limited (the “Company”) announce the audited consolidated final results of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 March 2024 as follows:

#### CONSOLIDATED INCOME STATEMENT

	Note	Year ended 31 March	
		2024	2023
		HK\$'000	HK\$'000
<b>Revenue</b>	2	<b>923,894</b>	1,022,922
Cost of sales	3	(551,907)	(600,116)
Gross profit		<b>371,987</b>	422,806
Selling and distribution expenses	3	(196,472)	(203,140)
General and administrative expenses	3	(216,158)	(220,194)
Net reversal of impairment/(impairment losses) on financial assets		<b>1,923</b>	(845)
Impairment losses on non-current assets	9	(11,847)	–
Other income		<b>1,842</b>	35,900
Gain on disposal of a property	10	<b>122,118</b>	–
Operating profit		<b>73,393</b>	34,527
Finance income		<b>12,174</b>	6,142
Finance costs		(283)	(496)
Finance income – net		<b>11,891</b>	5,646
<b>Profit before income tax</b>		<b>85,284</b>	40,173
Income tax expense	4	(30,312)	(11,496)
<b>Profit for the year</b>		<b>54,972</b>	28,677
Profit attributable to:			
Owners of the Company		<b>54,222</b>	27,458
Non-controlling interests		<b>750</b>	1,219
		<b>54,972</b>	28,677
Earnings per share attributable to owners of the Company (expressed in HK cents)			
Basic and diluted	5	<b>12.56</b>	6.36

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year ended 31 March	
	2024	2023
	HK\$'000	HK\$'000
<b>Profit for the year</b>	<b>54,972</b>	<b>28,677</b>
Other comprehensive income/(loss):		
Item that may be reclassified to profit or loss		
Currency translation differences arising from foreign operations	(489)	(627)
Item that will not be reclassified subsequently to profit or loss		
Remeasurement of long service payment provision	4,411	32
<b>Other comprehensive income/(loss) for the year, net of tax</b>	<b>3,922</b>	<b>(595)</b>
<b>Total comprehensive income for the year</b>	<b>58,894</b>	<b>28,082</b>
Total comprehensive income attributable to:		
Owners of the Company	58,144	26,863
Non-controlling interests	750	1,219
	<b>58,894</b>	<b>28,082</b>

## CONSOLIDATED BALANCE SHEET

		As at 31 March	
		2024	2023
	Note	HK\$'000	HK\$'000
<b>Non-current assets</b>			
Property, plant and equipment		428,943	442,148
Investment properties		20,449	42,176
Deferred income tax assets		2,255	23,538
Deposits paid for property, plant and equipment		–	248
		<b>451,647</b>	508,110
<b>Current assets</b>			
Inventories		15,497	20,264
Trade receivables	7	132,358	169,907
Deposits and other receivables		19,556	17,617
Prepayments		18,219	14,486
Tax recoverable		4,849	2,680
Term deposits with original maturities of over three months		314,420	248,649
Cash and cash equivalents		212,049	215,509
		<b>716,948</b>	689,112
<b>Current liabilities</b>			
Trade payables	8	22,644	24,764
Fees in advance		116,291	124,743
Accruals, other payables and provisions		90,339	113,139
Lease liabilities		1,773	10,565
Current income tax liabilities		2,208	360
		<b>233,255</b>	273,571
<b>Net current assets</b>		<b>483,693</b>	415,541
<b>Total assets less current liabilities</b>		<b>935,340</b>	923,651
<b>Equity attributable to owners of the Company</b>			
Share capital		43,160	43,160
Reserves		843,026	828,042
		<b>886,186</b>	871,202
Non-controlling interests		21,970	21,220
<b>Total equity</b>		<b>908,156</b>	892,422
<b>Non-current liabilities</b>			
Deferred income tax liabilities		19,261	18,867
Lease liabilities		363	1,403
Other non-current liabilities		7,560	10,959
		<b>27,184</b>	31,229
<b>Total equity and non-current liabilities</b>		<b>935,340</b>	923,651

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 1. Basis of preparation and accounting policies

The consolidated financial statements of Hong Kong Economic Times Holdings Limited have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”) issued by the Hong Kong Institute of Certified Public Accountants and requirements of the Hong Kong Companies Ordinance Cap. 622. The consolidated financial statements have been prepared under the historical cost convention.

### (a) Amended standards adopted by the Group

The Group has applied the following amended standards for its financial year commencing from 1 April 2023:

HKAS 1 and HKFRS practice statement 2	Disclosure of accounting policies (amendments)
HKAS 8	Definition of accounting estimates (amendments)
HKAS 12	Deferred tax related to assets and liabilities arising from a single transaction (amendments)

The amendments listed above did not have any impact on the amounts recognised in prior years and are not expected to significantly affect the current or future years.

### (b) Amended standards not yet adopted

Certain amendments to accounting standards have been published that are not mandatory for the financial year ended 31 March 2024 and have not been early adopted by the Group:

		<b>Effective for accounting periods beginning on or after</b>
HKAS 1	Classification of liabilities as current or non-current (amendments)	1 January 2024
HKFRS 16	Lease liability in a sale and leaseback (amendments)	1 January 2024

The expected impacts from the adoption of the above amendments are still being assessed by the management, and management is not yet in a position to state whether they would have a significant impact on the Group’s financial performance and position.

## 2. Revenue and segment information

The chief operating decision-maker has been identified as the Chief Executive Officer (“CEO”) of the Group. He reviews the Group’s internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The Group has two reportable segments:

- (i) Media segment – principally engaged in the printing and publication of newspapers, magazines and books and the operation of digital platforms, including recruitment, finance and lifestyle. This segment generates advertising income, circulation income and service income from these publications and digital platforms.
- (ii) Financial news agency, information and solutions segment – principally engaged in the provision of electronic financial and property market information and related solutions and generates service income from provision of information subscription services, solutions and other related maintenance services.

The chief operating decision-maker assesses the performance of the operating segments based on their respective segment results.

Sales between segments are carried out at arm’s length.

An analysis of the Group’s revenue for the year is as follows:

	2024	2023
	<i>HK\$’000</i>	<i>HK\$’000</i>
<b>Revenue</b>		
Advertising income	458,471	549,702
Circulation income	40,277	50,894
Service income	425,146	422,326
	<b>923,894</b>	<b>1,022,922</b>

More than 90% of the Group’s activities are carried out in Hong Kong and more than 90% of the Group’s assets and liabilities are located in Hong Kong. Accordingly, no analysis by geographical basis for the relevant years is presented.

The segment results for the years ended 31 March 2024 and 2023 are as follows:

	Media		Financial news agency, information and solutions		Corporate		Total	
	2024 HK\$'000	2023 HK\$'000	2024 HK\$'000	2023 HK\$'000	2024 HK\$'000	2023 HK\$'000	2024 HK\$'000	2023 HK\$'000
<b>REVENUE</b>								
Revenue	625,871	702,630	302,625	325,144	–	–	928,496	1,027,774
Inter-segment transactions	(829)	(1,057)	(3,773)	(3,795)	–	–	(4,602)	(4,852)
<b>Revenue</b>								
– from external customers	625,042	701,573	298,852	321,349	–	–	923,894	1,022,922
<b>RESULTS</b>								
Profit/(loss) for the year	23,859	(13,158)	27,269	40,979	3,844	856	54,972	28,677
<b>OTHER INCOME</b>								
Gain on disposal of a property	122,118	–	–	–	–	–	122,118	–
<b>EXPENSES</b>								
Impairment losses on non-current assets	(11,847)	–	–	–	–	–	(11,847)	–

The Group is domiciled in Hong Kong. All revenue from external customers is attributed to Hong Kong. The Group's revenue by geographical location is determined by the respective places of domicile of the relevant group entities which include Hong Kong and the Mainland China.

The total non-current assets other than deferred income tax assets located in Hong Kong and other locations are HK\$448,714,000 (2023: HK\$484,191,000) and HK\$678,000 (2023: HK\$381,000), respectively.

### 3. Expenses by nature

Expenses included cost of sales, selling and distribution expenses and general and administrative expenses are analysed as follows:

	2024 HK\$'000	2023 HK\$'000
<b>Charging</b>		
Staff costs including Directors' and CEO's remuneration	548,622	585,253
Content costs	110,843	115,594
Cost of inventories sold or consumed	86,894	92,325
Auditors' remuneration		
– Audit services	2,720	2,720
– Non-audit services	322	322
Depreciation of property, plant and equipment and investment properties	39,215	41,650
(Gain)/loss on disposal of plant and equipment	(34)	25
Direct operating expenses arising from investment properties that generate rental income	173	372
Provision for obsolete inventories	21	12
Inventories written off	89	61

#### 4. Income tax expense

Hong Kong profits tax has been provided at the rate of 16.5% (2023: 16.5%) on the estimated assessable profit for the year. The China enterprise income tax is calculated at the rate of 25% (2023: 25%) on the estimated assessable profit of subsidiaries operating in the Mainland China.

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Current income tax		
Hong Kong profits tax	8,659	10,388
China enterprise income tax	16	14
Over provisions in prior years	(40)	(70)
Total current income tax	8,635	10,332
Deferred income tax	21,677	1,164
Income tax expense	30,312	11,496

#### 5. Earnings per share

The calculation of basic earnings per share for current year is based on the profit attributable to owners of the Company of HK\$54,222,000 (2023: HK\$27,458,000) and the number of 431,600,000 (2023: 431,600,000) shares in issue during the year.

Diluted earnings per share are the same as basic earnings per share as there were no dilutive potential ordinary shares for the year ended 31 March 2024 (2023: same).

#### 6. Dividends

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<b>Dividends attributable to the year</b>		
Interim dividend paid of HK 3.0 cents (2023: HK 3.0 cents) per ordinary share	12,948	12,948
Proposed final dividend of HK 7.0 cents (2023: HK 7.0 cents) per ordinary share	30,212	30,212
	43,160	43,160
Dividends paid during the year	43,160	41,002

A final dividend in respect of the year ended 31 March 2024 of HK 7.0 cents per ordinary share, amounting to a total dividend of HK\$30,212,000, is to be proposed at the annual general meeting on 1 August 2024. This proposed dividend is not reflected as a dividend payable in the consolidated balance sheet.

## 7. Trade receivables

The credit period granted by the Group to its trade customers ranges from 0 to 90 days. The ageing analysis of trade receivables based on invoice date is as follows:

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
0 to 30 days	<b>51,928</b>	63,577
31 to 60 days	<b>32,625</b>	42,088
61 to 90 days	<b>16,098</b>	17,645
Over 90 days	<b>35,311</b>	54,976
Trade receivables, gross	<b>135,962</b>	178,286
Less: provision for impairment of trade receivables	<b>(3,604)</b>	(8,379)
	<b>132,358</b>	169,907

## 8. Trade payables

The ageing analysis of trade payables by overdue day is as follows:

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
0 to 30 days	<b>12,565</b>	21,367
31 to 60 days	<b>4,127</b>	740
61 to 90 days	<b>3,596</b>	554
Over 90 days	<b>2,356</b>	2,103
	<b>22,644</b>	24,764



## **9. Impairment losses on non-current assets**

The prolonged geopolitical uncertainties and volatile economic conditions continued to affect local business environment, particularly the media industry. In view of the performance of business units within the media segment was worse than expected, management considered that indicators of potential impairment of certain property, plant and equipment and investment properties of these cash-generating units (“CGUs”) existed as at 31 March 2024. Management carried out an impairment assessment on these CGUs by determining the recoverable amounts based on the higher of fair values less costs of disposal and value-in-use (“VIU”) calculation. The Group engaged independent qualified professional valuers to estimate the fair values less costs of disposal of the property, plant and equipment, based on market quotes from publicly available sources (the results are higher than the asset’s VIU); and the market values of the properties in their existing state based on comparable property sale transactions, or market rents and yields applicable to the properties. During the year ended 31 March 2024, an impairment loss on property, plant and equipment and investment properties of HK\$11,847,000 was recognised in the consolidated income statement.

## **10. Gain on disposal of a property**

On 26 January 2024, an indirect wholly-owned subsidiary of the Company (“Vendor”) entered into a provisional agreement for sale and purchase with an independent third party (“the Purchaser”), pursuant to which the Vendor agreed to sell, and the Purchaser agreed to acquire a property for a cash consideration of HK\$135,000,000 (the “Disposal”). The Disposal was completed on 27 March 2024, and a gain on disposal of HK\$122,118,000 was recognised in the consolidated income statement.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Summary of Profit and Loss Account

	Year ended 31 March		% Change
	2024 HK\$'000	2023 HK\$'000	
<b>Revenue</b>	<b>923,894</b>	<b>1,022,922</b>	<b>-10%</b>
Cost of sales	(551,907)	(600,116)	-8%
Gross profit	<b>371,987</b>	422,806	-12%
<b>Gross profit margin</b>	<b>40.3%</b>	<b>41.3%</b>	
Selling and distribution expenses	(196,472)	(203,140)	-3%
General and administrative expenses	(216,158)	(220,194)	-2%
Net reversal of impairment/(impairment losses) on financial assets	<b>1,923</b>	(845)	-327%
Impairment losses on non-current assets	(11,847)	–	N/A
Other income	<b>1,842</b>	35,900	-95%
Gain on disposal of a property	<b>122,118</b>	–	N/A
Operating profit	<b>73,393</b>	34,527	113%
Finance income – net	<b>11,891</b>	5,646	111%
Profit before income tax	<b>85,284</b>	40,173	112%
Income tax expense	(30,312)	(11,496)	164%
<b>Profit for the year</b>	<b>54,972</b>	<b>28,677</b>	<b>92%</b>
Non-controlling interests	(750)	(1,219)	-39%
<b>Profit attributable to owners</b>	<b>54,222</b>	<b>27,458</b>	<b>97%</b>
<b>Net profit margin</b>	<b>6.0%</b>	<b>2.8%</b>	

### General

Geopolitical tensions and macroeconomic volatility continued to challenge the local economy. Trading volume of local stock market shrank further while fund raising activities remained extremely quiet. Local property market stayed lacklustre, with total number of transactions fell to record low level. Consumer sentiments improved but the changing consumption patterns of inbound visitors and local residents posed challenges to the local consumer market.

In this challenging environment, the Group's revenue for the financial year ended 31 March 2024 decreased by HK\$99.0 million or 10% over last financial year to HK\$923.9 million. Profit attributable to owners, included the one-time gain on disposal of a property, partly offset by non-cash impairment of the Group's certain non-current assets and the write-down of deferred income tax assets, increased from HK\$27.5 million to HK\$54.2 million.

## Revenue

	Year ended 31 March		
	2024	2023	% Change
	<i>HK\$'000</i>	<i>HK\$'000</i>	
Revenue:			
Advertising income	<b>458,471</b>	549,702	-17%
Circulation income	<b>40,277</b>	50,894	-21%
Service income	<b>425,146</b>	422,326	1%
Total	<b>923,894</b>	1,022,922	-10%

Advertising income, mainly contributed by the Group's digital platforms and printed publications, decreased by HK\$91.2 million or 17% to HK\$458.5 million from the last financial year. Local advertising market, adversely impacted by the sluggish local stock and property markets and the poor business and consumer sentiment, remained weak for the financial year under review. The change in spending style of inbound visitors and the growing trend of local residents "tripping north" to cities in the Mainland for shopping, dining and leisure activities, have adversely affected the local consumer market. Advertisers were cautious on their advertising spending by scaling down their promotional activities to align with the market conditions. Digital advertising, particularly mobile advertising, continued to be the focal point of the advertisers, was the largest contributor to the Group's advertising income.

Circulation income recorded a decrease of 21% from HK\$50.9 million to HK\$40.3 million for the financial year under review. The decrease was in line with most of the printed titles in the market during the year under review.

Service income for the year ended 31 March 2024 remained stable when compared to the last financial year. The Group's service income was mainly generated by the financial news agency, information and solutions businesses and the printing services of the Group's printing plants. Amid lacklustre local stock market performance, service income generated from financial news agency, information and solutions businesses was adversely affected and recorded a drop of 4% for the financial year under review. Service income from the printing services of Group's printing plants registered an increase of 5% for the year ended 31 March 2024 when compared to the preceding financial year, which demonstrated its success in the diversification of printing services in different business segments. The Group's printing plants were the only printing plants in the city equipped with full range of printing facilities for providing one-stop printing services to different businesses and organisations.

For the financial year ended 31 March 2024, over 60% of the Group's total revenue was generated from our digital platforms and information and solution businesses. The Group would continue its investment initiatives, by ploughing more resources into quality content, advanced technologies and digital talent development, so as to expand and solidify the success aimed at bringing in sustainable growth and long-term business development.

## **Operating Costs**

Gross profit margin for the year ended 31 March 2024 declined by 1.0 percentage point from 41.3% for the year ended 31 March 2023 to 40.3%. Management would continue to monitor and streamline the cost structure, implement effective production control, rationalise and redeploy resources to improve efficiency and cost effectiveness of the Group's operations.

Staff costs, representing approximately 57% of the Group's total operating costs, maintained at the same level as compared to the last financial year. The salary increment in line with the general employment market, was offset by the decrease of headcount after a business and resources reorganisation for the financial year under review.

Content costs which mainly consisted of market data license fees of various exchanges, financial index providers and news agencies, constituting around 11% of the Group's total operating costs, maintained at the same level as in the last financial year. The amount was in line with the market data usage of customers who had subscribed for ET Net securities and derivative quotation services under the financial news agency, information and solutions segment.

## **Impairment Losses on Non-current Assets**

The prolonged geopolitical uncertainties and volatile economic conditions continued to affect local business environment, particularly the media industry. In view of the performance of business units within the media segment was worse than expected, management considered that impairment indicators were identified. Based on the latest market conditions, management had performed impairment assessment for the carrying amounts of certain property, plant and equipment and investment properties as at 31 March 2024. The impairment assessment was carried out by determining the recoverable amounts of certain property plant and equipment and investment properties based on the higher of fair values less costs of disposal and value-in-use calculation. The carrying amounts of these non-current assets are written down to their recoverable amounts if the carrying amounts are greater than their estimated recoverable amounts. Management engaged independent qualified professional valuers to estimate the fair values less costs of disposal of the property, plant and equipment, based on market quotes from publicly available sources (the results are higher than the asset's value-in-use); and the market values of the properties in their existing state based on comparable property sale transactions, or market rents and yields applicable to the properties. The assessment resulted in impairment losses on non-current assets of HK\$11.8 million for the financial year under review.

## **Gain on Disposal of a Property**

The Group owned several printing plants located at different sites for the provision of printing services for publications. The management of the Group noted there was a reduction in the market demand of newspaper printing, partly due to the digital transformation of printed media and partly due to the Group's strategic focus on digital platforms in the recent years. As such, the Group had undergone a consolidation of its printing facilities to rationalise and re-deploy resources so as to maximise the utilisation of its factory spaces in a more effective, efficient and productive manner. As a result, one of the Group's newspaper printing plants located at a property owned by the Group ("Property"), ceased to operate in December 2023.

On 26 January 2024, an indirect wholly-owned subsidiary of the Company ("Vendor") entered into a provisional agreement for sale and purchase with an independent third party ("Purchaser"), pursuant to which the Vendor agreed to sell, and the Purchaser agreed to acquire, the Property for a consideration of HK\$135.0 million ("Disposal"). The Disposal was completed on 27 March 2024 which resulted in a gain of HK\$122.1 million. The Group considered the Disposal represented a good opportunity to realise the value of the property at a reasonable price. The net proceed from the Disposal was applied as working capital of the Group, which further strengthened the Group's financial position.

## **Income Tax Expense**

The effective tax rate of the Group for the financial year ended 31 March 2024 and 2023 were 35.5% and 28.6% respectively. The Group was principally subject to the standard profits tax rate of 16.5% which was applicable to companies incorporated in Hong Kong, the Group's major place of operation. The increase of effective tax rate was mainly caused by the write-down of deferred income tax assets of HK\$21.1 million and a change in the profitability mix of the Group's subsidiaries for the financial year under review. The gain on disposal of a property recorded in the current financial year was capital in nature and therefore non-taxable.

The management determined the deferred income tax assets for the carry forward of unused tax losses to the extent that it is probable that future taxable profits will be available against which the unused tax losses and unused tax credits can be utilised. The write-down of deferred income tax assets was based on the best knowledge of profit projections of the Group and the extent of the Group's ability to utilise the tax benefits from the tax losses carried forwards in the future.

## **Profit/(Loss) Attributable to Owners**

Profit attributable to owners of the Group, after excluding gain on disposal of a property of HK\$122.1 million, partly offset by the impairment losses on certain non-current assets of HK\$11.8 million and the write-down of deferred income tax assets of HK\$21.1 million (“One-time Items”), turned to negative and recorded an increase in loss attributable to owners of HK\$29.2 million, when compared to the last financial year, after the exclusion of the one-time Employment Support Scheme subsidy granted by the Hong Kong Government under the Anti-epidemic Fund (“ESS Subsidy”) of HK\$33.3 million in 2022.

Media segment recorded negative operating results after excluding the One-time Items, an increase of loss attributable to owners of HK\$24.7 million when compared to the last financial year, after excluding the one-time ESS Subsidy of HK\$27.4 million in 2022. The increase was mainly attributable to the decrease of advertising income resulted from the weak market sentiment amid the sluggish property and financial markets and change of spending patterns of inbound visitors and local residents. New and continued investments in technology, talent and innovation have made us more agile and resilient. The Group would continue its investment initiatives in digital platforms with focus on customer experience, value creation and digital capability enhancement to expand our market share in digital advertising.

Financial news agency, information and solutions segment, the solid contributor to the Group, recorded a decrease in net profit of HK\$7.8 million for the year ended 31 March 2024 when comparing to the preceding reporting year, after excluding the one-time ESS Subsidy of HK\$5.9 million in 2022. The decrease was mainly attributable to the decrease of advertising income from its digital platform and the market data subscription income amid the sluggish advertising market and local stock market respectively. This segment, capturing the market trend of digitalisation, had secured several digital financial solution and data analytic projects in banks, securities and derivatives trading, wealth management, insurance and property data analysis for the year under review. The Group will continue its talent, innovation and technology inputs to meet the rising demand in these innovative digital solutions.

## Liquidity and Capital Resources

(in HK\$ million)	As at 31 March	
	2024	2023
Net current assets	<b>483.7</b>	415.5
Term deposits and cash and cash equivalents	<b>526.5</b>	464.2
Owners' equity	<b>886.2</b>	871.2
Gearing ratio	N/A	N/A
Current ratio	<b>3.07 times</b>	2.52 times

The Group's net current assets as at 31 March 2024 increased by HK\$68.2 million from HK\$415.5 million to HK\$483.7 million. The increase was resulted from the proceeds received from the disposal of a property of the Group, offsetting against the decrease in operating results of the Group for the financial year under review.

Net cash generated in investing activities was HK\$53.4 million. During the year, the Group had purchased an investment property at a consideration of approximately HK\$15.7 million and other property, plant and equipment of approximately HK\$9.2 million. The Group had also disposed of a property situated at Tai Ping Industrial Centre to an independent third party for net proceeds of approximately HK\$131.9 million. Term deposits with original maturities of over three months have been increased by HK\$65.8 million as at 31 March 2024.

The Group had distributed the final dividend declared for the financial year ended 31 March 2023 and interim dividend for the six months period ended 30 September 2023 amounting to an aggregate total of HK\$43.2 million.

The Group had no gearing (being total interest bearing liabilities divided by total assets) as at 31 March 2024 and 2023.

As at 31 March 2024, the Group had a cash balance of HK\$526.5 million as compared to HK\$464.2 million as at 31 March 2023. Majority of the cash was placed under short-term deposits with banks in Hong Kong and was held in Hong Kong dollars or in United States dollars. The Group had no material exposure to foreign exchange fluctuations.

The Group has a strong balance sheet and cash position to enable it to meet its business needs, support its investment plans, and fulfill the dividend payment policy as well as weather the currently challenging operating and economic environment. We will continue to maintain prudent and disciplined financial and cash flow management.

## **OUTLOOK**

Digitalisation continued to be the focal point of major industries in the local market. The Artificial Intelligence (“AI”) is integrated into businesses around the world at remarkable speed. To drive viewership and deepen our customer engagement as well as increase operational efficiency through automation, we will integrate more AI technology which will benefit our businesses in value creation, user experience as well as advancing our digital capabilities including data and analytical tools for quality content creation, audience behavior studies, advanced and predictive analytics, recommendation engines and cloud computing to accelerate the growth of digital businesses.

Looking ahead, some signs of improvement are emerging like lower inflation expectations in major economies, an increasing probability of interest rate cuts and the modest growth in global trade. However, uncertainties still persist, concerns over the pace of Mainland China’s economic recovery and the continued challenges arising from ongoing geopolitical tensions, particularly with the upcoming national elections in the US and in several other major countries around the world. The local property market turned active as market sentiment improved after the lifting of the cooling measures by the government in February 2024. The further revival of inbound tourism and the government’s initiatives to boost consumer sentiment should provide some support to the local consumer market but the changing consumption patterns of inbound visitors and local residents continued to pose severe challenges.

The Group will closely monitor the global and local economic and political situations, take a cautious and prudent approach in cost management, operational efficiency and financial discipline. The Group maintained a strong financial position with no gearing. As at 31 March 2024, cash balance of the Group was approximately HK\$526.5 million. We are determined to maintain a sustainable dividend policy as well as strong liquidity to preserve its strength for strategic business investment and development, and support future growth opportunities.

## **EMPLOYEES**

As at 31 March 2024, the Group had 1,184 employees (31 March 2023: 1,340 employees). The Directors believe that employees are the most valuable assets of the Group and competitive remuneration packages are offered to retain quality staff. Employee benefits include medical insurance, discretionary bonus, provident fund schemes and other staff benefits.



## **DIVIDENDS**

The Directors recommend a payment from the distributable reserves of the Company a final dividend of HK 7.0 cents per share in respect of the year ended 31 March 2024 to the shareholders whose names appear on the Register of Members of the Company at the close of business on 14 August 2024, amounting to HK\$30,212,000. The final dividend, payable on 6 September 2024, is subject to the approval of the shareholders of the Company at the forthcoming annual general meeting to be held on 1 August 2024 (“the Meeting”).

## **CLOSURE OF REGISTER OF MEMBERS**

The Register of Members of the Company will be closed from 29 July 2024 to 1 August 2024 (both days inclusive) and 12 August 2024 to 14 August 2024 (both days inclusive) respectively, during which period no transfer of shares will be effected. In order to qualify for the entitlement to attend and vote at the Meeting, all transfer of shares accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on 26 July 2024. In order to qualify for the proposed final dividend, all transfer of shares accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on 9 August 2024.

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S SHARES**

The Company has not redeemed any of its shares during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company’s shares during the year.

## **COMPLIANCE WITH CORPORATE GOVERNANCE CODE**

The Company has complied with the provisions set out in the Corporate Governance Code (the “Code Provisions”) contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) for the year ended 31 March 2024 except as stated and explained below.

Under Code C.2.1 of the Code Provisions, the roles of Chairman and CEO should be separate and should not be performed by the same individual. The division of responsibilities between the Chairman and CEO should be clearly established and set out in writing. However, the Company has appointed Mr. Fung Siu Por, Lawrence as both its Chairman and the CEO. The Board of Directors (the “Board”) believes that vesting the roles of the Chairman and the CEO in the same person would allow the Company to be more effective and efficient in developing long-term business strategies and execution of business plans. The Board believes that the balance of power and authority is adequately ensured by the operation of the Board, which comprises experienced and high calibre individuals with a substantial number thereof being Non-executive Directors.

## **CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company confirmed the adoption of the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 of the Listing Rules. All Directors of the Company confirmed their compliance with the required standard set out in the Model Code throughout the year ended 31 March 2024.

## **AUDIT COMMITTEE**

The Company established an Audit Committee in 2005 with written terms of reference. The Audit Committee comprises Non-executive Director, Mr. Chu Yu Lun and two Independent Non-executive Directors, Mr. O’Yang Wiley as Committee Chairman and Mr. Lo Foo Cheung. The Audit Committee has reviewed the Group’s audited final results for the year ended 31 March 2024.

## **REMUNERATION COMMITTEE**

The Company established a Remuneration Committee in 2005 with written terms of reference. The Remuneration Committee comprises Non-executive Director, Mr. Chu Yu Lun, and two Independent Non-executive Directors, Mr. Lo Foo Cheung as Committee Chairman and Mr. O’Yang Wiley.

## **NOMINATION COMMITTEE**

The Company established a Nomination Committee in 2005 with written terms of reference. The Nomination Committee comprises three Independent Non-executive Directors, Mr. Sin Hendrick as Committee Chairman, Mr. Lo Foo Cheung and Mr. O'Yang Wiley.

On Behalf of the Board  
**Hong Kong Economic Times Holdings Limited**  
**Fung Siu Por, Lawrence**  
*Chairman*

Hong Kong, 24 June 2024

*As at the date of this announcement, the Board comprises: (a) Executive Directors: Mr. Fung Siu Por, Lawrence, Ms. See Sau Mei Salome and Ms. Wong Ching; (b) Non-executive Director: Mr. Chu Yu Lun; and (c) Independent Non-executive Directors: Mr. Lo Foo Cheung, Mr. O'Yang Wiley and Mr. Sin Hendrick.*

*This announcement is published on the website of Hong Kong Exchanges and Clearing Limited at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company's website at [www.hketgroup.com](http://www.hketgroup.com). The Group's Annual Report 2023/2024 containing all the information required by the Listing Rules will be dispatched to shareholders and published on the above websites in due course.*