

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

# **bauhaus**

**Bauhaus International (Holdings) Limited**

**包浩斯國際（控股）有限公司**

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

**(Stock Code: 483)**

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

➤ Turnover of the Group declined by 1.8% to HK\$193.0 million (2023: HK\$196.6 million).

➤ Sales by operating segment were as follows:

	<b>Year ended 31 March 2024 HK\$ million</b>	<b>Year ended 31 March 2023 HK\$ million</b>	<b>Changes</b>
Offline	<b>189.8</b>	192.1	-1.2%
Online	<b>3.2</b>	4.5	-28.9%

➤ Gross profit decreased by 4.5% to HK\$143.2 million (2023: HK\$150.0 million), while gross margin declined slightly to 74.2% (2023: 76.3%).

➤ The Group recorded a net profit for the year ended 31 March 2024 of HK\$1.2 million (2023: HK\$46.0 million).

➤ Basic and diluted earnings per share were 0.3 HK cents (2023: 12.5 HK cents).

The Board of Directors (the “**Directors**” or “**Board**”) of Bauhaus International (Holdings) Limited (the “**Company**”) is pleased to announce the consolidated results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 March 2024, prepared on the basis set out in Note 2 below, together with comparative figures of the previous year, as follows.

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

*Year ended 31 March 2024*

	<i>Notes</i>	<b>2024</b> <i>HK\$'000</i>	2023 <i>HK\$'000</i>
REVENUE	4	<b>192,996</b>	196,618
Cost of sales		<u>(49,755)</u>	<u>(46,628)</u>
GROSS PROFIT		<b>143,241</b>	149,990
Other income and gains	4	<b>3,231</b>	13,689
Selling and distribution expenses		<b>(99,579)</b>	(93,695)
Administrative expenses		<b>(31,534)</b>	(28,580)
Other expenses		<b>(9,832)</b>	(960)
Finance costs	5	<u><b>(4,154)</b></u>	<u>(1,053)</u>
PROFIT BEFORE TAX	6	<b>1,373</b>	39,391
Income tax (expense)/credit	7	<u><b>(159)</b></u>	<u>6,576</u>
<b>PROFIT FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT</b>		<u><b>1,214</b></u>	<u>45,967</u>
<b>Other comprehensive income</b>			
Other comprehensive income that will not be reclassified subsequently to profit or loss:			
Remeasurement of long service payment (“LSP”) liabilities		<u><b>301</b></u>	<u>–</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX</b>		<u><b>1,515</b></u>	<u>–</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT</b>		<u><b>1,515</b></u>	<u>45,967</u>
<b>EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT</b>			
Basic and diluted	8	<u><b>0.3 HK cents</b></u>	<u>12.5 HK cents</u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 March 2024

	Notes	2024 HK\$'000	2023 HK\$'000
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		14,137	9,618
Right-of-use assets		57,089	41,884
Intangible assets		29	68
Equity Investment at fair value through other comprehensive income		–	–
Rental, utility and other non-current deposits		12,498	17,788
Deferred tax assets		6,818	6,880
<b>TOTAL NON-CURRENT ASSETS</b>		<b>90,571</b>	<b>76,238</b>
<b>CURRENT ASSETS</b>			
Inventories	10	41,056	29,400
Trade receivables	11	3,905	2,785
Prepayments, deposits and other receivables		9,044	10,569
Tax recoverable		88	386
Time deposits		29,420	19,700
Cash and cash equivalents		57,710	67,809
Total current assets		141,223	130,649
<b>CURRENT LIABILITIES</b>			
Trade payables	12	735	989
Other payables and accruals		11,746	12,704
Lease liabilities		34,110	19,325
Total current liabilities		46,591	33,018
<b>NET CURRENT ASSETS</b>		<b>94,632</b>	<b>97,631</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>185,203</b>	<b>173,869</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities		20,753	11,347
Long service payment obligations		413	–
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>21,166</b>	<b>11,347</b>
<b>NET ASSETS</b>		<b>164,037</b>	<b>162,522</b>
<b>EQUITY</b>			
Equity attributable to equity holders of the parent			
Share capital		36,738	36,738
Reserves		127,299	125,784
<b>TOTAL EQUITY</b>		<b>164,037</b>	<b>162,522</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 March 2024

## 1. CORPORATE AND GROUP INFORMATION

Bauhaus International (Holdings) Limited is a limited liability company incorporated in the Cayman Islands. The address of its registered office is the Third Floor, Century Yard, Cricket Square, P.O. Box 902, Grand Cayman, KY1- 1103, Cayman Islands. The principal place of business of the Company is located at 1/F., 163 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong. The Group is principally engaged in the design and retail of trendy apparel, bags and fashion accessories. The Group's turnover is mostly contributed by its major in-house labels like "SALAD" and "TOUGH", some trendy design brands as well as certain international labels.

The Company is a subsidiary of New Huge Treasure Investments Limited, a company incorporated in the British Virgin Islands. In the opinion of the directors, the ultimate holding company of the Company is Yate Enterprises Limited, which was incorporated in the British Virgin Islands and is beneficially and wholly-owned by a discretionary trust.

## 2.1 BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the applicable disclosure requirements of the Hong Kong Companies Ordinance. The consolidated financial statements also include the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). They have been prepared under the historical cost convention, except for equity investments which have been measured at fair value. These consolidated financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand except when otherwise indicated.

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

### Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 March 2024. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e. existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;

## 2.1 BASIS OF PREPARATION *(Continued)*

### **Basis of consolidation** *(Continued)*

- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income is attributed to the owners of the parent of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

## 2.2 NEW AND AMENDED HKFRSs THAT ARE EFFECTIVE FOR ANNUAL PERIOD BEGINNING ON 1 APRIL 2023

In the current year, the Group has applied for the first time the following new and amended HKFRSs issued by the HKICPA which are relevant to the Group's operation and effective for the Company's consolidated financial statements for the period beginning on 1 April 2023:

HKFRS 17	Insurance Contracts and related amendments
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
Amendments to HKAS 12	International Tax Reform – Pillar Two Model Rules

Except for those mentioned below, the adoption of the new and amended HKFRSs had no material impact on how the results and financial position for the current and prior periods have been prepared and presented.

## **2.2 NEW AND AMENDED HKFRSs THAT ARE EFFECTIVE FOR ANNUAL PERIOD BEGINNING ON 1 APRIL 2023** *(Continued)*

### **Amendments to HKAS 1 and HKFRS Practice Statement 2 “Disclosure of Accounting Policies”**

The amendments to HKAS 1 require entities to disclose material accounting policy information instead of significant accounting policies in its financial statements. 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. The amendments also provide some guidance on how material policy information are being identified and provide some examples of when accounting policy information is likely to be material. HKFRS Practice Statement 2 was subsequently revised to provide guidance and examples on how to apply the concept of materiality to accounting policy disclosures.

The amendments to HKAS 1 are applied by the Group on 1 April 2023 and are applied prospectively. The amendments have no impact on the Group’s financial positions, performance and accounting policies disclosures as set out in note 2 to the consolidated financial statements.

### **Amendments to HKAS 8 “Definition of Accounting Estimates”**

The amendments clarify how entities should distinguish changes in accounting policies from changes in accounting estimates by introducing a definition for accounting estimates, which is now defined as “monetary amounts in the financial statements that are subject to measurement uncertainty”.

Besides, the amendments also clarify the relationship between accounting policies and accounting estimates by specifying that an entity develops an accounting estimate to achieve the objective set out by an accounting policy. Accounting estimates typically involve the use of judgements or assumptions based on latest available reliable information. A change in accounting estimate that results from new information or new development is not correction of an error. Therefore, the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors. In addition, two illustrative examples are added to illustrate how to apply the new definition of accounting estimates.

The amendments are applied by the Group on 1 April 2023 and are applied prospectively. The amendments have no impact on the consolidated financial statements of the Group.

### **Amendments to HKAS 12 “Deferred Tax related to Assets and Liabilities arising from a Single Transaction”**

The amendments clarify that the initial recognition exemption of deferred tax in HKAS 12 “Income Taxes” does not apply to transactions that give rise to equal taxable and deductible temporary differences, such as lease contracts that give rise to the recognition of a lease liability and the corresponding right-of-use assets and contracts that give rise to the recognition of decommissioning obligations and corresponding amounts recognised as assets. Instead, entities are required to recognise the related deferred tax asset and liability on initial recognition, with the recognition of any deferred tax asset being subject to the recoverability criteria in HKAS 12 “Income Taxes”.

The Group adopted the amendments from 1 April 2023 and are required to recognise the associated deferred tax assets and liabilities from leases that occurred on or after 1 April 2022, with any cumulative effect recognised as an adjustment to retained profits at that date.

## 2.2 NEW AND AMENDED HKFRSs THAT ARE EFFECTIVE FOR ANNUAL PERIOD BEGINNING ON 1 APRIL 2023 (Continued)

### Amendments to HKAS 12 “Deferred Tax related to Assets and Liabilities arising from a Single Transaction” (Continued)

Prior to the application of the amendments, the Group applied the initial recognition exemption and did not recognise deferred tax assets and deferred tax liabilities for temporary differences for transactions related to leases. Following the requirements of the amendments, the Group has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets as at 1 April 2022. As the balances are qualified for offset under paragraph 74 of HKAS 12, the net deferred tax assets in relation to its lease liabilities are not recognised due to the unpredictability of future profit streams. During the year ended 31 March 2024, the Group has not recognised deferred tax liabilities in relation to its right-of-use assets and no deferred tax assets in relation to its lease liabilities are recognised as the amendments have no material impact on the consolidated financial statements of the Group.

### Amendments to HKAS 12 – International Tax Reform – Pillar Two Model Rules

The amendments provide mandatory temporary relief from accounting for deferred tax arising from the Organisation for Economic Co-operation and Development’s Pillar Two model rules (i.e. global minimum tax rules designed to ensure that large multinational business pay a minimum effective rate of tax of 15% on profits in all countries) (“**Pillar Two Model Rules**”). Entities shall apply this temporary exception immediately and retrospectively upon issuance of the amendments and disclose the fact of the application.

Besides, the amendments also introduce additional disclosure requirements to help users of financial statements to understand an entity’s exposure to income taxes arising from the Pillar Two Model Rules. These disclosure are required in periods in which the legislation for Pillar Two Model Rules is enacted or substantially enacted but not yet in effect in annual reporting periods beginning on or after 1 April 2023.

The amendments have no impact on the consolidated financial statements because the Group does not fall into the scope of the Pillar Two Model Rules.

## 2.3 ISSUED BUT NOT YET EFFECTIVE HKFRSs

At the date of authorisation of these consolidated financial statements, certain amended HKFRSs have been published but not yet effective and have not been early adopted by the Group.

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

1. Effective on the consolidated financial statements of the Company for annual periods beginning on or after 1 April 2024
2. Effective on the consolidated financial statements of the Company for annual periods beginning on or after 1 April 2025
3. Effective date not yet determined

### 2.3 ISSUED BUT NOT YET EFFECTIVE HKFRSs (*Continued*)

The directors anticipate that all of the pronouncements will be adopted in the Group's accounting policy for the first period beginning on or after the effective date of the pronouncement. The adoption of the amended HKFRSs are not expected to have material impact on the Group's consolidated financial statements.

### 2.4 NEW HKICPA GUIDANCE ON THE ACCOUNTING IMPLICATION OF THE MPF-LSP OFFSETTING MECHANISM

In June 2022, the Hong Kong SAR Government (the "**Government**") gazetted the Hong Kong Employment and Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) Ordinance 2022 (the "**Amendment Ordinance**"), which will take effect on 1 May 2025 (the "**Transition Date**"). The Amendment Ordinance abolishes the use of the accrued benefits derived from employers' mandatory MPF contributions to offset LSP in respect of an employee's service from the Transition Date (the "**Abolition**"). In addition, the last month's salary immediately preceding the Transition Date is used to calculate the portion of the LSP in respect of the employment period before the Transition Date.

Prior to 1 April 2023, the Group applied practical expedient in paragraph 93(b) of HKAS 19 (the "**Practical Expedient**") to account for the offsetable MPF benefits as deemed employee contributions to reduce the current service costs in the period in which the related services were rendered.

In July 2023, the HKICPA published "Accounting implications of the abolition of the MPF-LSP offsetting mechanism in Hong Kong" ("**the Guidance**") that provides guidance for the accounting for the offsetting mechanism and the impact arising from the abolition of the MPF-LSP offsetting mechanism.

By following the Guidance, the Group has changed its accounting policy in connection with its LSP obligations. As a result of the Abolition, these contributions are no longer considered "linked solely to the employee's service in that period" since the mandatory employer MPF contribution after the Transition Date can still be used to offset the pre-transition LSP obligation. Therefore, the Group ceased to apply the Practical Expedient and reattribute the deemed employee contributions to periods of service in the same manner as the gross LSP benefit by applying paragraph 93(a) of HKAS 19.

This change in accounting policy upon the cessation in applying the Practical Expedient has resulted in a catch-up adjustment in profit or loss in June 2022 for the service cost up to that date and consequential impacts on current service cost, interest expense and remeasurement effects from changes in actuarial assumptions for the rest of 2023, with the corresponding adjustment to the carrying amount of the LSP obligations. Since the amount of the catch-up profit or loss adjustment was not material, the Group did not restate the comparative figures in the consolidated financial statements.



### 3. OPERATING SEGMENT INFORMATION

The Group is principally engaged in the design and retail of trendy apparel, bags and fashion accessories.

For management purpose and in a manner consistent with the way in which information is reported internally to the Group's chief operating decision maker for the purpose of resource allocation and performance assessment, the Group's reportable segments are as follows:

1. **Offline:** management and operation of physical point-of-sale, including but not limited to retail stores, outlets, pop-up shops and seasonal bargain sales activities, etc. in different regions (at the end of the reporting periods, mainly in Hong Kong and Macau); and
2. **Online:** management and operation of cyber distribution channels to capture boundless online consumption.

Segment performance is evaluated based on reportable segment profit, which is a measure of adjusted profit before tax. The adjusted profit before tax is measured consistently with the Group's profit before tax except for that interest income, non-lease-related finance costs, gain on disposal of properties (other than from leasehold improvements and equipment) and unallocated expenses, net are excluded from this measurement.

Segment assets exclude equity investments at fair value through other comprehensive income, deferred tax assets, tax recoverable and other unallocated corporate assets as these assets are managed on a group basis. Segment liabilities exclude other unallocated corporate liabilities as these liabilities are managed on a group basis. Segment non-current assets exclude equity investments at fair value through other comprehensive income, deferred tax assets and other unallocated corporate non-current assets as these assets are managed on a group basis.

Intersegment sales are transacted with reference to the selling prices used for sales made to third parties at the prevailing market prices.

#### **Information about major customers**

Since there was no customer to which the Group's sales amounted to 10% or more of the Group's revenue during the years ended 31 March 2024 and 2023, no major customer information is presented.

### 3. OPERATING SEGMENT INFORMATION (Continued)

	Offline HK\$'000	Online HK\$'000	Total HK\$'000
<b>Year ended 31 March 2024</b>			
<b>Segment revenue:</b>			
Sales to external customers	189,803	3,193	<u>192,996</u>
<b>Segment results:</b>			
<i>Reconciliation:</i>			
Interest income			2,414
Finance costs (other than interest on lease liabilities)			(14)
Gain on disposal of properties (other than from leasehold improvements and equipment)			2,620
Unallocated expenses, net			<u>(35,465)</u>
Profit before tax			<u>1,373</u>
<b>Segment assets:</b>			
<i>Reconciliation:</i>			
Deferred tax assets			6,818
Tax recoverable			88
Unallocated assets			<u>29,336</u>
Total assets			<u>231,794</u>
<b>Segment liabilities:</b>			
<i>Reconciliation:</i>			
Unallocated liabilities			<u>2,240</u>
Total liabilities			<u>67,757</u>
<b>Segment non-current assets:</b>			
<i>Reconciliation:</i>			
Deferred tax assets			6,818
Unallocated non-current assets			<u>19,830</u>
Total non-current assets			<u>90,571</u>

3. OPERATING SEGMENT INFORMATION (Continued)

	Offline HK\$'000	Online HK\$'000	Total HK\$'000
<b>Other segment information:</b>			
Capital expenditure*	10,319	–	10,319
Unallocated capital expenditure*			<u>1,451</u>
			<u>11,770</u>
Depreciation of property, plant and equipment	2,778	15	2,793
Unallocated depreciation			<u>1,045</u>
			<u>3,838</u>
Depreciation of right-of-use assets	37,890	–	37,890
Unallocated depreciation			<u>386</u>
			<u>38,276</u>
Amortisation of intangible assets	5	–	5
Unallocated amortisation			<u>22</u>
			<u>27</u>
Loss on disposal of items of property, plant and equipment and right-of-use assets, net	1,960	–	1,960
Unallocated gain on disposal of items of property, plant and equipment and right-of-use assets, net			<u>(2,620)</u>
			<u>(660)</u>
Loss on disposal of trademark, net	12	–	<u>12</u>
Write off of rental deposits	647	–	<u>647</u>
Write-back of lease liabilities, net	(94)	–	<u>(94)</u>
Impairment of right-of-use assets	7,926	–	<u>7,926</u>
Impairment of property, plant and equipment	1,173	–	<u>1,173</u>

\* Capital expenditure consists of additions to property, plant and equipment and intangible assets.

### 3. OPERATING SEGMENT INFORMATION (Continued)

	Offline HK\$'000	Online HK\$'000	Total HK\$'000
<b>Year ended 31 March 2023</b>			
<b>Segment revenue:</b>			
Sales to external customers	192,086	4,532	<u>196,618</u>
<b>Segment results:</b>			
<i>Reconciliation:</i>			
Interest income			1,093
Finance costs (other than interest on lease liabilities)			(23)
Gain on disposal of properties (other than from leasehold improvements and equipment)			1,549
Unallocated expenses, net			<u>(24,851)</u>
Profit before tax			<u>39,391</u>
<b>Segment assets:</b>			
<i>Reconciliation:</i>			
Deferred tax assets			6,880
Tax recoverable			386
Unallocated assets			<u>39,143</u>
Total assets			<u>206,887</u>
<b>Segment liabilities:</b>			
<i>Reconciliation:</i>			
Unallocated liabilities			<u>1,637</u>
Total liabilities			<u>44,365</u>
<b>Segment non-current assets:</b>			
<i>Reconciliation:</i>			
Deferred tax assets			6,880
Unallocated non-current assets			<u>20,117</u>
Total non-current assets			<u>76,238</u>

### 3. OPERATING SEGMENT INFORMATION (Continued)

	Offline <i>HK\$'000</i>	Online <i>HK\$'000</i>	Total <i>HK\$'000</i>
<b>Other segment information:</b>			
Capital expenditure*	2,839	2	2,841
Unallocated capital expenditure*			<u>294</u>
			<u>3,135</u>
Depreciation of property, plant and equipment	2,471	51	2,522
Unallocated depreciation			<u>1,050</u>
			<u>3,572</u>
Depreciation of right-of-use assets	23,565	–	23,565
Unallocated depreciation			<u>341</u>
			<u>23,906</u>
Amortisation of intangible assets	10	–	10
Unallocated amortisation			<u>36</u>
			<u>46</u>
Loss on disposal of items of property, plant and equipment, net	326	–	326
Unallocated gains on disposal of items of property, plant and equipment and right-of-use assets, net			<u>(1,549)</u>
			<u>(1,223)</u>
Write-back of lease liabilities, net	(6,499)	–	<u>(6,499)</u>
Reversal of impairment of right-of-use assets	(610)	–	<u>(610)</u>

\* Capital expenditure consists of additions to property, plant and equipment and intangible assets.

#### 4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue, other income and gains is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<b>Revenue</b>		
Sale of garment products and accessories transferred at a point in time	<u>192,996</u>	<u>196,618</u>
<b>Disaggregated revenue information</b>		
Segments		
<b>Retail business</b>		
Offline	189,803	192,086
Online	<u>3,193</u>	<u>4,532</u>
Total revenue from contracts with customers	<u>192,996</u>	<u>196,618</u>

The following table shows the amounts of revenue recognised that were included in the contract liabilities at the beginning of the years:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Revenue recognised that was included in contract liabilities at 1 April –		
Sale of garment products and accessories	<u>545</u>	<u>1,365</u>

#### **Performance obligations**

Information about the Group's performance obligations is summarised below:

##### ***Sale of garment products and accessories***

The Group sells garment products and accessories directly to retail customers via retail stores, department stores and online platforms. The performance obligation is satisfied when the product is transferred to the customers upon delivery of goods. Payment of the transaction price is due immediately when the customers purchase the goods. The payment is usually settled in cash, using credit cards, or other forms of digital payments.

The transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 March 2024 and 31 March 2023 were not disclosed in the notes to the consolidated financial statements because all the remaining performance obligations in relation to the sale of garment products and accessories were a part of contracts that have an original expected duration of one year or less.

#### 4. REVENUE, OTHER INCOME AND GAINS (Continued)

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<b>Other income</b>		
Bank interest income	2,414	1,093
Government grants*	–	4,185
Others	<u>63</u>	<u>79</u>
	<u>2,477</u>	<u>5,357</u>
<b>Gains</b>		
Gain on disposal of items of property, plant and equipment and right-of-use assets, net	660	1,223
Write-back of lease liabilities, net	94	6,499
Reversal of impairment of right-of-use assets	<u>–</u>	<u>610</u>
	<u>754</u>	<u>8,332</u>
	<u><u>3,231</u></u>	<u><u>13,689</u></u>

\* During the year ended 31 March 2023, the Group recognised subsidies of HK\$4,185,000 from certain anti-epidemic funds provided by the Hong Kong and Macau governments as part of the relief measures on COVID-19 pandemic.

#### 5. FINANCE COSTS

An analysis of finance costs is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Interest on lease liabilities	4,140	1,030
Interest on LSP obligations	11	–
Other interest expenses	<u>3</u>	<u>23</u>
	<u><u>4,154</u></u>	<u><u>1,053</u></u>

## 6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<b>Cost of sales:</b>		
Cost of inventories sold	51,921	62,658
Reversal of provision for inventories, net	<u>(2,166)</u>	<u>(16,030)</u>
	<u>49,755</u>	<u>46,628</u>
<b>Lease expenses:</b>		
Depreciation of right-of-use assets	38,276	23,906
Lease payments for short term leases and contingent rents not included in the measurement of lease liabilities	10,810	19,335
COVID-19-Related rent concessions*	–	(1,384)
Interest on lease liabilities	<u>4,140</u>	<u>1,030</u>
	<u>53,226</u>	<u>42,887</u>
<b>Employee benefit expenses (including directors' remuneration):</b>		
Wages, salaries and other benefits	51,365	46,376
Pension scheme expenses		
– Contribution to pension scheme**	1,679	1,685
– Expenses arising from LSP obligations	141	–
Refund from pension scheme	<u>(5,525)</u>	<u>(3,189)</u>
	<u>47,660</u>	<u>44,872</u>
<b>Other expenses:</b>		
Amortisation of intangible assets	27	46
Write-off of rental deposits, net	647	2
Loss on disposal of trademarks	12	2
Foreign exchange losses, net	47	910
Impairment of right-of-use assets	7,926	–
Impairment of property, plant and equipment	<u>1,173</u>	<u>–</u>
	<u>9,832</u>	<u>960</u>
Auditor's remuneration	1,242	1,199
Depreciation of property, plant and equipment	3,838	3,572
Gain on disposal of items of property, plant and equipment and right-of-use assets, net	(660)	(1,223)
Write-back of lease liabilities, net	(94)	(6,499)
Reversal of impairment of right-of-use assets	<u>–</u>	<u>(610)</u>

\* Included in "selling and distribution expenses" on the face of the consolidated statement of profit or loss and other comprehensive income.

\*\* At the end of the reporting period, the Group had no forfeited contributions available to reduce its contributions to the pension schemes in future years (2023: Nil).



## 7. INCOME TAX EXPENSE/(CREDIT)

Hong Kong profits tax has been provided at the rate of 16.5% (2023: 16.5%) on the estimated assessable profits arising in Hong Kong during the year, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered profits tax rates regime. Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of profits of qualifying entities are taxed at 8.25%, and the profits above HK\$2,000,000 are taxed at 16.5%. The provision for Hong Kong profits tax for this subsidiary was calculated at the same basis in 2023. Taxes on profits assessable elsewhere had been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates.

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Current tax – Hong Kong		
Provision for the year	9	–
Over provision in prior years	–	(26)
Current tax – Elsewhere		
Under provision in prior years	88	140
Deferred tax charge/(credit)	<u>62</u>	<u>(6,690)</u>
Total tax expense/(credit) for the year	<u><u>159</u></u>	<u><u>(6,576)</u></u>

## 8. EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share is based on the profit for the year attributable to equity holders of the parent of HK\$1,214,000 (2023: HK\$45,967,000) and the weighted average number of ordinary shares of 367,380,000 (2023: 367,380,000) in issue during the year.

Diluted earnings per share is the same as basic earnings per share as the Group had no potentially dilutive ordinary shares in issue during the years ended 31 March 2024 and 2023.

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

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<b>Profit</b>		
Profit attributable to equity holders of the parent, used in the basic earnings per share calculation	<u><u>1,214</u></u>	<u><u>45,967</u></u>
	<b>Number of shares</b>	
<b>Shares</b>		
Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation	<u><u>367,380,000</u></u>	<u><u>367,380,000</u></u>

## 9. DIVIDENDS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<b>Approved and paid</b>		
2022/23 interim – 3.0 HK cents per ordinary share	–	11,021
2021/22 final – 16.5 HK cents per ordinary share	–	<u>60,618</u>
	<u>–</u>	<u>71,639</u>

## 10. INVENTORIES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Finished goods at cost	41,890	32,400
Less: provision for inventories	<u>(834)</u>	<u>(3,000)</u>
	<u>41,056</u>	<u>29,400</u>

## 11. TRADE RECEIVABLES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade receivables	<u>3,905</u>	<u>2,785</u>

Sales (both online and offline) are made on cash terms or with short credit terms, except for certain well-established customers with a long business relationship with the Group, where the general credit terms are ranging from 30 to 60 days. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are regularly reviewed. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over these balances. Trade receivables are non-interest-bearing.

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

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Within 90 days	3,804	2,703
91 to 180 days	35	44
181 to 365 days	<u>66</u>	<u>38</u>
	<u>3,905</u>	<u>2,785</u>

## 12. TRADE PAYABLES

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

	<b>2024</b>	2023
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Within 90 days	<u><u>735</u></u>	<u><u>989</u></u>

The trade payables are non-interest-bearing and are normally settled on terms of 30 to 60 days.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Business Review

For over twenty years, the Group has principally designed and retailed trendy apparel, bags, and fashion accessories. Its turnover is mainly contributed by its major in-house labels, such as “SALAD” and “TOUGH,” some trendy design brands, and certain international labels.

The Group recorded a net profit of HK\$1.2 million (2023: HK\$46.0 million) for the year ended 31 March 2024.

### Offline

Offline retail operations are the key operating segment of the Group, accounting for almost all of the Group’s turnover. As at 31 March 2024, the Group had 33 (2023: 39) physical stores across Hong Kong and Macau. Turnover of the segment declined by 1.2% to HK\$189.8 million (2023: HK\$192.1 million), which mainly resulted from the reduction in total number of physical shops, despite the positive growth in the overall same-store-sales of +11% for the year ended 31 March 2024 (2023: -6%).

Despite re-opening borders and relaxing travel restrictions in Hong Kong and Macau since early 2023, the local retail atmosphere remained sluggish, particularly in Hong Kong, suppressing the overall sales performance. In Hong Kong, the Group performed relatively stable during the year ended 31 March 2024 and recorded +3% growth in same-store sales (2023: 0%).

The Group’s offline retail business in Macau rebounded strongly during the year ended 31 March 2024. After easing the anti-epidemic measures, same-store-sales growth swung to positive growth of +49% (2023: -28%) in this financial year. Macau is a travel and entertainment city with highly correlated economic performance to tourism. Strict disease control over COVID-19 pandemic by governments in Macau and surrounding Mainland cities like Guangzhou and Zhuhai during the first three quarters of last year significantly stifled the tourist traffic. Macau’s government launched a citywide lockdown in July 2022. The Group temporarily suspended its operations in the city for nearly a month last year.

### Online

The online business is considered to have tremendous growth prospects. The Group has established separate management and operation teams to foster the development of this business segment.

The segment incurred a loss of HK\$0.6 million (2023: loss of HK\$0.2 million). Sales declined by 29% to HK\$3.2 million during the year ended 31 March 2024 (2023: HK\$4.5 million).

## **FINANCIAL REVIEW**

### **Turnover**

Turnover of the Group declined by 1.8% to HK\$193.0 million (2023: HK\$196.6 million) for the year ended 31 March 2024. The Group's same-store-sales growth improved to +11% (2023: -6%) for the year under review. The decline in sales was mainly attributable to the reduction in business scale and sluggish retail sentiment, particularly in Hong Kong during the financial year under review.

### **Gross Profit and Gross Margin**

The Group's gross profit slipped by 4.5% to HK\$143.2 million (2023: HK\$150.0 million) for the year ended 31 March 2024. Gross margin declined slightly to 74.2% (2023: 76.3%). Due to the enhanced salability of inventories and the reduced level of slow-moving items, a net reversal of stock provision of HK\$2.2 million was recognised in the year under review (2023: HK\$16.0 million). Given lesser pressure on redundant inventories, the Group also reduced the scale of bargain sales activities, offered lesser price discounts, and adjusted retail prices upward for certain in-house brand products during the year under review.

### **Operating Expenses and Cost Control**

Although the Group continued to manage operating expenses very cautiously during the year ended 31 March 2024, its core operating expenses (excluding non-cash write-off, loss on disposal, and impairment loss) increased by 9.4% to HK\$136.0 million (2023: HK\$124.3 million) for the year under review.

Rental is one of the Group's key operating expenses. The Group has proactively restructured lease arrangements with landlords for more flexible terms and strove for reasonable rent concessions. Also, the Group regularly reviewed the performance of each retail store and promptly revamped or eliminated any loss-making stores. At the same time, the Group cautiously relocated certain offline shops to less costly locations with appropriate sales exposure. Lease expenses (including depreciation of right-of-use assets, lease payment for short-term leases and contingent rents, COVID-19-Related rent concessions, as well as interest on lease liabilities) for the year ended 31 March 2024 were HK\$53.2 million (2023: HK\$42.9 million). To maintain competitiveness, the Group adopts an ongoing practice of strategically relocating, consolidating and converting its retail portfolio.

Staff cost increased by 6.2% to HK\$47.7 million (2023: HK\$44.9 million) during the year under review due to an increasingly competitive labour market. The total number of staff reduced to 165 at the end of the reporting period (2023: 183). The above two major expenditures have already accounted for 74.2% (2023: 70.6%) of the Group's core operating expenses.

Depreciation of property, plant, and equipment increased to HK\$3.8 million (2023: HK\$3.6 million) for the year under review. The Group's finance costs for the year ended 31 March 2024 mostly consisted of the interest on lease liabilities of HK\$4.1 million (2023: HK\$1.0 million). Efforts to control costs in other areas are also in place. Regular review of work procedures is crucial to improving efficiency and effectively managing costs.

### **Gain on disposal of properties**

On 12 December 2023, a wholly-owned subsidiary of the Group entered a provisional sale and purchase agreement with an independent third party to sell a car parking space at a total consideration of HK\$2.9 million (before any related expenses). The transaction was completed on 31 January 2024, and the Group recorded a gain on disposal of the property of HK\$2.6 million (before any related expenses) during the year ended 31 March 2024 (2023: HK\$1.5 million).

### **Government grants**

The Group recognised no government grants during the year under review (2023: HK\$4.2 million).

### **Write-back of lease liabilities and reversal of impairment of right-of-use assets**

As a result of the lease modifications, the Group recorded a net write-back of lease liabilities and a reversal of impairment of right-of-use assets of HK\$94,000 (2023: HK\$6.5 million) and Nil (2023: HK\$0.6 million), respectively in the year ended 31 March 2024.

### **Net Profit**

The Group recorded a net profit for the year ended 31 March 2024 of HK\$1.2 million (2023: HK\$46.0 million). The plummet in net profit was primarily attributable to the combined effect of (i) reversal provision of inventories decreased from HK\$16 million in 2023 to HK\$2.2 million; (ii) write back of lease liabilities decreased from HK\$6.5 million in 2023 to HK\$94,000; (iii) government grants for COVID-19 pandemic relief decreased from HK\$4.2 million in 2023 to Nil; (iv) lease expenses increased from HK\$42.9 million in 2023 to HK\$53.2 million; (v) impairment provision on the Group's right-of-use assets increased from Nil in 2023 to HK\$7.9 million; and (vi) impairment provision on the Group's property, plant and equipment increased from Nil in 2023 to HK\$1.2 million.

## **SEASONALITY**

As its track record shows, seasonality heavily affects the Group's sales and results. The first half of each financial year has historically been less important than the second half. In general, more than 50% of the Group's annual sales and most of its operating profit are derived in the second half of the financial year, within which the holiday seasons of Christmas, New Year, and the Lunar New Year fall.

## **CAPITAL STRUCTURE**

As at 31 March 2024, the Group had net assets of HK\$164.0 million (2023: HK\$162.5 million), comprising non-current assets of HK\$90.6 million (2023: HK\$76.2 million), net current assets of HK\$94.6 million (2023: HK\$97.6 million) and non-current liabilities of HK\$21.2 million (2023: HK\$11.3 million).

## **LIQUIDITY AND FINANCIAL RESOURCES**

As at 31 March 2024, the Group had cash and cash equivalents and time deposits of HK\$57.7 million (2023: HK\$67.8 million) and HK\$29.4 million (2023: HK\$19.7 million), respectively. At the end of the reporting period, the Group had aggregate banking facilities of HK\$30.0 million (2023: HK\$10.0 million), comprised of interest-bearing bank overdraft, revolving loans, rental and utility guarantees as well as import facilities, of which HK\$27.1 million had not been utilised (2023: HK\$8.5 million). The Group had no borrowings as at 31 March 2023 and 31 March 2024. The Group's gearing ratio at the end of the reporting period, representing a percentage of total interest-bearing bank borrowings to total assets, was zero (2023: zero).

## **CASH FLOWS**

During the year ended 31 March 2024, net cash flows from operating activities decreased by 37.6% to HK\$44.7 million (2023: HK\$71.6 million), mainly due to the increase in operating costs. Net cash flows used in investing activities was HK\$18.6 million (2023: HK\$9.4 million), mainly due to increase in purchase of items of property, plant and equipment to HK\$11.8 million (2023: HK\$3.1 million). Net cash flows used in financing activities slumped to HK\$36.2 million (2023: HK\$102.8 million), mainly due to the cut in surplus cash from the proceeds of disposal of properties for dividend payments.

## **SECURITY**

As at 31 March 2024, the Group's general banking facilities were secured by its property, plant and equipment, and right-of-use assets in Hong Kong. At the end of the reporting period, these assets had aggregate carrying values of HK\$4.9 million and HK\$12.5 million, respectively (2023: HK\$5.0 million and HK\$12.8 million).

## **CAPITAL COMMITMENT**

The Group had no material capital commitment contracted but not provided for as at 31 March 2024 (2023: Nil).

## **CONTINGENT LIABILITIES**

As at 31 March 2024, the Group had contingent liabilities regarding bank guarantees given in lieu of utility and property rental deposits amounting to HK\$2.9 million (2023: HK\$1.5 million).

## **HUMAN RESOURCES**

As at 31 March 2024, the Group had 165 (2023: 183) employees, including the directors. To attract and retain high-quality staff, the Group provided competitive remuneration packages with performance bonuses, a mandatory provident fund, insurance coverage, and entitlements to share options to be granted under a share option scheme based on employees' performance, experience, and the prevailing market rate. Remuneration packages were reviewed regularly. Regarding staff development, the Group provided regular in-house training to retail staff and subsidised external training programmes for their professional development.

## **FOREIGN EXCHANGE RISK MANAGEMENT**

The Group's sales and purchases during the year have been primarily denominated in Hong Kong dollars and United States dollars. The Group has been exposed to certain foreign currency exchange risks, but it does not anticipate future currency fluctuations causing material operational difficulties or liquidity problems. However, the Group continuously monitors its foreign exchange position and, when necessary, will hedge foreign exchange exposure arising from contractual commitments in sourcing apparel from overseas suppliers.



## PROSPECTS

The Group is cautiously optimistic about the retail market in Hong Kong and Macau for the year ahead. Retail sales, particularly in Hong Kong, are expected to recover more noticeably when global interest rates gradually ease, benefiting equity and real estate market valuations.

In the coming years, we shall drive our in-house brand development with renewed vigour, aiming to strengthen our brand equity, especially in our distinctively and creatively designed leather jackets, handbags, and ripped jeans with good quality that offer exceptional values. We will focus on deepening our understanding of customer preferences, identifying emerging trends, and designing products that drive sustainable growth in the long term and meet customers' preferences. We are offering products with lower price points to cater to consumers' changing spending patterns.

The impact of e-commerce on the apparel retail industry has been significant. Consumers now compare prices, read reviews, and make informed decisions online. They seek convenience, personalised recommendations, and a seamless shopping experience. To remain competitive, our Group aims to balance physical and digital channels. We plan to achieve this by gradually promoting Omni channel retailing, enabling customers to confidently and efficiently shop in-store, online, and through social media platforms. We are also focused on enhancing operational efficiency and cost controls.

## DIVIDEND

The directors do not recommend the payment of a final dividend for the year ended 31 March 2024.

## ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS

The forthcoming annual general meeting of the Company (the "AGM") is scheduled on **Monday, 19 August 2024**. For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from **Wednesday, 14 August 2024** to **Monday, 19 August 2024**, both days inclusive, during which period no transfer of shares will be effected. In order to be eligible to attend and vote at the AGM, all transfers of shares, accompanied by the relevant share certificates, must be lodged with the Company's 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 **Tuesday, 13 August 2024**.

## **CORPORATE GOVERNANCE**

The Company has complied with the code provisions set out in the Corporate Governance Code (the “**CG Code**”) as contained in Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) throughout the year ended 31 March 2024.

## **MODEL CODE OF SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 (the “**Model Code**”) to the Listing Rules as its own code of conduct for dealing in securities of the Company by the Directors. Based on specific enquiry with the Directors, all the Directors confirmed that they have complied with the required standards as set out in the Model Code throughout the year ended 31 March 2024.

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

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company’s listed securities during the year ended 31 March 2024.

## **REVIEW OF FINANCIAL INFORMATION**

An audit committee of the Company (the “**Audit Committee**”) with written terms of reference comprises three independent non-executive directors, namely Mr. Ong Benjamin Peng Liang, Ms. Choi Sze Man, Mandy and Mr. Wong Man Tai. The Audit Committee has reviewed with management and external auditors the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of the consolidated financial statements for the year ended 31 March 2024.

The figures in respect of this preliminary announcement of the Group’s results for the year ended 31 March 2024 have been agreed by the Company’s auditor, Grant Thornton Hong Kong Limited, to the amounts set out in the Group’s audited consolidated financial statements for the year under review. The work performed by Grant Thornton Hong Kong Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Grant Thornton Hong Kong Limited on this announcement.

## **CHANGES IN DIRECTORSHIP AND OTHER CHANGES IN DIRECTORS' INFORMATION**

Pursuant to Rule 13.51B(1) of the Listing Rules, there were no changes in directorship and other changes in the information of the Directors since the publication of the interim report of the Company for the six months ended 30 September 2023 up to the date of this announcement.

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

The results announcement for the year ended 31 March 2024 is published on the website of the Company ([corporate.bauhaus.com.hk](http://corporate.bauhaus.com.hk)) and The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)). The Company's 2023/24 annual report will be despatched to the shareholders of the Company and made available on the above websites in due course.

## **APPRECIATION**

On behalf of the Board, I would like to express my deep gratitude to our shareholders, business partners and customers for their unstinting support. I would also like to extend our sincere appreciation to all the Group's employees for their dedication.

By order of the Board  
**Bauhaus International (Holdings) Limited**  
**Madam Tong She Man, Winnie**  
*Chairlady*

Hong Kong, 25 June 2024

## ***BOARD OF DIRECTORS***

*As at the date of this announcement, the board of directors comprises two executive Directors, namely Madam Tong She Man, Winnie and Mr. Yeung Yat Hang and three independent non-executive Directors, namely Mr. Wong Man Tai, Ms. Choi Sze Man, Mandy, and Mr. Ong Benjamin Peng Liong.*