

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.

Easy Smart Group Holdings Limited

怡俊集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2442)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 30 JUNE 2024

FINANCIAL HIGHLIGHTS

- Revenue of the Group for the year ended 30 June 2024 amounted to approximately HK\$352.9 million (2023: approximately HK\$336.5 million).
- Gross profit margin of the Group for the year ended 30 June 2024 was approximately 18.0% (2023: approximately 23.6%).
- Profit before taxation of the Group for the year ended 30 June 2024 was approximately HK\$43.0 million (2023: approximately HK\$54.6 million).
- Profit of the Group for the year ended 30 June 2024 amounted to approximately HK\$35.8 million (2023: approximately HK\$43.8 million).
- Basic earnings per share amounted to approximately HK cents 8.78 (2023: approximately HK cents 13.67).
- The Board has recommended the payment of a final dividend in cash of HK\$0.172 per ordinary share for the year ended 30 June 2024 (2023: Nil). The final dividend is conditional upon the passing of the relevant resolution at the forthcoming annual general meeting which will be held on Monday, 11 November 2024. The final dividend will be paid on or about Thursday, 5 December 2024 to shareholders whose names appear on the register of members at the close of business on Wednesday, 20 November 2024.

The board (the “**Board**”) of directors (the “**Directors**”) of Easy Smart Group Holdings Limited (the “**Company**”) is pleased to present the audited consolidated financial results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 30 June 2024 (the “**Year**” or “**FY2024**”), together with the comparative figures for the corresponding year ended in 30 June 2023 (the “**Previous Year**” or “**FY2023**”). The information contained in this announcement should be read in conjunction with the prospectus of the Company dated 25 April 2023 (the “**Prospectus**”).

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2024

	<i>Notes</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Revenue	2	352,922	336,503
Costs of services		(289,337)	(257,039)
Gross profit		63,585	79,464
Other income	3	2,360	1,588
Other gain		–	85
Impairment losses, net of reversal		(2,088)	(115)
Administrative expenses		(20,844)	(14,570)
Finance costs	4	(33)	(60)
Listing expenses		–	(11,786)
Profit before taxation	5	42,980	54,606
Income tax expenses	6	(7,154)	(10,762)
Profit and total comprehensive income for the year		35,826	43,844
Earnings per share attributable to equity owners of the Company			
– Basic (HK cents)	8	8.78	13.67
– Diluted (HK cents)	8	8.78	13.66

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2024

	<i>Notes</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Non-current assets			
Property, plant and equipment		3,034	837
Right-of-use assets		2,868	1,124
Rental deposits		174	174
A financial asset at FVTPL		3,179	3,179
Deferred tax assets		34	104
		9,289	5,418
Current assets			
Trade receivables	9	11,205	17,220
Other receivables, deposits and prepayments		16,182	8,842
Contract assets		123,051	121,556
Amount due from ultimate holding company		122	100
Pledged bank deposit		1,034	1,025
Bank balances and cash		158,011	128,549
		309,605	277,292
Current liabilities			
Trade and other payables	10	13,083	12,245
Contract liabilities		387	751
Income tax payable		9,842	11,688
Lease liabilities		1,475	1,143
		24,787	25,827
Net current assets		284,818	251,465
Total assets less current liabilities		294,107	256,883

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Non-current liability		
Lease liabilities	<u>1,398</u>	<u>–</u>
	<u>1,398</u>	<u>–</u>
Net assets	<u><u>292,709</u></u>	<u><u>256,883</u></u>
Capital and reserves		
Share capital	4,080	4,080
Reserves	<u>288,629</u>	<u>252,803</u>
Total equity	<u><u>292,709</u></u>	<u><u>256,883</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

1. GENERAL INFORMATION

Easy Smart Group Holdings Limited (the “**Company**”) is incorporated in the Cayman Islands and its shares are listed on Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 9 May 2023. The addresses of the registered office and the principal place of business of the Company are 71 Fort Street, PO Box 500, George Town, Grand Cayman, KY1-1106, Cayman Islands and Unit A, 10/F, Ming Tak Centre, 135-137 Tung Chau Street, Kowloon, Hong Kong, respectively.

The directors of the Company consider Lofty Profit Investments Limited (“**Lofty Profit**”), a company incorporated in the British Virgin Islands (the “**BVI**”), as the immediate holding company and ultimate holding company of the Company and its subsidiaries (the “**Group**”) and Mr. Ng Wing Woon Dave as the ultimate controlling shareholder of the Company.

The Company is an investment holding company and the principal activities of the operating subsidiaries are provision of passive fire protection works and provision of passive fire protection information services in Hong Kong.

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

2. REVENUE AND SEGMENT INFORMATION

The Group has two principal activities: provision of passive fire protection works and provision of passive fire protection information services. Revenue represents the fair value of amounts received and receivable from provision of (i) passive fire protection works and (ii) passive fire protection information services.

(i) Disaggregation of revenue from contracts with customers

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Type of service		
Passive fire protection works	352,712	336,164
Passive fire protection information services	210	339
	<u>352,922</u>	<u>336,503</u>
Type of project		
Private sector projects	54,716	194,059
Public sector projects	298,206	142,444
	<u>352,922</u>	<u>336,503</u>

2. REVENUE AND SEGMENT INFORMATION – continued

(ii) Segment information

Information is reported to the chairman and chief executive director of the Company, who is also the chief operating decision maker (“CODM”) of the Group, for the purposes of resource allocation and performance assessment. The CODM reviews the overall results and financial performance of the Group as a whole. No analysis of the Group’s assets or liabilities and no other discrete financial information is regularly provided to the CODM. Accordingly, only entity-wide disclosures on revenue, major customers and geographical information are presented in accordance with HKFRS 8 “Operating Segments”.

(iii) Geographical information

The Group principally operates in Hong Kong, which is also its place of domicile. The Group’s revenue is generated in and non-current assets are all located in Hong Kong.

3. OTHER INCOME

	2024 <i>HK\$’000</i>	2023 <i>HK\$’000</i>
Interest income	2,278	886
Government subsidies	–	701
Sundry income	82	1
	<u>2,360</u>	<u>1,588</u>

4. FINANCE COSTS

	2024 <i>HK\$’000</i>	2023 <i>HK\$’000</i>
Interest on lease liabilities	<u>33</u>	<u>60</u>

5. PROFIT BEFORE TAXATION

	2024 <i>HK\$’000</i>	2023 <i>HK\$’000</i>
Profit before taxation has been arrived at after charging:		
Directors’ remuneration	2,556	1,252
Other staff costs		
– Salaries and other benefits	18,395	18,101
– Contributions to Mandatory Provident Fund (“MPF”)	791	733
Total staff costs	<u>21,742</u>	<u>20,086</u>
Depreciation of property, plant and equipment	1,114	472
Depreciation of right-of-use assets	<u>1,272</u>	<u>1,287</u>

6. INCOME TAX EXPENSES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Income tax expenses comprises:		
Hong Kong Profits Tax		
– Current tax	7,084	10,870
– Over-provision in prior year	–	(62)
	<u>7,084</u>	<u>10,808</u>
Deferred tax	70	(46)
	<u><u>7,154</u></u>	<u><u>10,762</u></u>

Under the two-tiered profits tax rates regime of Hong Kong Profit Tax, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Accordingly, for the years ended 30 June 2024 and 2023, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million.

7. DIVIDENDS

Subsequent to the end of the reporting period, a final dividend of HK\$0.172 per ordinary share in respect of the year ended 30 June 2024, in aggregate amount of HK\$70,000,000, has been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming annual general meeting.

No dividend was paid or declared by the Company for the year ended 30 June 2023.

8. EARNINGS PER SHARE

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

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Profit attributable to owners of the Company	<u><u>35,826</u></u>	<u><u>43,844</u></u>

8. EARNINGS PER SHARE – continued

Number of shares

	2024	2023
Weighted average number of ordinary shares in issue	408,000,000	320,810,959
Effect of dilutive potential ordinary shares:		
Over-allotment option in relation to public offering	<u>–</u>	<u>128,402</u>
Weighted average number of ordinary shares for the purpose of diluted earnings per share	<u>408,000,000</u>	<u>320,939,361</u>

The calculation of the basic earnings per share for the year is based on the profit attributable to owners of the Company and the weighted average number of 408,000,000 (2023: 320,810,959) ordinary shares in issue during the years ended 30 June 2024 and 2023.

Diluted earnings per share for the year ended 30 June 2024 is the same as basic earnings per share as there were no dilutive potential ordinary shares outstanding during the year ended 30 June 2024.

Diluted earnings per share for the year ended 30 June 2023 is calculated by adjusting the weighted average number of ordinary shares outstanding for the over-allotment option in relation to the public offering, which lapsed on 28 May 2023.

9. TRADE RECEIVABLES

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Trade receivables	12,963	17,903
Less: Allowance for credit losses	<u>(1,758)</u>	<u>(683)</u>
	<u>11,205</u>	<u>17,220</u>

The Group grants credit terms to customers for a period ranging from 14 - 60 days from the invoice date for trade receivables. The following is an aged analysis of trade receivables, net of allowance for doubtful debts, presented based on the invoice date at the end of the reporting period:

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Within 30 days	763	15,893
31 days to 60 days	679	–
61 days to 90 days	3,474	–
Over 90 days	<u>6,289</u>	<u>1,327</u>
	<u>11,205</u>	<u>17,220</u>

10. TRADE AND OTHER PAYABLES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade payables	9,305	8,366
Payroll and MPF payables	2,285	1,818
Accrued expenses	1,397	1,964
Others	96	97
	<u>13,083</u>	<u>12,245</u>

The credit period on purchases from suppliers is generally ranging from 30-60 days or payable upon delivery.

The following is an aging analysis of trade payables presented based on the invoice date at the end of the reporting period:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Within 30 days	9,305	7,267
31 days to 60 days	–	1,099
	<u>9,305</u>	<u>8,366</u>

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review and Outlook

We are a subcontractor specialising in passive fire protection works in Hong Kong. With over 20 years of experience in the passive fire protection works industry, the Group focuses on the provision of passive fire protection and ancillary works. Our passive fire protection works generally involve the design, selection, procurement and installation of appropriate materials and components in a building to reduce or prevent the spread and effects of fire, heat or smoke without requiring detection or activation upon detection. Examples of passive fire protection materials and components include fire rated boards, fire resistant paints and fire resistant plasters. Given the application of passive fire protection works may involve ancillary works, such as, metal works for supporting frame and fixings of the relevant passive fire protection materials and components, we will generally perform such works as part of the Group's services. The Group provides passive fire protection works and ancillary work through the Group's principal operating subsidiaries, namely, Easy Smart Engineering Limited and Easy Smart Maintenance Engineering Limited.

The Group also provides passive fire protection information services which are primary intended to address to the problem of the purchase and use of inappropriate passive fire protection materials during the initial stages of projects.

There has been no significant change in the business operations of the Group during the Year.

The total original contract sum of the Group's outstanding contracts on hand as at 30 June 2024 amounted to approximately HK\$670.7 millions (FY2023: HK\$637.5 millions).

The economic outlook of the Hong Kong construction industry generally became uncertain during the Year. The Group noted fewer projects being launched, and customers became more price-conscious, with price competition from competitors has increased. During the Year, the Group was fortunate to have accumulated a relatively diverse customer base and project portfolio in public sector projects. The Group expects the government-initiated projects remain the driving force for the Hong Kong construction industry for the coming few years, as the number of projects launched by the private sector has been notably slowing down in recent months. Meanwhile, the Group is also facing with fluctuations in the sub-contractor fees, costs of construction materials and transportation. Overall, with the Group's extensive experience in the industry, familiarity with specifications, use of wide range of passive fire protection materials, long-standing relationships with material suppliers, strong customer relationships, and experienced senior management team, the Directors maintains a cautiously optimistic outlook for its business in the medium to long term.

Financial Review

Revenue

Revenue of the Group increased from approximately HK\$336.5 million for the Previous Year to approximately HK\$352.9 million for the Year, representing an increase of approximately 4.9% from the Previous Year.

The increase was mainly driven by the revenue contributed by certain sizeable public sector projects, a public infrastructure and facilities project involving a passenger terminal at an airport in Hong Kong and a public infrastructure and facilities project involving a sports park at Kai Tak, which led to an increase in the revenue derived from public sector projects for the Year.

On the other hand, the revenue in the private sectors dropped from approximately HK\$193.7 million for the Previous Year to approximately HK\$54.5 million for the Year, representing a decrease by 71.9%. Such decline was mainly due to the completion of a number of major private commercial projects in the Previous Year, such as a logistics centre and a commercial complex at an airport in Hong Kong.

The following table sets out a breakdown of the Group's projects and revenue for passive fire protection works (excluding passive fire protection information services) by project sectors and types of properties involved during the years indicated:

	Year ended 30 June					
	2024			2023		
No. of projects (Note 1)	Revenue HK\$'000	% of total revenue %	No. of projects (Note 1)	Revenue HK\$'000	% of total revenue %	
Public						
– Public infrastructure and facility	36	277,563	78.6%	35	129,290	38.5%
– Residential	21	20,643	5.9%	12	13,154	3.9%
Sub-total	57	298,206	84.5%	47	142,444	42.4%
Private						
– Commercial and industrial	33	25,437	7.2%	17	164,179	48.8%
– Residential	19	16,857	4.8%	5	15,213	4.5%
– Public infrastructure and facility (Note 2)	4	12,212	3.5%	25	14,328	4.3%
Sub-total	56	54,506	15.5%	47	193,720	57.6%
Total	113	352,712	100.0%	94	336,164	100.0%

Notes:

- (1) We normally group different contracts as a single project if the location of the construction sites are the same, or they form a single building or complex, even if the contracts are awarded by different customers. However, in exceptional cases when the scale and size of the structure is exceptionally large, the works are for different parts of the structure and the construction period spans across a long period, we will treat contracts in a single building or complex as being separate projects.
- (2) Revenue derived from these private sector public infrastructure and facilities projects mainly related to two projects involving a power station where the project owner is a subsidiary of a fixed single investment trust listed on the Stock Exchange with a focus on the power industry.

Costs of services

The Group's costs of services increased from approximately HK\$257.0 million for the Previous Year to approximately HK\$289.3 million for the Year, representing an increase of approximately 12.6% from the Previous Year. Such increase in costs of services was generally in line with the increase in the revenue.

Gross Profit and Gross Profit Margin

The Group's gross profit amounted to approximately HK\$79.5 million and approximately HK\$63.6 million for the Previous Year and the Year respectively, representing a decrease of approximately 20.0% for the Year. The decrease in gross profit was primarily due to the increase in cost of services for the Year.

The gross profit margin decreased from approximately 23.6% for the Previous Year to approximately 18.0% for the Year. The decrease in the gross profit margin was mainly due to the increment of sub-contractor fees, costs of construction materials and transportation for the Year.

Other Income

Other income of the Group increased from approximately HK\$1.6 million for the Previous Year to approximately HK\$2.4 million for the Year, representing an increase of approximately 50.0%. Such increase was mainly due to the increase in the interest income for the Year.

Administrative Expenses

Administrative expenses increased from approximately HK\$14.6 million for the Previous Year to approximately HK\$20.8 million for the Year, representing an increase of approximately 42.5%. Such increase was mainly due to the increase in staff costs and professional expenses for the Year.

Impairment losses, net of reversal

Our impairment losses, net of reversal represent net impairment losses recognised or reversed in respect of trade receivables and contract assets. Our impairment losses increased from approximately HK\$0.1 million for the Previous Year to approximately HK\$2.1 million for the Year, mainly because our trade receivables generally aged longer as at 30 June 2024 as compared with 30 June 2023.

Profit before taxation

The Group's profit before taxation decreased approximately 21.2% from approximately HK\$54.6 million for the Previous Year to approximately HK\$43.0 million for the Year, which was mainly attributable to the net effect of (i) the increase in costs of services and administrative expenses as discussed above; and (ii) the Listing expenses of approximately HK\$11.8 million were recognised for the Previous Year whereas no Listing expenses was required to be recognised for the Year.

Income Tax Expense

Because of the decrease in profit before taxation as discussed above the Group's income tax expense decreased from approximately HK\$10.8 million for the Previous Year to approximately HK\$7.2 million for the Year.

Profit and Total Comprehensive Income for the year

The profit and total comprehensive income of the Group for the year decreased from approximately HK\$43.8 million for the Previous Year to approximately HK\$35.8 million for the Year, representing a decrease of approximately 18.3% which was mainly due to the decrease in profit before taxation as discussed above.

Key Financial Ratio

	<i>Notes</i>	As at 30 June 2024	As at 30 June 2023
Current ratio	<i>1</i>	12.5 times	10.7 times
Return on total assets	<i>2</i>	11.2%	15.5%
Return on equity	<i>3</i>	12.2%	17.1%
Net profit margin	<i>4</i>	10.2%	13.0%

Notes:

1. Current ratio is calculated as current assets divided by current liabilities as at the respective reporting dates.
2. Return on total assets is calculated as profit for the year divided by the total assets as of the respective reporting dates.

3. Return on equity is calculated as profit and total comprehensive income for the year divided by the total equity attributable to owners of the Company as of the respective reporting dates.
4. Net profit margin is calculated as profit and total comprehensive income divided by the revenue for the respective reporting years.

Current Ratio

Current ratio was increased from approximately 10.7 times as at 30 June 2023 to approximately 12.5 times as at 30 June 2024. The increase was mainly due to the increment in cash at bank balance.

Return on Total Assets

Return on total assets decreased from approximately 15.5% for the Previous Year to approximately 11.2% for the Year. The decrease was mainly due to lower profit for the Year and increment in cash at bank balances.

Return on Equity

Return on equity decreased from approximately 17.1% for the Previous Year to approximately 12.2% for the Year. The decrease was mainly due to lower profit for the Year and the increment of reserves.

Net Profit Margin

The Group's net profit margin decreased from approximately 13.0% for the Previous Year to approximately 10.2% for the Year. The decrease was primarily due to the decrease in the gross profit margin and increase in costs of services and administrative expenses of our Group as discussed above. If the other income and the Listing expenses are excluded, the Group would have an adjusted net profit margin of approximately 16.1% for the Previous Year and approximately 9.5% for the Year.

Liquidity, Financial Resources and Capital Structure

As at 30 June 2024, the Company's issued capital was HK\$4,080,000 and the number of its issued ordinary shares was 408,000,000 shares of HK\$0.01 each.

As at 30 June 2024, the Group had total bank balances and cash as well as pledged bank deposits of approximately HK\$158.0 million and approximately HK\$1.03 million respectively (30 June 2023: approximately HK\$128.5 million and HK\$1.03 million respectively).

The Group generally meets its working capital requirements mainly through the listing of the Company's Shares in the Previous Year and cash flows generated from its operations. The Shares of the Company were listed on the Main Board of the Stock Exchange on the Listing date with 102,000,000 Shares had been offered for subscription, at an offer price of HK\$1.28 per Share (the "Listing") on 9 May 2023 (the "Listing Date"). The proceeds received from the share offer have strengthened the Group's cash flow and the Group will implement its future plans as set out in the section headed "Future Plans and Use of Proceeds" to the Prospectus. During the Year, the Group generated net cash inflow from operating activities of approximately HK\$31.8 million. There has been no change in capital structure of the Company during the Year.

Foreign Exchange Exposures

As the Group only operates in Hong Kong and all of the revenue and transactions arising from its operations were settled in Hong Kong dollar, the Directors are of the view that the Group's foreign exchange rate risks are insignificant. Thus, the Group has not entered into any derivative contracts to hedge against the foreign exchange exposure for the Year as well as for the Previous Year.

Capital Commitments and Contingent Liabilities

As at 30 June 2023 and 2024, the Group had no material capital commitments and contingent liabilities.

Significant Investment, Materials Acquisition or Disposals of Subsidiaries and Associated Companies

During the Year, the Group did not have any significant investment held any material acquisitions or disposals of subsidiaries and associated companies.

Future Plans for Material Investment or Acquisition of Capital Assets

Save as disclosed under the section headed "Future Plans and Use of Proceeds" in the Prospectus, there was no plans for material investments or acquisition of capital assets as at 30 June 2024.

Comparison of Business Objectives with Actual Business Progress and Use of Proceeds

The net proceeds from the Listing amounted to approximately HK\$89.1 million, which are being applied by the Group in accordance with the disclosure as set out in the section headed "Future Plans and Use of Proceeds" of the Prospectus.

The details of the use of the net proceeds from the Listing Date to up to 30 June 2024 are listed as below:

	Intended use of proceeds <i>HK\$'million</i>	Amount utilised during the year ended 30 June 2024 <i>HK\$'million</i>	Net proceeds utilised from the Listing Date up to 30 June 2024 <i>HK\$'million</i>	Unutilised amounts as at 30 June 2024 <i>HK\$'million</i>	Expected timeline for full utilisation of the unutilised amount (Note 1)
Project upfront costs	64.9	53.4	64.9	–	N/A
Expanding our workforce	8.7	1.6	1.7	7.0	March 2025
Upgrading the information technology system	6.6	1.8	2.9	3.7	December 2024 (Note 2)
General working capital	8.9	–	8.9	–	N/A
	<u>89.1</u>	<u>56.8</u>	<u>78.4</u>	<u>10.7</u>	

Notes:

1. The expected timeline for utilising the Unutilised Amount is based on the best estimation of the future market condition made by the Group. It is subject to change based on the current and future development of the market condition.
2. The use of proceeds for upgrading the information technology system is expected to be behind the original schedule of July 2023, which is mainly because of a delay in the progress of completion and the time required for ordering and delivering the computer hardware components.

As at the date of this announcement, the unutilised proceeds were placed in interest-bearing deposits with authorised financial institutions or licensed banks in Hong Kong. The Directors regularly evaluate the Group's business objectives and may change or modify plans against the changing market condition to ascertain the business growth of the Group. Up to the date of this announcement, the Directors considered that no modification of the use of proceeds described in the Prospectus was required.

Employees and Remuneration Policy

As at 30 June 2024, we employed a total of 57 full-time employees (including two executive Directors but excluding three independent non-executive Directors), as compared to a total of 58 full-time employees as at 30 June 2023. The remuneration packages that the Group offers to employees includes salary, discretionary bonuses, staff benefits, contributions and retirement schemes as well as other cash subsidies. In general, the Group determines employee's salaries based on each employee's qualifications, position and seniority. The Group has designed an annual review system to assess the performance of its employees, which forms the basis of its decisions with respect to salary raises, bonuses and promotions. The total staff cost incurred by the Group for the Year was approximately HK\$21.7 million compared to approximately HK\$20.1 million for the Previous Year.

FINAL DIVIDEND

The Board has recommended the payment of a final dividend of HK\$0.172 per ordinary share of the Company issued for the Year (Previous Year: Nil). The proposed final dividend payment is subject to approval by the shareholders of the Company at the forthcoming annual general meeting to be held in Hong Kong on Monday, 11 November 2024 (the "AGM") and is payable on Hong Kong Dollars. Such dividend will not be subject to any withholding tax. Upon shareholders' approval, the proposed final dividend payment is expected to be paid on or before Thursday, 5 December 2024 to ordinary shareholders whose names shall appear on the register of members of the Company on Wednesday, 20 November 2024. The Company did not declare interim dividend for the six months ended 31 December 2023.

ANNUAL GENERAL MEETING

The AGM of the Company will be held in Hong Kong on Monday, 11 November 2024. The notice of the annual general meeting will be published in the Company's website and despatched to the shareholders of the Company in the manner as required by the Listing Rules in due course.

CLOSURE OF REGISTER OF MEMBERS

To ascertain the identity of the Shareholders who will be entitled to attend and vote at the AGM, the register of members of the Company will be closed from Wednesday, 6 November 2024 to Monday, 11 November 2024, both days inclusive, during which period no transfer of shares will be registered. In order to establish entitlements of attending and voting at the AGM of the Company to be held on Monday, 11 November 2024, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Boardroom Share Registrars (HK) Limited, at 2103B, 21st Floor, 148 Electric Road, North Point, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 5 November 2024.

Subject to the approval of the shareholders at the AGM approving the payment of the final dividend, to ascertain the entitlement of the final dividend of the shareholders, the register of members will be closed from Monday, 18 November 2024 to Wednesday, 20 November 2024, the period during which no transfer of shares will be effected. In order to qualify for receiving the final dividend, all completed share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch register in Hong Kong, Boardroom Share Registrars (HK) Limited at the above address not later than 4:30 p.m. on Friday, 15 November 2024.

DIRECTORS' AND CHIEF EXECUTIVE'S INTEREST IN SECURITIES

As at 30 June 2024, the interest and short positions of the Directors and chief executive of the Company in the Shares, underlying shares and debentures of the Company or any of the associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong (the "SFO")) which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interest or short positions which they are taken or deemed to have under such provisions of the SFO) or which, pursuant to section 352 of the SFO, have been entered in the register referred to therein, or have been, pursuant to the Model Code for Securities Transactions by Directors of Listed issuers (the "Model Code") as set out in Appendix C3 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), notified to the Company and the Stock Exchange were as follow:

(i) Long position in the Shares

Name of Director	Capacity/Nature of Interest	Number of Shares held/ interested	Percentage of shareholding
Mr. Ng Wing Woon Dave (Note)	Interest in controlled corporation	306,000,000	75%

Note: The 306,000,000 Shares are held by Lofty Profit Investments Limited. Mr. Ng Wing Woon Dave ("Mr. Dave Ng") beneficially owns the entire issued share capital of Lofty Profit Investments Limited, which in turn beneficially owns 75% shareholding in the Company. Therefore, Mr. Dave Ng is deemed to be interested in the same number of Shares in which Lofty Profit Investments Limited is interested in for the purpose of the SFO. Mr. Dave Ng is the chairman, the chief executive officer, an executive Director and the chairman of the Nomination Committee of the Company. Mr. Dave Ng is also the director of Lofty Profit Investments Limited.

(ii) Long position in the ordinary shares of associated corporation

Name of Director	Name of associated corporation	Capacity/ Nature	Number of Shares held/ interested	Percentage of shareholding
Mr. Ng Wing Woon Dave	Lofty Profit Investments Limited	Beneficial owner	100	100%

Substantial shareholders' interests and short positions in Shares and underlying Shares

As at 30 June 2024, so far as is known to the Directors, the following persons (not being a Director or chief executive of the Company) had interest or short position in Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provision of Division 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to the Section 336 of the SFO, or which would be directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other members of the Group.

Name of Shareholder	Capacity/Nature of Interest	Number of Shares held/ interested	Percentage of shareholding
Ms. Wong Kwai Ying (<i>Note</i>)	Interest of a spouse	306,000,000	75%
Lofty Profit Investments Limited	Beneficial owner	306,000,000	75%

Note: Ms. Wong Kwai Ying is the spouse of Mr. Dave Ng. Accordingly, Ms. Wong Kwai Ying is deemed, or taken to be interested in all 306,000,000 Shares in which Mr. Dave Ng has, or is deemed to have, an interest for the purpose of the SFO.

Save as disclosed above, as at 30 June 2024, the Directors were not aware of any person or corporation (other than the Directors and the chief executives) who had any interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 or Part XV of the SFO, or pursuant to section 336 of the SFO, which would have to be recorded in the register referred to therein.

CORPORATE GOVERNANCE CODE/OTHER INFORMATION

Compliance with the Corporate Governance Code

The Company has adopted the principles and all relevant code provisions as set out under the Corporate Governance Code (the “**CG code**”) contained in Appendix C1 to the Listing Rules.

Code Provision C.2.1 stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Dave Ng is both the Chairman and the Chief Executive Officer. In view that Mr. Dave Ng being the founder of the Group and has been operating and managing the business as well as overall financial and strategic planning of the Group since founding of the Group, the Board believes that the vesting of the roles of Chairman and Chief Executive Officer in Mr. Dave Ng is beneficial to the business operations and management of the Group and will provide a strong and consistent leadership to the Group. In addition, due to the presence of three independent non-executive Directors which represents over half of the Board, the Board considers that there is a balance of power and authority such that no one individual has unfettered power of decision. Accordingly, the Company has not segregated the role of Mr. Dave Ng as the Chairman and the Chief Executive Officer as required by Code Provision C.2.1 of Appendix C1 to the Listing Rules.

Save for the above, to the best of the knowledge of the Board, the Company has complied with the CG code for the Year. The Directors will periodically review on the Company’s corporate governance policies and will propose any amendment, if necessary, to ensure compliance with the code provisions from time to time.

Compliance with the Model Code for Securities Transactions by Directors

The Company has adopted the Model Code as a code of conduct of the Company regarding Directors’ securities transactions. Having made specific enquiries of the Directors, all the Directors have confirmed that they have complied with the requirements of the Model Code for the Year.

Share Option Scheme

Pursuant to the written resolutions of the sole shareholder of the Company on 12 April 2023, the Company adopted a share option scheme (the “**Share Option Scheme**”) with effect from 12 April 2023. The terms of the Share Option Scheme are in accordance with the provisions of Chapter 17 of the Listing Rules and are summarized in the Prospectus. The main purpose of the Share Option Scheme is to motivate employees to optimize their performance efficiency for the benefit of the Company, to attract and retain best available personnel, to provide additional incentive to eligible participants including employees (full time or part time), directors, consultants, advisers, distributors, contractors, suppliers, agents, or service providers of the Group and to promote success of the business of the Group.

No share options had been granted under the Share Option Scheme since the adoption of the Scheme. During the period between the adoption date of the Share Option Scheme and the date of this announcement, no share option has been granted, exercised, cancelled or lapsed. As at the date of this announcement, the total number of shares available for issue under the Share Option Scheme was 40,800,000, representing 10% of the entire issued share capital of the Company.

Competing Interests

The Directors confirm that neither the controlling shareholders of the Company nor their respective close associates (as defined in the Listing Rules) is interested in a business apart from the Group's business which competes or is likely to compete, directly or indirectly, with the Group's business for the Year, and is required to be disclosed pursuant to Rule 8.10 of the Listing Rules.

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

No purchase, sale or redemption of the Company's listed securities was made by the Company or any of its subsidiaries during the Year.

Events After the Year Ended 30 June 2024

There is no material event undertaken by the Group after 30 June 2024 and up to the date of this announcement.

Sufficiency of Public Float

Based on the information that was publicly available and with the knowledge of the Directors as at the date of this announcement, the Company has maintained the prescribed minimum public float for its shares as required under the Listing Rules as at 30 June 2024.

Audit Committee

The audit committee consists of three independent non-executive Directors, namely, Prof. Pong Kam Keung, Ms. Cheng Shing Yan and Mr. Lo Chi Wang. Mr. Lo Chi Wang currently serves as the Chairman of the audit committee.

The audit committee had reviewed, together with the management and the Company's auditors, SHINEWING (HK) CPA Limited, the accounting principles and policies adopted by the Group and the audited consolidated financial statements for the Year.

The Group's audited consolidated financial statements for the Year have been reviewed and approved by the audit committee. The audit committee was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements as well as the Listing Rules and that adequate disclosures have been made.

Scope of work of SHINEWING (HK) CPA Limited

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the Year as set out in this announcement have been agreed by the Group's auditors, SHINEWING (HK) CPA Limited, to the amounts set out in the audited consolidated financial statements of the Group for the Year as approved by the Board of Directors on 20 September 2024. The work performed by SHINEWING (HK) CPA Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by SHINEWING (HK) CPA Limited on this announcement.

Publication of Final Results and Annual Report

This results announcement is published on the Company's website at www.easysmart.com.hk and the website of the Stock Exchange at www.hkexnews.hk. The 2024 annual report of the Company for the Year will be despatched to shareholders of the Company and available on the same websites in due course.

Appreciation

The Board would like to take this opportunity to express its sincere gratitude to the management team and staff for their hard work and contributions, and to our shareholders, investors and business partners for their trust and support.

By Order of the Board
Easy Smart Group Holdings Limited
Ng Wing Woon Dave
Chairman of the Board and Executive Director

Hong Kong, 20 September 2024

As at the date of this announcement, the Board comprises Mr. Ng Wing Woon Dave and Mr. Ng Wing Shing as executive Directors; and Prof. Pong Kam Keung, Ms. Cheng Shing Yan and Mr. Lo Chi Wang as independent non-executive Directors.