

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.



FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2023

HIGHLIGHTS FOR THE YEAR ENDED 31 DECEMBER 2023

- Revenue increased 15.3% to approximately HK\$2,067.3 million (for the year ended 31 December 2022: approximately HK\$1,793.0 million).
- Gross profit increased 18.1% to approximately HK\$501.7 million (for the year ended 31 December 2022: approximately HK\$424.8 million).
- Gross profit margin increased 0.6 percentage points to 24.3% (for the year ended 31 December 2022: 23.7%).
- Operating profit was approximately HK\$144.1 million (for the year ended 31 December 2022: approximately HK\$91.8 million).
- Profit attributable to owners of the Company was approximately HK\$104.2 million (for the year ended 31 December 2022: approximately HK\$75.5 million).
- A proposed final dividend in respect of the year ended 31 December 2023 of HK5.0 cents per share of the Company (the “Share”) was recommended, together with the interim dividend of HK2.0 cents per Share for the six months ended 30 June 2023 was declared, representing a total dividend of HK7.0 cents per Share (for the year ended 31 December 2022: HK4.0 cents per Share) and the annual dividend payout ratio of 48.6% (for the year ended 31 December 2022: 38.5%).

* For identification purpose only

The board of directors (the “Board”) of Ming Fai International Holdings Limited (the “Company”) hereby announces the audited consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2023 as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	For the year ended 31 December	
		2023 HK\$'000	2022 HK\$'000
Revenue	3	2,067,273	1,793,025
Cost of sales	4	(1,565,529)	(1,368,212)
Gross profit		501,744	424,813
Other income	5	10,958	12,758
Distribution costs	4	(233,642)	(216,575)
Administrative expenses	4	(136,512)	(113,816)
Net reversal of impairment losses/(impairment losses) on financial assets	4	1,515	(15,347)
Operating profit		144,063	91,833
Finance income		5,916	593
Finance costs		(6,250)	(4,718)
Share of profit of an associated company		253	511
Share of profit/(loss) of joint ventures		92	(207)
Net fair value change on investment properties		–	1,974
Profit before income tax		144,074	89,986
Income tax expenses	6	(48,443)	(20,144)
Profit for the year		95,631	69,842
Other comprehensive (loss)/income			
<i>Item that may be subsequently reclassified to profit or loss</i>			
Currency translation differences		(9,434)	(23,424)
<i>Item that will not be subsequently reclassified to profit or loss</i>			
Revaluation gain upon transfer from property, plant and equipment to investment properties		11,730	–
Total comprehensive income for the year		97,927	46,418
Profit/(loss) for the year attributable to:			
Owners of the Company		104,181	75,511
Non-controlling interests		(8,550)	(5,669)
		95,631	69,842
Total comprehensive income/(loss) for the year attributable to:			
Owners of the Company		105,809	49,914
Non-controlling interests		(7,882)	(3,496)
		97,927	46,418
Earnings per share attributable to owners of the Company (expressed in HK cents)			
Basic	14(a)	14.4	10.4
Diluted	14(b)	14.4	10.4

CONSOLIDATED BALANCE SHEET

		As at 31 December	
		2023	2022
	Note	HK\$'000	HK\$'000
ASSETS			
Non-current assets			
Goodwill		5,397	5,398
Property, plant and equipment		393,537	405,964
Right-of-use assets		96,759	101,155
Investment properties		45,188	16,638
Intangible assets		323	483
Deferred income tax assets		3,059	3,205
Other non-current assets		8,475	6,684
Investment in an associated company		5,363	5,463
Investments in joint ventures		208	116
Other financial assets at amortised cost		3	25
		<u>558,312</u>	<u>545,131</u>
Total non-current assets		558,312	545,131
Current assets			
Inventories		329,086	260,176
Other current assets		66,426	50,405
Tax recoverable		677	370
Other financial assets at amortised cost		9,320	14,101
Amounts due from joint ventures		763	522
Amount due from an associated company	8	3,822	2,848
Trade and bills receivables	7	609,771	558,835
Pledged bank deposit	9	11,958	11,717
Cash and cash equivalents	10	375,093	305,356
		<u>1,406,916</u>	<u>1,204,330</u>
Total current assets		1,406,916	1,204,330
		<u>1,965,228</u>	<u>1,749,461</u>
Total assets		1,965,228	1,749,461
EQUITY			
Equity attributable to owners of the Company			
Share capital	13	7,343	7,343
Reserves		1,206,694	1,151,762
Final dividend proposed	15	36,713	22,028
		<u>1,250,750</u>	<u>1,181,133</u>
Non-controlling interests		(57,534)	(49,652)
		<u>1,193,216</u>	<u>1,131,481</u>
Total equity		1,193,216	1,131,481

		As at 31 December	
		2023	2022
	<i>Note</i>	HK\$'000	HK\$'000
LIABILITIES			
Non-current liabilities			
Deferred income tax liabilities		9,593	5,602
Other non-current payables		9,023	9,967
Borrowings	<i>12</i>	2,164	2,206
Lease liabilities		2,636	3,834
		<hr/>	<hr/>
Total non-current liabilities		23,416	21,609
		<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
Current liabilities			
Trade payables	<i>11</i>	282,462	168,318
Accruals and other payables		366,932	277,273
Current income tax liabilities		29,007	19,390
Borrowings	<i>12</i>	47,081	108,547
Lease liabilities		5,680	5,166
Loans from non-controlling interests		17,211	17,486
Dividends payable		223	191
		<hr/>	<hr/>
Total current liabilities		748,596	596,371
		<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
Total liabilities		772,012	617,980
		<hr style="border-top: 3px double black;"/>	<hr style="border-top: 3px double black;"/>
Total equity and liabilities		1,965,228	1,749,461
		<hr style="border-top: 3px double black;"/>	<hr style="border-top: 3px double black;"/>

NOTES:

1 BASIS OF PREPARATION

The consolidated financial statements of the Group have been prepared in accordance to Hong Kong Financial Reporting Standards (“HKFRSs”) as issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the disclosure requirements of the Hong Kong Companies Ordinance Cap. 622.

HKFRSs comprise the following authoritative literature:

- Hong Kong Financial Reporting Standards
- Hong Kong Accounting Standards
- Interpretations developed by the Hong Kong Institute of Certified Public Accountants

The consolidated financial statements have been prepared on a historical cost basis, except for the investment properties, which were measured at fair value.

This consolidated financial information is presented in thousands of units of Hong Kong dollars (“HK\$’000”), unless otherwise stated.

2 ACCOUNTING POLICIES

(a) New and amended standards adopted by the Group

The Group has applied the following new and amended standards at its annual reporting period commencing 1 January 2023:

- HKFRS 17 Insurance Contracts
- Definition of Accounting Estimates – amendments to HKAS 8
- International Tax Reform – Pillar Two Model Rules – amendments to HKAS 12
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – amendments to HKAS 12
- Disclosure of Accounting Policies – Amendments to HKAS 1 and HKFRS Practice Statement 2

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

(b) New standards and interpretations not yet adopted

Certain amendments to accounting standards and interpretation have been published that are not mandatory for 31 December 2023 reporting periods and have not been early adopted by the Group. These amendments are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

(c) Changes in accounting policy

Change in accounting policy on offsetting arrangement in long service payment scheme in Hong Kong

In June 2022, the Hong Kong Government enacted the Employment and Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) Ordinance 2022 (the “Amendment Ordinance”) which will be effective from 1 May 2025 (the “Transition Date”). Under the Amendment Ordinance, any accrued benefits attributable to the employer’s mandatory contributions under mandatory provident fund scheme (“MPF Benefits”) of an entity would no longer be eligible to offset against its obligations on long service payment (“LSP”) for the portion of the LSP accrued on or after the Transition Date. There is also a change in the calculation basis of last monthly wages for the portion of the LSP accrued before the Transition Date.

Prior to 1 January 2023, the Group applied practical expedient in HKAS 19 paragraph 93(b) (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”) which provides clarified and detailed guidance on the accounting considerations relating to the abolition of the offsetting mechanism. The Guidance clarified that following the enactment of the Amendment Ordinance, LSP is no longer a ‘simple type of contributory plans’ to which the practical expedient had been intended to apply.

By following the Guidance, the Group has therefore changed its accounting policy and ceased to apply the practical expedient and reattribute the deemed employee contributions on a straight-line basis from the date when services by employees first lead to their benefits in terms of the LSP legislation in accordance with HKAS 19 paragraph 93(a).

The abovementioned change in accounting policy does not have any impact to the consolidated financial statements as at 31 December 2023 and 2022.

3 SEGMENT INFORMATION

The chief operating decision-maker has been identified as the Board. The Board reviews the Group's internal reports in order to assess performance and allocate resources. The Board has determined the operating segments based on these reports.

The Group is principally engaged in manufacturing and trading of hospitality supplies products ("Hospitality Supplies Business"), trading of operating supplies and equipment ("OS&E Business"), and manufacturing and trading of health care and hygienic products ("Health Care and Hygienic Products Business"). From a geographical perspective, the Board assesses the performance based on the Group's revenue by geographical location in which the customer is located. There are three reporting segments: (i) Hospitality Supplies Business; (ii) OS&E Business; and (iii) Health Care and Hygienic Products Business.

The Board assesses the performance of the operating segments based on a measure of segment profit/(loss) before income tax, share of profit of an associated company, share of profit/(loss) of joint ventures and net fair value change on investment properties.

Information provided to the Board is measured in a manner consistent with that of the consolidated financial statements.

Sales between segments are carried out at normal commercial terms. Depreciation and amortisation charges are apportioned with reference to respective segment revenue from external customers. Assets and liabilities of the Group are allocated by reference to the principal markets in which the Group operates.

Geographical

	Hospitality Supplies Business				OS&E Business				Health Care and Hygienic Products Business				Others			
	The People's Republic of China ("PRC")		Other Asia Pacific regions		The PRC		Others		North America		Hong Kong		Others			
	North America	Europe	Other Asia Pacific regions	Australia	Sub-total	The PRC	Others	Sub-total	North America	Hong Kong	Others	Sub-total	Total			
HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000			
Year ended 31 December 2023																
Segment revenue	250,949	262,057	549,769	183,268	91,356	356,998	5,358	1,699,755	141,341	51,991	193,332	162,390	4,349	10,179	176,918	2,070,005
Inter-segment revenue	-	-	(1,922)	(638)	-	-	-	(2,560)	-	-	-	-	(24)	(148)	(172)	(2,732)
Revenue from external customers	250,949	262,057	547,847	182,630	91,356	356,998	5,358	1,697,195	141,341	51,991	193,332	162,390	4,325	10,031	176,746	2,067,273
Earnings before interest, taxes, depreciation, amortisation and net fair value change on investment properties	49,555	23,461	26,068	21,935	16,271	30,231	1,249	168,820	5,639	8,471	14,110	20,690	197	1,656	22,543	205,918
Depreciation	(8,084)	(8,442)	(17,649)	(5,884)	(2,943)	(11,501)	(173)	(54,676)	(736)	(270)	(1,006)	(5,231)	(104)	(208)	(5,543)	(61,225)
Amortisation	(85)	(88)	(184)	(62)	(31)	(120)	(2)	(572)	-	-	-	(55)	(1)	(2)	(58)	(630)
Finance income	-	-	692	4,886	-	99	210	5,887	16	11	27	-	-	2	2	5,916
Finance costs	-	-	(4)	(1,760)	(7)	(4,479)	-	(6,250)	-	-	-	-	-	-	-	(6,250)
Segment profit before income tax	41,386	14,931	8,923	19,115	13,290	14,280	1,284	113,209	4,919	8,212	13,131	15,404	92	1,448	16,944	143,729
Share of profit of an associated company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	253
Share of profit of joint ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	92
Net fair value change on investment properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Income tax expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(48,443)
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	95,631

	Hospitality Supplies Business				OS&E Business				Health Care and Hygienic Products Business				Others			
	The PRC		Other locations		The PRC		Other locations		The PRC		Other locations		Inter-segment elimination			
	Kingdom of Cambodia ("Cambodia")	Australia	Hong Kong	HKS'000	Sub-total	The PRC	Other locations	Sub-total	Hong Kong	HKS'000	Sub-total	Other locations	Sub-total	Total		
HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000		
As at 31 December 2023																
Total assets	711,744	1,840	394,427	36,986	1,932,383	178,813	653	55,655	83,745	235,121	10,297	531	94,573	1,965,228		
Included:																
Investment in an associated company	-	-	-	-	5,363	-	-	-	-	-	-	-	-	5,363		
Investments in joint ventures	-	-	-	-	208	-	-	-	-	-	-	-	-	208		
Additions to non-current assets (other than deferred income tax assets)	20,610	3,363	38,874	1,173	64,020	876	-	-	-	876	-	-	-	64,896		
Total liabilities	(497,935)	(209,557)	(1,640)	(67,734)	(826,737)	(66,988)	-	(84,821)	(41,543)	(151,809)	(9,770)	-	(51,313)	(88,747)	346,594	(772,012)

	Hospitality Supplies Business					OS&E Business					Health Care and Hygienic Products Business					Others	
	North America HK\$'000	Europe HK\$'000	The PRC (Note i) HK\$'000	Hong Kong HK\$'000	Australia HK\$'000	Other Asia Pacific regions (Note ii) HK\$'000	Others (Note iii) HK\$'000	Sub-total HK\$'000	The PRC (Note i) HK\$'000	Others (Note iv) HK\$'000	Sub-total HK\$'000	North America HK\$'000	Hong Kong HK\$'000	Others (Note vi) HK\$'000	Sub-total HK\$'000	Total HK\$'000	
Year ended 31 December 2022																	
Segment revenue	183,343	250,963	354,431	176,451	150,984	262,224	3,103	1,381,499	103,208	46,240	149,448	154,715	77,656	34,440	266,811	1,797,758	
Inter-segment revenue	-	-	(4,040)	(571)	-	-	-	(4,611)	-	-	-	-	-	(122)	(122)	(4,733)	
Revenue from external customers	183,343	250,963	350,391	175,880	150,984	262,224	3,103	1,376,888	103,208	46,240	149,448	154,715	77,656	34,318	266,689	1,793,025	
Earnings/(loss) before interest, taxes, depreciation, amortisation and fair value change on an investment property	35,514 (7,094)	22,465 (9,708)	5,454 (13,555)	28,908 (6,804)	19,288 (5,841)	20,911 (10,144)	897 (124)	133,437 (53,270)	(4,741) (815)	6,599 (365)	1,838 (1,180)	12,448 (5,985)	8,688 (2,957)	(868) (1,001)	20,268 (9,923)	156,893 (64,373)	
Depreciation	(77)	(106)	(148)	(74)	(65)	(110)	(1)	(579)	-	-	-	(65)	(33)	(10)	(108)	(687)	
Amortisation	-	-	344	193	-	30	4	571	14	4	18	-	-	4	4	593	
Finance income	-	-	(665)	(3,610)	(5)	(431)	-	(4,711)	-	-	-	-	-	-	-	(7)	
Finance costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Segment profit/(loss) before income tax	28,343	12,651	(8,570)	18,613	13,379	10,256	776	75,448	(5,542)	6,238	696	6,398	5,718	(1,875)	10,241	87,708	
Share of profit of an associated company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	511	
Share of loss of a joint venture	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(207)	
Fair value change on an investment property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,974	
Income tax expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(20,144)	
Profit for the year																69,842	

	Hospitality Supplies Business					OS&E Business					Health Care and Hygienic Products Business					Others	
	The PRC (Note i) HK\$'000	Hong Kong HK\$'000	Australia HK\$'000	Cambodia HK\$'000	Other locations (Note v) HK\$'000	Sub-total HK\$'000	The PRC (Note i) HK\$'000	Hong Kong HK\$'000	Other Locations (Note vii) HK\$'000	Sub-total HK\$'000	The PRC (Note i) HK\$'000	Hong Kong HK\$'000	Other locations (Note vii) HK\$'000	Sub-total HK\$'000	Inter-segment elimination HK\$'000	Total HK\$'000	
As at 31 December 2022																	
Total assets	630,057	696,935	2,299	344,887	53,602	1,727,780	155,634	42,059	359	198,052	15,969	80,749	167	96,885	51,108	1,749,461	
Include:																	
Investment in an associated company	-	5,463	-	-	-	5,463	-	-	-	-	-	-	-	-	-	5,463	
Investments in joint ventures	-	116	-	-	-	116	-	-	-	-	-	-	-	-	-	116	
Additions to non-current assets (other than deferred income tax assets)	24,414	1,085	247	12,582	478	38,806	48	-	24	72	-	-	-	-	-	38,878	
Total liabilities	(333,245)	(218,049)	(1,371)	(18,087)	(95,707)	(666,459)	(49,278)	(79,892)	-	(129,170)	(13,121)	(41,975)	-	(65,096)	(91,619)	(617,980)	

Notes:

- i For the purpose of this segment information disclosure, the PRC excludes Hong Kong, the Macau Special Administration Region of the PRC (“Macau”) and Taiwan (2022: same).
- ii Other Asia Pacific regions mainly include Macau, United Arab Emirates, Singapore, Japan, Philippines, Malaysia and Thailand (for the year ended 31 December 2022: mainly include Macau, United Arab Emirates, Singapore, Japan, Philippines, Qatar and India).
- iii Others mainly include Republic of Kenya and Ivory Coast (for the year ended 31 December 2022: mainly include Ivory Coast and Democratic Republic of the Congo).
- iv Others mainly include Hong Kong, Macau, Cambodia, Singapore, Philippines and Australia (for the year ended 31 December 2022: mainly include Hong Kong, Macau, Malaysia and Qatar).
- v Other locations mainly include Macau and India (as at 31 December 2022: same).
- vi Others mainly include the PRC (*Note i*), Macau and Japan (for the year ended 31 December 2022: mainly include the PRC (*Note i*), Macau, Cambodia and Germany).
- vii Other locations mainly include Cambodia (as at 31 December 2022: mainly include Cambodia and Japan).

For the year ended 31 December 2023, the revenue of the Group was recognised at a point in time and no sales derived from a single customer which exceeded 10% of the revenue of the Group (for the year ended 31 December 2022: same).

For the year ended 31 December 2023, additions to non-current assets comprise additions to right-of-use assets, property, plant and equipment, intangible assets and other non-current assets (for the year ended 31 December 2022: same).

4 EXPENSES BY NATURE

The following expenses/(gains) are included in cost of sales, distribution costs, administrative expenses and net (reversal of impairment losses)/impairment losses on financial assets:

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Cost of inventories sold	1,077,213	948,165
Auditor's remuneration		
– Audit services	2,880	2,700
– Non-audit services	777	–
Depreciation of property, plant and equipment	52,541	55,288
Depreciation of right-of-use assets	8,684	9,085
Amortisation of intangible assets	630	687
Other lease expenses*	6,066	5,907
Net provision/(reversal of provision) for obsolete inventories	7,293	(7,405)
Direct written off of obsolete inventories	4,899	3,303
Net (reversal of impairment losses)/impairment losses on financial assets	(1,515)	15,347
Employee benefit expenses	494,167	424,453
Transportation expenses	77,076	84,351
Exchange (gains)/losses	(2,382)	3,062
Advertising costs	15,649	16,896
Loss/(gain) on disposal of property, plant and equipment	854	(28)
Direct operating expenses arising from investment properties that generates rental income	132	36
Utilities expenses	29,586	26,654

* These expenses relate to short-term leases. They are directly charged as expenses and are not included in the measurement of lease liabilities under HKFRS 16.

5 OTHER INCOME

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Rental income	1,427	134
Income from sales of scrap materials	769	497
Government grants (<i>Note (i)</i>)	7,206	8,957
Others	1,556	3,170

Note:

- (i) Government grants recognised were related to subsidies from the PRC Government in relation to certain capital investments of the Group, and other subsidies from the PRC Government and the Hong Kong Government (for the year ended 31 December 2022: subsidies from the PRC Government in relation to certain capital investments of the Group and subsidies from the Hong Kong Government under the Anti-epidemic fund). There were no unfulfilled conditions and other contingencies attached to the receipts of these grants.

6 INCOME TAX EXPENSES

The amount of income tax charged/(credited) to the consolidated statement of comprehensive income represents:

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Current income tax:		
– Hong Kong profits tax	17,483	11,593
– PRC enterprise income tax	29,350	8,354
– Other overseas profits tax	2,709	437
Adjustments in respect of prior year	(1,243)	(728)
	48,299	19,656
Deferred income tax credit	144	488
	48,443	20,144

Taxation has been provided at the appropriate rates prevailing in the jurisdictions in which the Group operates.

Hong Kong profits tax, PRC enterprise income tax, Singapore corporate income tax and Cambodia corporate income tax are calculated at 16.5% (2022: 16.5%), 25% (2022: 25%), 17% (2022: 17%) and 20% (2022: 20%) on the estimated assessable profits for the year ended 31 December 2023 respectively.

Taxes on other overseas profits have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

7 TRADE AND BILLS RECEIVABLES

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Trade receivables	675,435	635,667
Bills receivables	17,533	17,362
	<u>692,968</u>	<u>653,029</u>
Less: provision for impairment of trade and bills receivables	(83,197)	(94,194)
	<u>609,771</u>	<u>558,835</u>

The credit period granted by the Group ranges from 15 days to 120 days.

Ageing analysis of trade and bills receivables by invoice date is as follows:

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
1 – 30 days	331,264	229,694
31 – 60 days	128,056	121,733
61 – 90 days	55,938	70,779
91 – 180 days	91,732	118,273
Over 180 days	85,978	112,550
	<u>692,968</u>	<u>653,029</u>

8 AMOUNT DUE FROM AN ASSOCIATED COMPANY

The amount represents trade receivables from an associated company. The carrying value of the amount approximates its fair value. The amount is denominated in HK\$. The credit period granted is 90 days. The ageing analysis of the amount by invoice date is as follows:

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
1 – 30 days	3,822	2,682
Over 90 days	–	166
	<u>3,822</u>	<u>2,848</u>

9 PLEDGED BANK DEPOSIT

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Pledged bank deposit	<u>11,958</u>	<u>11,717</u>

As at 31 December 2023, a bank deposit of US\$1,533,000 (equivalent to approximately HK\$11,958,000) (as at 31 December 2022: US\$1,500,000 (equivalent to approximately HK\$11,717,000)) was pledged as collateral for the grant of letter of banking facility in Hong Kong.

10 CASH AND CASH EQUIVALENTS

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Cash at banks and on hand	278,495	264,143
Short-term bank deposits (original maturities of less than three months)	<u>96,598</u>	<u>41,213</u>
	<u>375,093</u>	<u>305,356</u>

The Group's cash and bank balances with banks in the PRC and India as at 31 December 2023 amounted to approximately HK\$102,936,000 (as at 31 December 2022: approximately HK\$67,253,000) and approximately HK\$117,000 (as at 31 December 2022: approximately HK\$2,363,000) respectively, where the remittance of funds is subject to foreign exchange control.

11 TRADE PAYABLES

The ageing analysis of trade payables by invoice date is as follows:

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
1 – 30 days	263,419	166,130
31 – 60 days	8,065	400
61 – 90 days	8,663	152
Over 90 days	<u>2,315</u>	<u>1,636</u>
	<u>282,462</u>	<u>168,318</u>

12 BORROWINGS

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Non-current:		
Secured other borrowings without repayable on demand clause	2,164	2,206
Current:		
Secured bank borrowings with repayable on demand clause	47,081	108,323
Secured bank borrowings without repayable on demand clause	–	10
Secured other borrowings without repayable on demand clause	–	214
	<u>47,081</u>	<u>108,547</u>
	<u>49,245</u>	<u>110,753</u>

The borrowings are denominated in the following currencies:

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
HK\$	7,287	10,782
United States Dollars (“US\$”)	39,794	97,541
Japanese Yen (“JPY”)	2,164	2,430
	<u>49,245</u>	<u>110,753</u>

The carrying amounts of borrowings approximate their fair values as the impact of discounting is not significant.

The Group has complied with the financial covenants of its borrowing facilities during the years ended 31 December 2023 and 2022.

Except for other borrowings of approximately HK\$2,164,000 as at 31 December 2023 (as at 31 December 2022: bank and other borrowings of approximately HK\$2,430,000) which was secured by personal guarantee of a non-controlling interest of the Group, bank borrowings were secured by certain property, plant and equipment, right-of-use assets and a bank deposit of the Group.

The carrying amounts of assets pledged as security for borrowings are as follows:

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Property, plant and equipment	15,590	18,960
Right-of-use assets	26,690	27,860
Bank deposit	11,958	11,717
	<u>54,238</u>	<u>58,537</u>

13 SHARE CAPITAL

	Number of shares	<i>HK\$'000</i>
Ordinary shares of HK\$0.01 each		
Authorised:		
At 1 January 2022, 31 December 2022 and 31 December 2023	10,000,000,000	100,000
	<u>10,000,000,000</u>	<u>100,000</u>
Issued and fully paid:		
At 1 January 2022, 31 December 2022 and 31 December 2023	734,262,697	7,343
	<u>734,262,697</u>	<u>7,343</u>

14 EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

	2023	2022
Profit attributable to owners of the Company (<i>HK\$'000</i>)	104,181	75,511
	<u>104,181</u>	<u>75,511</u>
Weighted average number of ordinary shares in issue (<i>thousands</i>)	723,839	725,699
	<u>723,839</u>	<u>725,699</u>
Basic earnings per share (<i>expressed in HK cents</i>)	14.4	10.4
	<u>14.4</u>	<u>10.4</u>

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

For the year ended 31 December 2023, diluted earnings per share was the same as basic earnings per share as there were no potential dilutive ordinary shares outstanding for the year ended 31 December 2023 (2022: same).

15 DIVIDENDS

On 24 August 2023, the Board resolved to approve an interim dividend of HK2.0 cents per share for the six months ended 30 June 2023. Total dividend of approximately HK\$14,685,000 was paid out, including dividend paid to the shares held for the share award scheme of the Company.

The final dividend in respect of the year ended 31 December 2023 of HK5.0 cents per share, amounting to a total dividend of approximately HK\$36,713,000 was resolved by the Board to propose on 25 March 2024, which is subject to approval at the annual general meeting of the Company to be held on 22 May 2024. This proposed dividend is not reflected as a dividend payable in the consolidated financial statements, but reflected as an appropriation of retained earnings for the year ended 31 December 2023.

16 CAPITAL COMMITMENTS

As at 31 December 2023, the capital commitments contracted but not provided for in the consolidated financial information of the Group were approximately HK\$14,752,000 (as at 31 December 2022: approximately HK\$19,183,000).

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Key Financial Highlights

Set out below are the consolidated key financial highlights of the Group:

	Year ended 31 December		Change %
	2023 <i>HK\$ million</i>	2022 <i>HK\$ million</i>	
Revenue	2,067.3	1,793.0	15.3%
Gross Profit	501.7	424.8	18.1%
Profit attributable to owners of the Company	104.2	75.5	38.0%
Basic earnings per Share attributable to owners of the Company (<i>HK cents</i>)	14.4	10.4	38.5%
Diluted earnings per Share attributable to owners of the Company (<i>HK cents</i>)	14.4	10.4	38.5%
Dividend per Share (<i>HK cents</i>)	7.0	4.0	75.0%

Revenue

For the year ended 31 December 2023, the total revenue of the Group recorded an increase of 15.3% to approximately HK\$2,067.3 million (for the year ended 31 December 2022: approximately HK\$1,793.0 million). For the year ended 31 December 2023, the revenues of the hospitality supplies business, OS&E business and health care and hygienic products business were approximately HK\$1,697.2 million, HK\$193.3 million and HK\$176.8 million (for the year ended 31 December 2022: approximately HK\$1,376.9 million, HK\$149.4 million and HK\$266.7 million) respectively, which represented 82.1%, 9.4% and 8.5% (for the year ended 31 December 2022: 76.8%, 8.3% and 14.9%) of the Group's total revenue respectively.

Gross profit and gross profit margin

The Group's gross profit for the year ended 31 December 2023 increased 18.1% to approximately HK\$501.7 million, compared with approximately HK\$424.8 million for the year ended 31 December 2022. Gross profit margin increased 0.6 percentage points to 24.3% from 23.7% as compared with the prior year, benefiting from the increase in revenues of the hospitality supplies business and OS&E business and various measures taken by the Group, including tightening cost control and more effort in sales of products with high profit margins.

Profit attributable to owners of the Company

Profit attributable to owners of the Company for the year ended 31 December 2023 was approximately HK\$104.2 million (for the year ended 31 December 2022: approximately HK\$75.5 million).

Earnings per Share

Basic and diluted earnings per Share attributable to owners of the Company for the year ended 31 December 2023 were HK14.4 cents and HK14.4 cents (for the year ended 31 December 2022: HK10.4 cents and HK10.4 cents) respectively.

Final dividend

The Board had resolved to propose a final dividend of HK5.0 cents per Share for the year ended 31 December 2023 (for the year ended 31 December 2022: HK3.0 cents). A sum of the interim and final dividends for the year ended 31 December 2023 was expected to be HK7.0 cents per Share (for the year ended 31 December 2022: HK4.0 cents). The proposed final dividend is subject to approval at the annual general meeting to be held on 22 May 2024 (“AGM”).

Liquidity and financial resources

The Group has always pursued a prudent treasury management policy and actively manages its liquidity position with standby banking facilities to cope with daily operation and potential capital demands for future development.

Cash and cash equivalents

As at 31 December 2023, the Group’s cash and cash equivalents amounted to approximately HK\$375.1 million (as at 31 December 2022: approximately HK\$305.4 million).

Net assets

As at 31 December 2023, the Group’s net assets was approximately HK\$1,193.2 million (as at 31 December 2022: approximately HK\$1,131.5 million).

Borrowings

The borrowing structure, maturity profile and currency denomination of the Group's borrowings are as follows:

Borrowing structure:

		As at 31 December			
	2023 Effective interest rate	HK\$ million		2022 Effective interest rate	HK\$ million
Secured bank borrowings with repayable on demand clause	Floating rate of 1.7% per annum over 1-month Hong Kong Inter-bank Offered Rate ("HIBOR")	3.2	Floating rate of 1.7% per annum over 1-month HIBOR		4.5
	Floating rate of the higher of 1.7% per annum over 1-month HIBOR or the cost to the bank of funding the borrowing	4.1	Floating rate of the higher of 1.7% per annum over 1-month HIBOR or the cost to the bank of funding the borrowing		6.3
	Floating rates ranging from 1.8%-1.82% per annum over 1-month Term Secured Overnight Financing Rate ("SOFR")	39.7	Floating rates ranging from 1.67%-1.82% per annum over 1-month Term SOFR		69.8
	Floating rate of the higher of 1.7% per annum over 1-month London Inter-bank Offered Rate ("LIBOR") or the cost to the bank of funding the borrowing	–	Floating rate of the higher of 1.7% per annum over 1-month LIBOR or the cost to the bank of funding the borrowing		27.8
Secured bank borrowings without repayable on demand clause	Fixed rate of 1.4% per annum	–	Fixed rate of 1.4% per annum		–
Secured other borrowings without repayable on demand clause	Fixed rates ranging from 0.36%-1.38% per annum	2.2	Fixed rates ranging from 0.36%-1.38% per annum		2.4
		49.2			110.8

Maturity profile:

The repayment terms of the borrowings without taking into consideration the effect of repayable on demand clause are as follows:

	As at 31 December	
	2023	2022
	<i>HK\$ million</i>	<i>HK\$ million</i>
Within 1 year	22.8	61.4
Between 1 and 2 years	14.7	23.1
Between 2 and 5 years	10.5	25.1
Over 5 years	1.2	1.2
	49.2	110.8

Currency denomination:

	As at 31 December	
	2023	2022
	<i>HK\$ million</i>	<i>HK\$ million</i>
HK\$	7.2	10.8
US\$	39.8	97.5
JPY	2.2	2.5
	49.2	110.8

Details of the borrowings are set out in Note 12 to the consolidated financial information.

Charges on Group assets

Except for other borrowings of approximately HK\$2.2 million as at 31 December 2023 (as at 31 December 2022: bank and other borrowings of approximately HK\$2.5 million), which was secured by personal guarantee of a non-controlling interest of the Group, bank borrowings were secured by certain property, plant and equipment, right-of-use assets and a bank deposit of the Group.

The carrying amounts of assets pledged as security for borrowings are as follows:

	As at 31 December	
	2023	2022
	<i>HK\$ million</i>	<i>HK\$ million</i>
Property, plant and equipment	15.6	19.0
Right-of-use assets	26.7	27.9
Bank deposit	12.0	11.7
	54.3	58.6

Gearing ratio

The gearing ratio was calculated as net debt (i.e. borrowings less cash and cash equivalents) divided by total equity. The gearing ratio was not applicable to the Group as at 31 December 2023 and as at 31 December 2022.

Foreign currency exposure

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Renminbi (“RMB”). The Group currently does not deploy a foreign currency hedging policy.

The Group primarily sourced its raw materials in the PRC. The related currency exposure with respect to RMB is managed through increasing revenue denominated in the same currency.

Capital commitments and contingent liabilities

Details of the capital commitments as at 31 December 2023 and as at 31 December 2022 are set out in Note 16 to the consolidated financial information. The Group has no material contingent liabilities as at 31 December 2023 (as at 31 December 2022: same).

BUSINESS REVIEW

Reflecting on 2023, the global economy encountered both challenges and opportunities in a highly volatile global market. Central banks in multiple countries persisted in raising interest rates but struggled to curb overall inflation levels. Geopolitical issues continued to intensify, and the implementation of unexpected contractionary monetary policies further impeded global economic recovery. Confronted with ongoing global economic pressures, consumers tended to adopt a conservative approach to cope with uncertainties, resulting in weak market demand and a challenging business environment. However, the re-establishment of global logistics and transportation networks in the post-pandemic era, coupled with the gradual reopening of borders, accelerated the resurgence of international tourism, leading to an overall improvement in the tourism industry. This favourable trend contributed to the growth in business results of the Group.

Hospitality Supplies Business

According to the recent data released by the United Nations World Tourism Organisation (“UNWTO”), the overall performance of international tourism improved, with nearly 1.3 billion international arrivals in 2023, representing a year-on-year increase of 33.9%, and reaching 88% of the pre-pandemic level in 2019. Despite the macroeconomic drag on consumer demand, resulting in a slower-than-expected growth of the tourism industry, the global tourism industry demonstrated a steady recovery in 2023 possessing an increase in market demand for hospitality supplies products during the year.

Revenue from the Group's hospitality supplies business for the year ended 31 December 2023 increased by 23.3% to approximately HK\$1,697.2 million (for the year ended 31 December 2022: approximately HK\$1,376.9 million), which contributed 82.1% (for the year ended 31 December 2022: 76.8%) to the Group's total revenue. Gross profit from the hospitality supplies business increased by 26.4% to approximately HK\$410.4 million for the year ended 31 December 2023 (for the year ended 31 December 2022: approximately HK\$324.7 million). The segment's gross profit margin increased by 0.6 percentage points to 24.2% for the year ended 31 December 2023 (for the year ended 31 December 2022: 23.6%).

Hospitality supplies business revenues for the year ended 31 December 2023 from the PRC, Hong Kong, the North America, Europe, other Asia Pacific region and Australia were approximately HK\$547.8 million, HK\$182.6 million, HK\$250.9 million, HK\$262.1 million, HK\$357.0 million and HK\$91.4 million (for the year ended 31 December 2022: approximately HK\$350.4 million, HK\$175.9 million, HK\$183.3 million, HK\$251.0 million, HK\$262.2 million and HK\$151.0 million) respectively, accounted for 32.3%, 10.8%, 14.8%, 15.4%, 21.0% and 5.4% (for the year ended 31 December 2022: 25.4%, 12.8%, 13.3%, 18.2%, 19.0% and 11.0%) of the total hospitality supplies business segment revenue respectively.

Operating Supplies and Equipment Business

In the recently released China Construction Pipeline Trend Report from Lodging Econometrics, analysts reported that there were 683 new hotels/106,463 rooms opened in China in 2023. The country's total hotel construction pipeline, as of the end of 2023, stands at 3,788 projects with 691,772 rooms. Revenue from the Group's OS&E business was approximately HK\$193.3 million for the year ended 31 December 2023, representing an increase of 29.4% as compared with approximately HK\$149.4 million for the year ended 31 December 2022, and representing 9.4% (for the year ended 31 December 2022: 8.3%) of the Group's total revenue. Gross profit from the OS&E business increased by 31.0% to approximately HK\$47.3 million for the year ended 31 December 2023 (for the year ended 31 December 2022: approximately HK\$36.1 million). The segment's gross profit margin increased 0.3 percentage points to 24.5% for the year ended 31 December 2023 (for the year ended 31 December 2022: 24.2%).

For the year ended 31 December 2023, OS&E business revenues from the PRC and other markets were approximately HK\$141.3 million and HK\$52.0 million (for the year ended 31 December 2022: approximately HK\$103.2 million and HK\$46.2 million) respectively, representing 73.1% and 26.9% (for the year ended 31 December 2022: 69.1% and 30.9%) of the total OS&E business segment revenue respectively.

The Group will continue to be driven by the market demand, further optimise product categories and quality, and adjust product mix strategy. This will not only consolidate the long-term and stable cooperative partnership with the hospitality industry but also extend business cooperation to explore the underlying demands in the OS&E business. The Group aims to expand the scale of replenishment business to achieve a sustainable cooperation model. Additionally, the Group will actively seize the development opportunities in the hotel construction projects in Southeast Asia and further expand the customer base to unleash the potential growth of OS&E business.

Health Care and Hygienic Products Business

The Group is dedicated to the production of high-quality health care and hygiene products and disposable infection control products to meet diverse demands in the market. As the impacts of the COVID-19 pandemic waned, the market demand for pandemic prevention-related products slumped, shifting the market supply and demand structure and adversely affecting the revenue of this business segment in 2023. The Group will continue to guard consumers' health in the post-pandemic era by re-examining and repositioning the development plan of the business segment based on market demand and actively enriching the categories and services of existing health care and hygienic products. Meanwhile, the Group will continue to explore the potential needs of our customers and better adapt to the changes in the market with diversified products, so as to ensure sustainable operation.

Revenue from the Group's health care and hygienic products business for the year ended 31 December 2023 was approximately HK\$176.8 million (for the year ended 31 December 2022: approximately HK\$266.7 million), which contributed 8.5% (for the year ended 31 December 2022: 14.9%) of the Group's total revenue. Gross profit from the health care and hygienic products business was approximately HK\$44.0 million for the year ended 31 December 2023 (for the year ended 31 December 2022: approximately HK\$64.0 million). The segment's gross profit margin increased 0.9 percentage points to 24.9% for the year ended 31 December 2023 (for the year ended 31 December 2022: 24.0%).

With the post-pandemic era, there was sharp decrease of demand for anti-epidemic products in Hong Kong. For the year ended 31 December 2023, the revenue of health care and hygienic products business from Hong Kong was approximately HK\$4.3 million (for the year ended 31 December 2022: approximately HK\$77.7 million), representing 2.4% (for the year ended 31 December 2022: 29.1%) of the total health care and hygienic products business segment revenue. The Group continued to drive the health care and hygienic products business development in other regions. For the year ended 31 December 2023, the revenues of health care and hygienic products business from the North America and other markets were approximately HK\$162.4 million and HK\$10.1 million (for the year ended 31 December 2022: approximately HK\$154.7 million and HK\$34.3 million) respectively, representing 91.9% and 5.7% (for the year ended 31 December 2022: 58.0% and 12.9%) of the total health care and hygienic products business segment revenue respectively.

OUTLOOK AND STRATEGIES

The Group is aiming to become an excellent international corporate brand specialising in hospitality supplies and personal care products, create maximum value for stakeholders, and support ecology for sustainable development.

Opportunities and challenges co-exist in the global tourism industry

Looking ahead to 2024, the global economy will continue to face numerous risks and challenges, including escalating geopolitical tensions, weak trade growth, persistently high core inflation, and rising financial vulnerabilities. These factors will exert significant downward pressure on the global economy, impacting consumer demand and travel intentions within the tourism industry. Despite these challenges, opportunities for development still exist in the tourism sector. According to the first World Tourism Barometer released by the UNWTO in 2024, international tourism is expected to fully recover pre-pandemic levels in 2024, with initial estimates pointing to 2% growth above 2019 levels, subject to the pace of recovery in Asia and the evolution of existing economic and geopolitical downside risks. The Group acknowledges the numerous challenges expected in 2024, but also recognises the steady growth potential for future business development. To mitigate the effects of hidden global fluctuations, the Group will continue implementing flexible measures in its operations.

Leverage Cambodia plant to navigate global economic challenges

To navigate the challenges of the global economy, international businesses increasingly faced with cost pressures, including trade tariffs and raw material supply. To mitigate these pressures and explore the emerging markets like Southeast Asia, the Group has strategically initiated operations at our first Southeast Asia-oriented production line in Cambodia a few years ago. Over time, we have continually developed our production capabilities by expanding into liquid products, socks and handbags, aiming to achieve cost-efficiency in our manufacturing process. Looking ahead, the Group will remain committed to leveraging our presence in Cambodia to further optimise our manufacturing processes and enhance our competitiveness in the region. We are dedicated to continuously adapting to market dynamics, identifying new opportunities, and solidifying our position as a leading manufacturer and supplier of hospitality supplies in the global marketplace.

Continuously developing green products in response to environmental protection

In response to the rising environmental awareness and standards among governments and various sectors of society and the growing recognition of environmental, social and governance (“ESG”) considerations in creating sustainable value, the Group has been committed to the research and development of green products to meet the demands of local governments and customers for sustainable governance and operational models. We actively strive to incorporate more environmentally friendly materials in manufacturing hospitality supplies products and health care and hygienic products, thereby accelerating the design and production processes of green products. The Group continues to pay attention to the trend of ESG, flexibly implements the concept of environmental protection and actively fulfils social and corporate responsibilities. We aim to realise our vision of sustainable industrial chain and green enterprise.

Extend long-term business partnerships to achieve win-win outcomes

The Group's sustained growth is rooted in the enduring support of our business partners. Building on our excellent track record, the Group is committed to meeting the needs of our existing customers for hospitality supplies, fostering long-term relationships through top-quality products and services. Moving forward, the Group will explore opportunities to expand the business scope with existing customers by broadening our offerings of products, services and comprehensive solution to enhance customer loyalty and cooperation. At the same time, the Group will continue to maintain and expand its customer base, establish long-term and stable cooperative relationships, and promote cross-regional business cooperation to create a mutually beneficial business model.

Pragmatic and flexible development strategies safeguards brand value

The world economy and business environment are ever-changing. The Group will closely monitor global trends and adjust our development strategies promptly to manage market risks effectively. The Group will adapt its product portfolio and marketing strategies in response to market changes, aiming to minimise the economic downturns on our businesses. Simultaneously, the Group will actively expand its global business and develop new products to support a diversified business region and product lineup, reducing risks associated with relying on a single region or product. The Group will maintain a pragmatic business approach and flexible business strategies to safeguard the Group's solid foundation and explore a broader long-term development opportunities.

EMPLOYEES AND REMUNERATION POLICY

The total number of employees of the Group was approximately 6,800 as at 31 December 2023. The employee benefit expenses including Directors' emoluments were approximately HK\$494.2 million for the year ended 31 December 2023. The remuneration of employees (including the Directors and senior management) of the Group are generally structured by reference to market terms and individual merits, which is reviewed on a regular basis. The Group also provides various other benefits to designated staff, including discretionary bonus, social insurance or medical insurance, share award scheme, continuing education and training programmes. The Group also launched key performance indicators assessment scheme and commendation annual award scheme to boost individual performance and operational efficiency.

CORPORATE GOVERNANCE CODE

During the year ended 31 December 2023, the Group has complied with all the code provisions in the "Corporate Governance Code" as set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules"), except the deviation of code provision C.2.1: the Board has not appointed an individual to the post of chief executive officer up to the date of this announcement and the role of the chief executive officer has been performed collectively by all the Executive Directors of the Company, including the Chairman of the Company. The Board considers that this arrangement allows contributions from all Executive Directors of the Company with different expertise and is beneficial to the continuity of the Company's policies and strategies.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the year ended 31 December 2023, neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities of the Company.

AUDIT COMMITTEE

The audit committee of the Company (the “Audit Committee”) comprises four Independent Non-Executive Directors of the Company with written terms of reference in accordance with the requirements of the Listing Rules. The Audit Committee has reviewed the Group’s final results for the year ended 31 December 2023.

MODEL CODE FOR DIRECTORS’ SECURITIES TRANSACTIONS

The Company adopted the “Model Code for Securities Transactions by Directors of Listed Issuers” (the “Model Code”) as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding Directors’ securities transactions on 5 October 2007. Having made specific enquiries to all Directors of the Company, all Directors of the Company confirmed that they have complied with the required standard as set out in the Model Code for the year ended 31 December 2023.

ANNUAL GENERAL MEETING

It is proposed that the forthcoming annual general meeting of the Company will be held on Wednesday, 22 May 2024 (“AGM”). The notice of AGM will be published and delivered to the shareholders of the Company (the “Shareholders”) in due course.

FINAL DIVIDEND

The Board recommend the payment of a final dividend of HK5.0 cents per Share for the year ended 31 December 2023. Subject to the approval by the Shareholders at the AGM, the final dividend will be paid on or around Friday, 7 June 2024 to the Shareholders whose names appear on the register of members of the Company on Thursday, 30 May 2024.

CLOSURE OF REGISTER OF MEMBERS

For ascertaining the eligibility of the Shareholders to attend and vote at the AGM, the register of members of the Company will be closed from Friday, 17 May 2024 to Wednesday, 22 May 2024 (both dates inclusive), during which period no transfer of Shares will be effected. In order to be eligible to attend and vote at the AGM, all documents in respect of transfers of Shares accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Thursday, 16 May 2024.

For ascertaining the entitlement of the Shareholders to the proposed final dividend, the register of members of the Company will be closed from Tuesday, 28 May 2024 to Thursday, 30 May 2024 (both dates inclusive), during which period no transfer of Shares will be effected. In order to qualify for the proposed final dividend, all documents in respect of transfers of Shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Monday, 27 May 2024.

SCOPE OF WORK OF PRICEWATERHOUSECOOPERS

The figures in respect of the Group's consolidated balance sheet, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2023 as set out in the preliminary announcement have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by PricewaterhouseCoopers on the preliminary announcement.

PUBLICATION OF ANNUAL REPORT ON THE HKEXNEWS WEBSITE OF THE STOCK EXCHANGE AND THE WEBSITE OF THE COMPANY

The annual report containing all information required by the Listing Rules will be despatched to the Shareholders and published on the HKExnews website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.mingfaigroup.com) in due course.

By order of the Board
Ming Fai International Holdings Limited
CHING Chi Fai
Chairman

Hong Kong, 25 March 2024

As at the date of this announcement, the Executive Directors of the Company are Mr. CHING Chi Fai, Mr. CHING Chi Keung, Mr. LIU Zigang, Mr. CHING Tsun Wah and Mr. KEUNG Kwok Hung; the Non-Executive Director of the Company is Ms. CHAN Yim Ching, and the Independent Non-Executive Directors of the Company are Mr. HUNG Kam Hung Allan, Mr. NG Bo Kwong, Mr. SUN Eric Yung Tson and Mr. KWONG Tony Wan Kit.