

SHENG TANG HOLDINGS LIMITED

聖唐控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8305)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

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ANNUAL RESULTS

The board of Directors (the “**Board**”) of the Company is pleased to announce the consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2024, together with the comparative figures for the corresponding period in 2023, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

	<i>Notes</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Revenue	4	150,023	143,405
Direct costs		<u>(140,243)</u>	<u>135,545</u>
Gross profit		9,780	7,860
Other income and gain, net	5	1,291	950
Administrative expenses		(13,869)	(33,138)
Gain/(loss) arising from change in fair value of financial assets at fair value through profit or loss		71	(270)
Gain on deconsolidation of a subsidiary	18	–	9,963
Write off of impairment of goodwill	17	–	(14,000)
Finance costs	6	<u>(366)</u>	<u>(2,121)</u>
Loss before income tax	7	(3,093)	(30,756)
Income tax (expense)/credit	8	<u>(47)</u>	<u>435</u>
Loss and total comprehensive expense for the year		<u><u>(3,140)</u></u>	<u><u>(30,321)</u></u>
Loss per share attributable to equity holders of the Company			
Basic and diluted (<i>HK cents</i>)	9	<u><u>(0.30)</u></u>	<u><u>(2.89)</u></u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2024

	<i>Notes</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Non-current assets			
Property, plant and equipment		6,151	5,674
Goodwill	<i>17</i>	–	–
Financial assets at fair value through profit or loss		206	135
Deferred tax assets		1,505	1,552
		<u>7,862</u>	<u>7,361</u>
Current assets			
Contract assets	<i>12</i>	88,181	86,496
Trade and other receivables	<i>11</i>	36,016	38,517
Bank balances and cash		6,042	362
		<u>130,239</u>	<u>125,375</u>
Current liabilities			
Contract liabilities	<i>12</i>	2,708	10,636
Trade and other payables	<i>13</i>	64,221	59,320
Amount due to the Controlling Shareholder		14,556	11,944
Lease liabilities	<i>14</i>	1,182	1,161
Bank and other borrowings	<i>15</i>	4,922	7,922
		<u>87,589</u>	<u>90,983</u>

	<i>Notes</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Net current assets		<u>42,650</u>	<u>34,392</u>
Total assets less current liabilities		<u>50,512</u>	<u>41,753</u>
Non-current liabilities			
Lease liabilities	<i>14</i>	<u>1,114</u>	<u>282</u>
		<u>1,114</u>	<u>282</u>
Net assets		<u><u>49,398</u></u>	<u><u>41,471</u></u>
Capital and reserves			
Share capital	<i>16</i>	12,600	10,500
Reserves		<u>36,798</u>	<u>30,971</u>
Total equity		<u><u>49,398</u></u>	<u><u>41,471</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

1. GENERAL INFORMATION

Sheng Tang Holdings Limited (formerly known as Allurefem Holding Limited) (the “**Company**”) was incorporated in the Cayman Islands on 10 April 2017 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is PO Box 1350, Windward 3, Regatta Office Park, Grand Cayman KY1-1108, Cayman Islands. The address of its principal place of business is Room 2502, 25/F., 148 Electric Road, North Point, Hong Kong.

The Company is an investment holding company, and its subsidiaries (collectively referred as the “**Group**”) are multi-disciplinary contractors which are principally engaged in performing repair, maintenance, alteration and addition (“**RMAA**”) works, new construction works and corrosion protection works in Hong Kong.

The directors consider the Company’s immediate and ultimate holding company to be Advanced Pacific Enterprises Limited (“**Advanced Pacific**”), a company incorporated in the British Virgin Islands (“**BVI**”). Advanced Pacific is controlled by Mr. Heung Chung Sum (“**Mr. Heung**” or the “**Controlling Shareholder**”).

The Company’s shares are listed on the GEM of the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 4 July 2018.

The consolidated financial statements for the year ended 31 December 2024 were approved for issue by the board of directors on 31 March 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation

The annual consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and the accounting principles generally accepted in Hong Kong.

The consolidated financial statements also comply with the applicable disclosures requirements of the Hong Kong Companies Ordinance and include the applicable disclosure requirements of the Rules Governing the Listing of Securities on GEM of the Stock Exchange.

The material accounting policies that have been used in the preparation of these consolidated financial statements are summarised below. These policies have been consistently applied to all the years presented, unless otherwise stated. The adoption of amended HKFRSs and the impacts on the Group’s consolidated financial statements, if any, are disclosed in note 3.

The consolidated financial statements have been prepared under the historical cost basis except for certain financial assets which are stated at fair values. The measurement bases are fully described in the accounting policies below.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$” or “HKD”), which is also the functional currency of the Company and its subsidiaries, and all values are rounded to the nearest thousand (HK\$’000), except where otherwise indicated.

It should be noted that accounting estimates and assumptions are used in preparation of the consolidated financial statements. Although these estimates are based on management’s best knowledge and judgment of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements.

2.2 Going concern assumption

During the year ended 31 December 2024, the Group incurred a loss of HK\$3,140,000 (2023: HK\$30,321,000) and as at 31 December 2024, the Group has bank balances and cash of HK\$6,042,000 (2023: HK\$362,000) which is insufficient to settle all the current liabilities, which includes trade and retention payables of HK\$50,807,000 (2023: HK\$51,351,000), accrued expenses and other payables of HK\$10,069,000 (2023: HK\$6,495,000), amount due to the Controlling Shareholder of HK\$14,556,000 (2023: HK\$11,944,000), lease liabilities of HK\$1,182,000 (2023: HK\$1,161,000) and bank and other borrowings of HK\$4,922,000 (2023: HK\$7,922,000).

In view of such circumstances, the directors of the Company have given careful consideration to the future liquidity and performance of the Group and the Company, and the available sources of financing in assessing whether the Group and the Company will have sufficient financial resources to continue as a going concern. Certain measures have been taken to mitigate the liquidity pressure and to improve the Group’s and the Company’s financial position which include, but are not limited to, the followings:

- (a) Implementing operation plans to enhance profitability and control costs and to generate adequate cash flows from operations; and
- (b) The Group will continue to seek for alternative financing solutions and/or group re-organisation to turnaround the difficulties encountered by the Group and the Company.

The directors of the Company, based on a cash flow forecast of the Group covering a period not less than twelve months from the date of report, which has taken into account the abovementioned plans and measures, consider that the Group would have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within the next twelve months from the date of the consolidated financial statements. Accordingly, the directors of the Company are of the opinion that it is appropriate to prepare the consolidated financial statements for the year ended 31 December 2024 on a going concern basis of accounting.

Notwithstanding the above, since the execution of the above plans and measures are in progress, material uncertainties exist as to whether management of the Group will be able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend upon the Group’s ability to meet its future working capital and financing requirements.

Should the going concern basis of accounting become inappropriate, adjustments might have to be made to reflect the situation that assets may need to be realised at the amounts other than which they are currently recorded in the consolidated statement of financial position at 31 December 2024, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in these consolidated financial statements.

3. ADOPTION OF NEW AND AMENDED HKFRSs

3.1 New and amended HKFRSs that are effective for annual periods beginning on or after 1 January 2024

In the current year, the Group has applied for the first time the amended HKFRSs issued by the HKICPA, which are relevant to the Group's operations and effective for the Group's consolidated financial statements for the annual period beginning on 1 January 2024:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current (the "2020 Amendments")
Amendments to HKAS 1	Non-current Liabilities with Covenants (the "2022 Amendments")
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The nature and impact of the amended HKFRSs that are applicable to the Group are described below:

Amendments to HKFRS 16 — Lease Liability in a Sale and Leaseback

Amendments to HKFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transaction with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of HKFRS 16, the amendments did not have any impact on the financial position or performance of the Group.

Amendments to HKAS 1 — Classification of Liabilities as Current or Non-current (the "2020 Amendments") and Amendments to HKAS 1 — Non-current Liabilities with Covenants (the "2022 Amendments")

The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The

2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

The Group has reassessed the terms and conditions of its liabilities as at 1 January 2023 and 1 January 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

Amendments to HKAS 7 and HKFRS 7 — Supplier Finance Arrangements

Amendments to HKAS 7 and HKFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. As the Group does not have supplier finance arrangements, the amendments did not have any impact on the consolidated financial information of the Group.

3.2 Issued but not yet effective HKFRSs

At the date of authorisation of this result announcement, certain new and amended HKFRSs have been published but are not yet effective, and have not been adopted early by the Group.

HKFRS 18	Presentation and Disclosure in Financial Statements ³
HKFRS 19	Subsidiaries without Public Accountability: Disclosure ³
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between and Investor and its Associate or Joint Venture ⁴
Amendments to HKAS 21	Lack of Exchangeability ¹
Annual Improvements to HKFRS Accounting Standards — Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7 ²

¹ Effective for annual periods beginning on or after 1 January 2025

² Effective for annual periods beginning on or after 1 January 2026

³ Effective for annual periods beginning on or after 1 January 2027

⁴ No mandatory effective date yet determined but available for early adoption

Further information about those HKFRSs that are expected to be applicable to the Group is described below.

HKFRS 18 replaces HKAS 1 Presentation of Financial Statements. While a number of sections have been brought forward from HKAS 1 with limited changes, HKFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations, and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in HKAS 1 are moved to HKAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, which is renamed as HKAS 8 Basis of Preparation of Financial Statements. As a consequence of the issuance of HKFRS 18, limited, but widely applicable, amendments are made to HKAS 7 Statement of Cash Flows, HKAS 33 Earnings Per Share and HKAS 34 Interim Financial Reporting. In addition, there are minor consequential amendments to other HKFRSs.

HKFRS 18 and the consequential amendments to other HKFRSs will be effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of HKFRS 18 on the presentation and disclosure of the Group's consolidated financial statements.

HKFRS 19 allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other HKFRSs. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in HKFRS 10 Consolidated Financial Statements, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements available for public use in compliance with HKFRSs. Earlier application is permitted. As the Company is a listed company, it is not eligible to elect to apply HKFRS 19. However, some of the Company's subsidiaries are considering the application of HKFRS 19 in their specified financial statements.

Amendments to HKFRS 9 and HKFRS 7 clarify the date on which a financial asset or financial liability is derecognised and introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosure requirements for investments in equity instruments designated at FVOCI and financial instruments with contingent features. The amendments shall be applied retrospectively with an adjustment to opening retained profits (or other component of equity) at the initial application date. Prior periods are not required to be restated and can only be restated without the use of hindsight. Earlier application of either all the amendments at the same time or only the amendments related to the classification of financial assets is permitted. The amendments are not expected to have any significant impact on the Group's consolidated financial statements.

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. Earlier application is permitted. When applying the amendments, an entity cannot restate comparative information. Any cumulative effect of initially applying the amendments shall be recognised as an adjustment to the opening balance of retained profits or to the cumulative amount of translation differences accumulated in a separate component of equity, where appropriate, at the date of initial application. The amendments are not expected to have any significant impact on the Group's consolidated financial statements.

Annual Improvements to HKFRS Accounting Standards — Volume 11 set out amendments to HKFRS 1, HKFRS 7 (and the accompanying Guidance on implementing HKFRS 7), HKFRS 9, HKFRS 10 and HKAS 7.

Details of the amendments that are expected to be applicable to the Group are as follows:

- *HKFRS 7 Financial Instruments: Disclosures*: The amendments have updated certain wordings in paragraph B38 of HKFRS 7 and paragraphs IG1, IG14 and IG20B of the Guidance on implementing HKFRS 7 for the purpose of simplification or achieving consistency with other paragraphs in the standard and/or with the concepts and terminology used in other standards. In addition, the amendments clarify that the Guidance on implementing HKFRS 7 does not necessarily illustrate all the requirements in the referenced paragraphs of HKFRS 7 nor does it create additional requirements. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's consolidated financial statements.
- *HKFRS 9 Financial Instruments*: The amendments clarify that when a lessee has determined that a lease liability has been extinguished in accordance with HKFRS 9, the lessee is required to apply paragraph 3.3.3 of HKFRS 9 and recognise any resulting gain or loss in profit or loss. In addition, the amendments have updated certain wordings in paragraph 5.1.3 of HKFRS 9 and Appendix A of HKFRS 9 to remove potential confusion. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's consolidated financial statements.
- *HKFRS 10 Consolidated Financial Statements*: The amendments clarify that the relationship described in paragraph B74 of HKFRS 10 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor, which removes the inconsistency with the requirement in paragraph B73 of HKFRS 10. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's consolidated financial statements.
- *HKAS 7 Statement of Cash Flows*: The amendments replace the term "cost method" with "at cost" in paragraph 37 of HKAS 7 following the prior deletion of the definition of "cost method". Earlier application is permitted. The amendments are not expected to have any impact on the Group's consolidated financial statements.

4. REVENUE AND SEGMENT REPORTING

4.1 Revenue

The Group's principal activities are disclosed in note 1 to this result announcement. Revenue represents the consideration received and receivable from these activities.

The Group's revenue recognised during the year is as follows:

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Types of service		
RMAA works projects	137,582	134,507
New construction works projects	1,125	2,789
Corrosion protection works projects	11,316	6,109
	<u>150,023</u>	<u>143,405</u>

Remaining performance obligations

The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date:

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Remaining performance obligations expected to be satisfied:		
Within one year	73,589	99,410
Over one year	52,174	72,035
	<u>125,763</u>	<u>171,445</u>

4.2 Segment information

The Group has determined the operating segments based on the information reported to the chief operating decision maker. During the year, the chief operating decision maker regards the Group's business of performing RMAA works, new construction works and corrosion protection works in Hong Kong as a single operating segment and assesses the operating performance and allocates the resources of the Group as a whole. Accordingly, no segment information is presented.

Geographical information

No separate analysis of segment information by geographical segment is presented as the Group's revenue and non-current assets are principally attributable to a single geographical region, which is Hong Kong.

Information about major customers

Revenue from each of the major customers, which amounted to 10% or more of the Group's total revenue, is set out below:

	2024	2023
	HK\$'000	HK\$'000
Customer A	53,719	54,293
Customer B	31,732	43,092

5. OTHER INCOME AND GAIN, NET

	2024	2023
	HK\$'000	HK\$'000
Gain on disposal of property, plant and equipment	1,033	245
Government grants (<i>Note</i>)	–	330
Gain on early termination of leases	–	19
Sundry income	258	356
	1,291	950

Note:

During the year ended 31 December 2023, the Group recognised subsidies of HK\$330,000 in relation to Technology Voucher Programme. There were no unfulfilled condition or contingencies relating to these grants.

6. FINANCE COSTS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Interest charges on bank and other borrowings	307	1,919
Finance charges on lease liabilities	59	202
	<u>366</u>	<u>2,121</u>

7. LOSS BEFORE INCOME TAX

Loss before income tax is arrived at after charging/(crediting):

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
(a) Staff cost (including directors' remuneration)		
Salaries, wages and other benefits	24,263	34,311
Contributions to defined contribution plans	883	1,198
	<u>25,146</u>	<u>35,509</u>
(b) Other items		
Auditor's remuneration — audit services	750	800
Depreciation of property, plant and equipment	1,747	3,300
— Right-of-use assets	550	1,658
— Owned assets	1,197	1,642
Lease charges in respect of:		
— Short term leases and leases with lease term shorter than 12 months	393	823
(Reversal of)/provision for ECL allowance on:	(787)	1,459
— Contract assets	482	93
— Trade receivables	(1,457)	(292)
— Retention receivables	188	1,658
Impairment on trade and other receivables (<i>Note 18</i>)	—	1,617
Impairment on contract assets (<i>Note 18</i>)	—	5,612

8. INCOME TAX EXPENSE/(CREDIT)

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and is accordingly not subject to income tax in the Cayman Islands.

The provision for Hong Kong Profits Tax for 2024 is calculated at 16.5% (2023: 16.5%) of the estimated assessable profits for the year, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered profits tax rates regime. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of qualifying entities are taxed at 8.25%, and the profits above HK\$2 million are taxed at 16.5%. The provision for Hong Kong Profits tax for this subsidiary was calculated at the same basis in 2023.

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Current tax		
Hong Kong Profits Tax		
— Current year	—	—
	—	—
Deferred tax	<u>47</u>	<u>(435)</u>
Income tax expense/(credit)	<u>47</u>	<u>(435)</u>

9. LOSS PER SHARE

The calculation of loss per share attributable to equity holders of the Company is based on the following:

	2024	2023
Losses		
Loss for the year attributable to equity holders of the Company <i>(HK\$'000)</i>	<u>(3,140)</u>	<u>(30,321)</u>
Shares		
Weighted average number of ordinary shares <i>(in thousands)</i>	1,062,082	1,050,000
Loss per share <i>(HK cents)</i>	<u>(0.30)</u>	<u>(2.89)</u>

The calculation of basic loss per share for the year is based on the loss of HK\$3,140,000 (2023: HK\$30,321,000) for the year attributable to equity holders of the Company, and the weighted average number of 1,062,082,000 (2023: 1,050,000,000) ordinary shares in issue during the year.

Diluted earnings per share for the years ended 31 December 2024 and 2023 was the same as basic earnings per share as there were no dilutive potential ordinary shares in issue during the years.

10. DIVIDENDS

The Board did not recommend the payment of dividend for the year ended 31 December 2024 (2023: nil).

11. TRADE AND OTHER RECEIVABLES

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Trade and retention receivables		
Trade receivables	17,068	21,596
Retention receivables	16,262	16,679
Less: ECL allowance	(7,153)	(8,422)
	<u>26,177</u>	<u>29,853</u>
Deposits, prepayments and other receivables		
Prepayments	7,921	6,614
Deposits paid to suppliers and subcontractors	315	155
Security for issuance of performance bonds	684	684
Other deposits	919	1,211
	<u>9,839</u>	<u>8,664</u>
	<u>36,016</u>	<u>38,517</u>

All the trade and other receivables are denominated in HK\$ and the directors of the Company considered that the fair values of trade and other receivables are not materially different from their carrying amounts.

As at 31 December 2024, retention receivables of HK\$5,427,000 (2023: HK\$5,218,000) included under current assets in the consolidated statements of financial position are expected to be recovered after one year.

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer. The majority of the Group's trade receivables that are past due but not impaired have good credit quality with reference to respective settlement history.

The Group usually grants credit period ranging from 30 to 60 days to customers other than retention receivables. The terms and conditions in relation to the release of retention vary from contract to contract, which will be subject to the expiration of the defect liability period. In general, the retention money will be released upon the expiration of the defect liability period, which is typically one year after completion of construction works.

The ageing analysis of the trade receivables based on the invoice dates is as follows:

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Within 30 days	4,774	12,406
31 days to 60 days	6,676	1,409
61 days to 90 days	817	1,701
91 days to 365 days	3,530	2,855
Over 365 days	1,271	3,225
	<u>17,068</u>	<u>21,596</u>

The ageing analysis of the trade receivables based on due dates is as follows:

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Not yet due	8,301	13,682
Less than 30 days past due	3,531	1,734
31 days to 60 days past due	704	779
61 days to 90 days past due	1,067	923
91 days to 365 days past due	2,194	1,495
over 365 days past due	1,271	2,983
	<u>17,068</u>	<u>21,596</u>

The movements in the ECL allowance of trade and retention receivables are as follows:

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
At the beginning of the year	8,422	7,195
Bad debt written-off	–	(139)
(Reversal of)/provision for ECL allowance during the year	(1,269)	1,366
	<u>7,153</u>	<u>8,422</u>

12. CONTRACT ASSETS/CONTRACT LIABILITIES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Contract assets	89,843	87,676
Less: ECL allowance	(1,662)	(1,180)
	88,181	86,496
Contract liabilities	(2,708)	(10,636)
	85,473	75,860

The contract assets are transferred to receivables when the rights become unconditional. The contract liabilities primarily relate to the advanced consideration received from customers, for which revenue is recognised based on the progress of the provision of related services.

The amount of revenue recognised during the year ended 31 December 2024 from performance obligations satisfied in previous periods, mainly due to the changes in estimate of the stage of completion and modification of contracts, is HK\$515,000 (2023: HK\$166,000).

Movements in the contract assets and the contract liabilities balances during the years ended 31 December 2024 and 2023 are as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	2,507	3,663
Transfers from contract assets recognised at the beginning of the year to receivables	31,239	16,301

The balance of contract assets and contract liabilities are expected to be recovered/settled within one year.

The movements in the ECL allowance of contract assets are as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
At the beginning of the year	1,180	1,087
Provision for ECL allowance during the year	482	93
At the end of the year	1,662	1,180

13. TRADE AND OTHER PAYABLES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade and retention payables		
Trade payables	47,321	41,228
Retention payables	<u>3,486</u>	<u>10,123</u>
	<u>50,807</u>	<u>51,351</u>
Other payables		
Accrued expenses and other payables	10,069	6,495
Provision for annual leave and long service payment	<u>3,345</u>	<u>1,474</u>
	<u>13,414</u>	<u>7,969</u>
	<u>64,221</u>	<u>59,320</u>

The Group is granted by its suppliers and subcontractors a credit period ranging from 30 to 60 days. Based on the invoice dates, the ageing analysis of the trade payables is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Within 30 days	21,412	17,393
31 days to 60 days	12,866	4,779
61 days to 90 days	3,567	2,690
91 days to 365 days	5,006	8,216
Over 365 days	<u>4,470</u>	<u>8,150</u>
	<u>47,321</u>	<u>41,228</u>

As at 31 December 2024, retention payables of HK\$2,286,000 (2023: HK\$2,812,000) included under current liabilities in the consolidated statement of financial position are expected to be payable after one year.

All trade and other payables are denominated in HK\$. The carrying values of trade and other payables are considered to be reasonable approximation of their fair values.

14. LEASE LIABILITIES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Total minimum lease payments		
— Within one year	1,273	1,220
— After one year but within two years	1,114	165
— After two years but within five years	29	127
	<u>2,416</u>	<u>1,512</u>
Future finance charges on lease liabilities	(120)	(69)
	<u>2,296</u>	<u>1,443</u>
Present value of lease liabilities		
Present value of minimum lease payments		
— Within one year	1,182	1,161
— After one year but within two years	1,085	157
— After two years but within five years	29	125
	<u>2,296</u>	<u>1,443</u>
Less: Portion due within one year included under current liabilities	(1,182)	(1,161)
	<u>1,114</u>	<u>282</u>
Portion due after one year included under non-current liabilities		

15. BANK AND OTHER BORROWINGS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Loans, secured:		
— repayable within one year	497	3,081
— not repayable within one year from the end of the reporting period but contain a repayment on demand clause	4,425	4,841
	<u>4,922</u>	<u>7,922</u>
Amounts shown under current liabilities		

As at 31 December 2024 and 2023, all bank and other borrowings were denominated in HK\$.

The bank and other borrowings were secured by:

- (a) land and buildings with a net book amount of HK\$3,717,000 (2023: HK\$3,911,000) as at 31 December 2024;
- (b) corporate guarantee by the Company as at 31 December 2024 and 2023;
- (c) guarantee as provided by the HKMC Insurance Limited under the Small and Medium Enterprise Guarantee Scheme as at 31 December 2024 and 2023; and
- (d) personal guarantee as provided by the Controlling Shareholder as at 31 December 2024 and 2023.

16. SHARE CAPITAL

	<i>No. of shares</i>	<i>HK\$'000</i>
Authorised:		
Ordinary shares of HK\$0.01 each		
As at 1 January 2023, 31 December 2023, 1 January 2024 and 31 December 2024	<u>10,000,000,000</u>	<u>100,000</u>
Issued and fully paid:		
As at 1 January 2023, 31 December 2023 and 1 January 2024	1,050,000,000	10,500
Share allotment on placing (<i>Note</i>)	<u>210,000,000</u>	<u>2,100</u>
As at 31 December 2024	<u>1,260,000,000</u>	<u>12,600</u>

Note: On 20 November 2024, the Company entered into a placing agreement with a placing agent pursuant to which the Company has conditionally agreed to place, through the placing agent on a best basis, up to 210,000,000 placing shares at the placing price at HK\$0.055 per placing share to certain independent placees. The gross proceeds from the placing amounted to HK\$11,550,000, and the net proceeds, after the deduction of the placing commission and other related expenses of approximately HK\$483,000, amounted to approximately HK\$11,067,000. The net proceeds from the placing are intended to be used (i) as to approximately HK\$2,000,000 for the repayment of bank borrowings; and (ii) as to approximately HK\$9,067,000 for the general working capital of the Group. The placing has been completed on 10 December 2024.

17. GOODWILL

	<i>HK\$'000</i>
Cost	
As at 1 January 2023	55,802
Write off during the year	<u>(55,802)</u>
As at 31 December 2023, 1 January 2024 and 31 December 2024	<u>–</u>
Accumulated impairment losses	
As at 1 January 2023	41,802
Write off during the year	<u>(41,802)</u>
As at 31 December 2023, 1 January 2024 and 31 December 2024	<u>–</u>
Net carrying amount	
As at 31 December 2024	<u><u>–</u></u>
As at 31 December 2023	<u><u>–</u></u>

For the purposes of impairment testing on goodwill, management allocated goodwill to the Group's cash-generating unit ("CGU") identified. The Group's goodwill arising on acquisition of subsidiaries during the year was allocated to the provision of repair, maintenance, alteration and addition works and new construction works of which the same revenue segment of the Group.

As detailed in Note 18, on 15 November 2023, a winding-up order was made by the High Court against an indirect wholly-owned subsidiary, Projexasia Limited, and a provisional liquidator has been appointed. As a result, the Group lost on control over Projexasia Limited and it ceased to be the subsidiary of the Company. Therefore, the directors of the Company considered the goodwill arising from the acquisition of Projexasia Limited being irrecoverable and written off of goodwill of HK\$14,000,000 has been recognised during the year ended 31 December 2023.

18. GAIN ON DECONSOLIDATION OF A SUBSIDIARY

On 15 November 2023, a winding-up order was made by the High Court against an indirect wholly-owned subsidiary of the Company, Projexasia Limited, at the hearing of the Petition pursuant to the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) and a provisional liquidator has been appointed.

During the period up to the date of appointment of liquidator, the directors of the Company considered the recoverability of trade and other receivables and contract assets were remote, accordingly, impairment loss on trade and other receivables and contract assets of HK\$1,617,000 and HK\$5,612,000 were recognised in consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2023.

As a result of the liquidation and appointment of liquidator, the Group lost on control over Projexasia Limited and it ceased to be subsidiary of the Company with effect from 15 November 2023. A gain on deconsolidation of the subsidiary of approximately HK\$9,963,000 was recognised in the consolidated profit or loss for the year ended 31 December 2023.

The net liabilities of Projexasia Limited at the date of loss of control were as follows:

	<i>HK\$'000</i>
Net liabilities disposed of	
Bank balances and cash	632
Contract liabilities	(742)
Trade and other payables	(9,853)
Amounts due to the Company and its subsidiaries	<u>(18,978)</u>
Net liabilities being disposed	(28,941)
Amounts due to the Company and its subsidiaries	<u>18,978</u>
Gain on deconsolidation of a subsidiary	<u><u>(9,963)</u></u>
Net cash outflow arising on deconsolidation	
Bank balances and cash	<u><u>(632)</u></u>

19. EVENT AFTER THE REPORTING PERIOD

On 17 January 2025, Advanced Pacific, the controlling shareholder of the Company, had entered into a sale and purchase agreement (the “**Agreement**”) with Mr. Xu Changcheng (the “**Purchaser**”), pursuant to which Advanced Pacific agreed to dispose of and the Purchaser agreed to purchase 300,000,000 shares of the Company, representing approximately 23.8% of the total issued share capital of the Company, at a consideration of HK\$48,000,000 (the “**Disposal**”). Save for holding of 1,800,000 shares before the completion of the Disposal, the Purchaser is an independent third party of the Company and its connected persons.

Upon completion of the Disposal, the Purchaser and Advanced Pacific will hold approximately 23.95% and 18.70% of the total issued share capital of the Company respectively, and therefore the Purchaser shall become a substantial shareholder and the single largest shareholder of the Company and Advanced Pacific shall cease to be the controlling shareholder of the Company but remain as a substantial shareholder of the Company. Please refer to the Company’s announcement dated 17 January 2025 for the details of the Disposal.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

The Group is an established multi-disciplinary contractor for the provision of RMAA, new construction works, and corrosion protection works (previously known as cathodic protection works) in Hong Kong. The Group is responsible for the overall management, implementation and supervision of projects. The Group focuses on the management of projects, development of work programmes, procurement of works materials, operation of site works, co-ordination with the customers or their consultants and quality control of the works carried by the employees and the subcontractors.

For RMAA works, the Group provides repair, alteration and addition, maintenance, modification, rehabilitation, steel, civil and demolition works in various venues such as residential building, commercial building, carpark, road, footbridge and theme park in Hong Kong. For new construction works, the Group provides a variety of constructions and related alteration and additions works and facilities such as noise mitigation work, architectural metalwork, bus shelter, dangerous goods store building, innovative and creative structure such as air balloon. For corrosion protection works, the Group provides various of corrosion protection solution including but not limited to installation of cathodic protection systems including sacrificial anodes protection and impressed current systems.

For the year ended 31 December 2024, there were 238 projects (2023: 182 projects) with revenue contribution undertaken by the Group. The demands for the Group's RMAA and corrosion protection works services remained at a steady level. During the year ended 31 December 2024 and up to the date of this announcement, the Group was awarded 98 new projects, with total original contract sum of approximately HK\$96.8 million.

Looking forward, the Directors consider that the future opportunities and challenges facing the Group will continue to be affected by the development of the property market in Hong Kong as well as factors affecting the labour costs and material costs. The Directors are of the view that the number of properties to be built and maintained in Hong Kong remains to be the key driver for the growth of the Hong Kong RMAA and fitting-out industry. Furthermore, the Group is exploring its business opportunities into the PRC by introducing a new line of business. This strategic initiative marks an important step in diversifying the Group's business portfolio and exploring new growth opportunities outside of Hong Kong, which is expected to contribute positively to the Group's long-term development and sustainability.

FINANCIAL REVIEW

Revenue

The revenue increased from approximately HK\$143.4 million for the year ended 31 December 2023 to approximately HK\$150 million for the year ended 31 December 2024, representing an increase of approximately 4.6%. Such increase was mainly due to the increase in number of projects of RMAA and new works projects undertaken by the Group as a result of the overall development in the construction industry in Hong Kong.

Cost of sales

The cost of sales increased from approximately HK\$135.5 million for the year ended 31 December 2023 to approximately HK\$140.2 million for the year ended 31 December 2024, representing an increase of approximately 3.5%. Such increase was mainly attributable to the increase in the subcontracting charges incurred in line with the revenue increase during the year.

Gross profit

Gross profit of the Group increased by approximately HK\$1.9 million from approximately HK\$7.9 million for the year ended 31 December 2023 to approximately HK\$9.8 million for the year ended 31 December 2024. The overall gross profit margin increased from approximately 5.5% for the year ended 31 December 2023 to approximately 6.5% for the year ended 31 December 2024 as the projects undertaken by the Group during the year ended 31 December 2024 generally had higher gross profit margin, also the extent of increase in subcontracting charges, staff salary and construction material costs was outweighed by the increase in revenue for the year ended 31 December 2024.

Administrative expenses

Administrative expenses of the Group decreased by approximately HK\$19.3 million or 58.3% from approximately HK\$33.1 million for the year ended 31 December 2023 to approximately HK\$13.8 million for the year ended 31 December 2024.

Administrative expenses primarily consist of staff costs, depreciation, transportation and motor vehicle expense, professional service and other cost incurred for daily operation. The decrease was mainly attributable to the cost control plan implemented effectively in 2024.

Other income

Other income increased by approximately HK\$0.4 million from HK\$0.9 million for the year ended 31 December 2023 to HK\$1.3 million for the year ended 31 December 2024. The amount in current year mainly represent the gain on disposal of motor vehicles during the year.

Provision for impairment of goodwill

On 19 October 2021, the Group entered into the sale and purchase agreement with an independent third party (the “**Vendor**”), pursuant to which the Group has agreed to purchase and the Vendor has conditionally agreed to sell the sale share, representing 100% of the issued share capital of Treasure Mark Global Limited. Pursuant to the sale and purchase agreement, the consideration shall be HK\$24.0 million satisfied (i) as to HK\$18.5 million by allotting and issuing to the Vendor an aggregate of 185,000,000 ordinary shares of the Company (“**Issued shares**”), credited as fully paid, at the issue price of HK\$0.10 per share; and (ii) the remaining balance of HK\$5.5 million by way of cash by the placing arrangement.

The transaction was completed on 30 December 2021. As at completion date, the fair value of the consideration was increased to HK\$56.4 million due the fair value of the issued shares prices was increased. And the goodwill arising on acquisition of the subsidiary was HK\$50.9 million.

Management has calculated that the value in use of the cash-generating unit (CGUs) is less than the total carrying amount of the CGUs and the respective allocated goodwill, accordingly, the Group has provided the impairment loss on goodwill of approximately HK\$14.0 million and recognised in the consolidated statement of profit or loss and other comprehensive income during the year ended 31 December 2023 and nil for the year ended 31 December 2024.

Finance costs

Finance costs for the Group decreased from HK\$2.1 million for the year ended 31 December 2023 to HK\$0.3 million for the year ended 31 December 2024. The decrease was mainly contribute from the decrease in banks borrowings during the year ended 31 December 2024.

Income tax expense

No current income tax expense for the Group for the year ended 31 December 2023 and the tax expense for the year was solely derived from deferred tax.

Loss and total comprehensive expense for the year attributable to the owners of the Company

As a result of foregoing, the Group recognised a loss for the year of approximately HK\$3.1 million for the year ended 31 December 2024 as compared to loss and total comprehensive expense for the year attributable to the owners of the Company of approximately HK\$30.3 million for the year ended 31 December 2023.

Such decrease was primarily attributable to the effect of (i) the increase in revenue for the year ended 31 December 2024; (ii) the increase in gross profit for the year ended 31 December 2024; (iii) decreased provision for impairment of goodwill which was incurred by the Group for the year ended 31 December 2023 and being nil for the year ended 31 December 2024; and (iv) the decrease in administrative expenses for the year ended 31 December 2024.

LIQUIDITY AND FINANCIAL RESOURCES

The current ratio remain steady at from approximately 1.4 times as at 31 December 2023 and as at 31 December 2024.

As at 31 December 2024, the Group had bank borrowings of approximately HK\$4.9 million (2023: HK\$7.9 million). The gearing ratio, calculated based on the total borrowings divided by total equity at the end of the year and multiplied by 100%, decreased from approximately 19.1% as at 31 December 2023 to approximately 9.9% as at 31 December 2024 due to the repayment of borrowing of the Group. The Group's financial position is sound and strong. With available bank balances and cash and bank credit facilities, the Group has sufficient liquidity to maintain its business operation.

TREASURY POLICY

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

CAPITAL STRUCTURE

The shares of the Company were successfully listed on GEM of the Stock Exchange on 4 July 2018. There has been no change in the capital structure of the Group since then. The share capital of the Group only comprises of ordinary shares.

As at 31 December 2023, the Company's issued share capital was HK\$10,500,000 and the number of its issued ordinary shares was 1,050,000,000 of HK\$0.01 each.

As at 31 December 2024, the Company's issued share capital was HK\$12,600,000 and the number of its issued ordinary shares was 1,260,000,000 of HK\$0.01 each.

COMMITMENTS

The Group has no operating lease commitments as at 31 December 2023 and 2024.

SEGMENTAL INFORMATION

Segmental information is presented for the Group as disclosed on note 4 to this result announcement. There is no material changes in the industrial segment.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

As at 31 December 2024, the Group did not have other plans for material investments and capital assets.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

The Group did not have any material acquisitions and disposals of subsidiaries and affiliated companies during the year ended 31 December 2024.

CONTINGENT LIABILITIES

As at 31 December 2024, no contingent liabilities of the Group is noted.

EXPOSURE TO EXCHANGE RATE FLUCTUATION

The Group's revenue generating operations are mainly transacted in HK\$. The Directors consider the impact of foreign exchange exposure to the Group is minimal.

CHARGE OF GROUP'S ASSETS

As at 31 December 2024, the Group pledged certain amount of land and buildings to secure short-term bank borrowings and other general banking facilities granted to the Group. For details, please refer to note 15 to this result announcement.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2024, the Group employed a total of 67 employees (2023: 82 employees). The staff costs, including Directors' emoluments, of the Group were approximately HK\$25.1 million for the year ended 31 December 2024 (2023: approximately HK\$35.5 million). Remuneration is determined with reference to market terms and the performance, qualification and experience of individual employee. In addition to a basic salary, year-end discretionary bonuses were offered to those staff with outstanding performance to attract and retain eligible employees to contribute to the Group. Apart from basic remuneration, share options may be granted to eligible employees by reference to the Group's performance as well as individual contribution.

USE OF PROCEEDS

The Company successfully completed the placement of new shares under the general mandate on 10 December 2024 (the "Placing"). After deducting related expenses, the net proceeds from the Placing amounted to approximately HK\$11.2 million. A breakdown of the utilization of these net proceeds from the Placing date up to the date of this announcement is provided below:

	Use of net proceeds as disclosed in the announcement dated 20 November 2024 HK\$ million	Actual use of net proceeds from Placing date to the date of this announcement HK\$ million	Expected timeline of full utilization of the balance
Repayment of bank borrowings	2.0	0.8	End of year 2025
General working Capital	9.2	9.2	–

SUBSEQUENT EVENT

Following the announcement dated 12 March 2025, the Registrar of Companies in the Cayman Islands issued the Certificate of Incorporation on Change of Name on 17 February 2025, certifying the change of the Company's English name from "Allurefem Holding Limited" to "Sheng Tang Holdings Limited" and the change of its dual foreign name in Chinese from "伊人壹方控股有限公司" to "聖唐控股有限公司". Subsequently, the Registrar of Companies in Hong Kong issued the Certificate of Registration of Alteration of Name of Registered Non-Hong Kong Company on 7 March 2025, confirming the registration of the new English name "Sheng Tang Holdings Limited" and the new Chinese name "聖唐控股有限公司" under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong). For further information, please refer to the Company's announcement dated 12 March 2025.

Except as disclosed above and in note 19 of this announcement, no other significant subsequent events have been identified after the reporting period.

OTHER INFORMATION

CORPORATE GOVERNANCE PRACTICES

Since the Listing, the Board has recognised that the transparency and accountability is important to a listed company. Therefore, the Company is committed in establishing and maintaining good corporate governance practices and procedures. The Directors believe that good corporate governance provides a framework that is essential for effective management, successful business growth and a healthy corporate culture in return to the benefits of the Company's stakeholders as a whole.

The Board has adopted and complied with the Corporate Governance Code (the "CG Code") as set out in Appendix 15 to the GEM Listing Rules. The Directors will continue to review its corporate governance practices in order to enhance its corporate governance standard, to comply with the increasingly tightened regulatory requirements from time to time, and to meet the rising expectation of shareholders and other stakeholders of the Company.

Under the code provision A.2.1 of the CG Code, the role of chairman and chief executive should be separated and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established.

Mr. Heung Chung Sum currently assumes the role of chairman of the Company and Mr. Shen Peng is the chief executive of the Company. The Board considers that this structure could enhance efficiency in formulation and implementation of the Company's strategies and comply with the CG Code.

Save as disclosed above, the Board is pleased to report compliance with all applicable code provisions of the CG Code during the year ended 31 December 2024.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings set out in Rules 5.46 to 5.67 of the GEM Listing Rules. The Company had also made specific enquiry of all the Directors and the Company was not aware of any non-compliance with the required standard of dealings regarding securities transactions by the Directors during the year ended 31 December 2024.

NON-COMPETITION UNDERTAKINGS BY CONTROLLING SHAREHOLDERS

Each of the Controlling Shareholders, who reduced their shareholding to below 30% following the reporting period and up to the date of this announcement (namely Mr. Heung Chung Sum and Advanced Pacific Enterprises Limited ("**Advanced Pacific**")) has made an annual declaration to the Company that for the year ended 31 December 2024, it has complied with the terms of non-competition undertakings ("**Non-Competition Undertakings**") given in favour of the Company which are contained in the Deed of Non-Competition Undertaking. Details of the Non-Competition Undertakings are set out in the section headed "Relationship with the Controlling Shareholders" of the Prospectus. The INEDs have also reviewed the status of compliance by each of the Controlling Shareholders with the undertakings in the Non-Competition Undertakings and as far as the INEDs can ascertain, there is no breach of any of the undertakings in the Non-Competition Undertakings.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries have purchased, sold or redeemed any securities of the Company during the year ended 31 December 2024.

DIVIDEND

The Board does not recommend the payment of any final dividend for the year ended 31 December 2024.

ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS

The annual general meeting is scheduled on Friday, 16 May 2025. In order to determine entitlements to attend and vote at the annual general meeting, the register of members of the Company will be closed from Tuesday, 13 May 2025 to Friday, 16 May 2025, both days inclusive, during which period no transfer of shares of the Company will be effected. In order to be eligible to attend and vote at the forthcoming annual general meeting of the Company, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Monday, 12 May 2025.

AUDIT COMMITTEE

The Company established the Audit Committee with written terms of reference in compliance with the GEM Listing Rules, in accordance with provisions set out in the CG Code which are available on the websites of the Stock Exchange and the Company.

The Audit Committee currently consists of three independent non-executive Directors namely Mr. Chan Chi Hang, Dr. Ip Wai Hung and Mr. Ko, Wilson Wai Shun. The chairman of the Audit Committee is Mr. Chan Chi Hang, who has appropriate professional qualifications and experience in accounting matters.

REVIEW OF ANNUAL RESULTS

The audit committee of the Company has reviewed the annual results for the year ended 31 December 2024 before the results were submitted to the Board for approval.

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

APPRECIATION

On behalf of the Board, I wish to take this opportunity to express my gratitude to our shareholders, clients, business partners, and suppliers who trust and remain faithful to the Group. I would also like to express our sincere thanks to the management and staffs for their commitment and contribution throughout the years.

By order of the Board
Sheng Tang Holdings Limited
Heung Chung Sum
Chairman and Executive Director

Hong Kong, 31 March 2025

As at the date of this announcement, the executive Director is Mr. Heung Chung Sum; the non-executive Directors are Ms. Heung Joe Yee and Mr. Liang Bin; and the independent non-executive Directors are Dr. Ip Wai Hung, Mr. Ko, Wilson Wai Shun and Mr. Chan Chi Hang.