

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.



AUTOMATED SYSTEMS HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

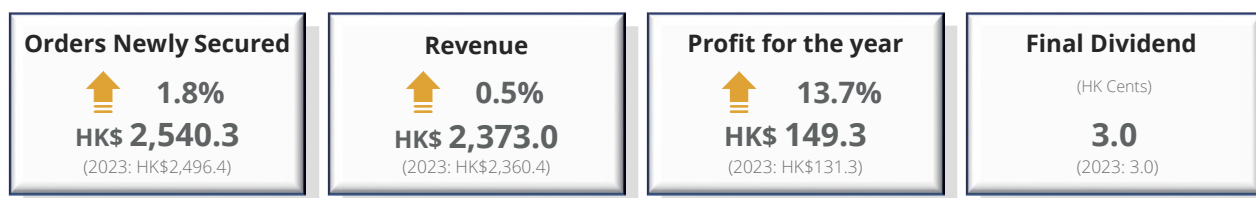
(Stock Code: 771)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31ST DECEMBER 2024

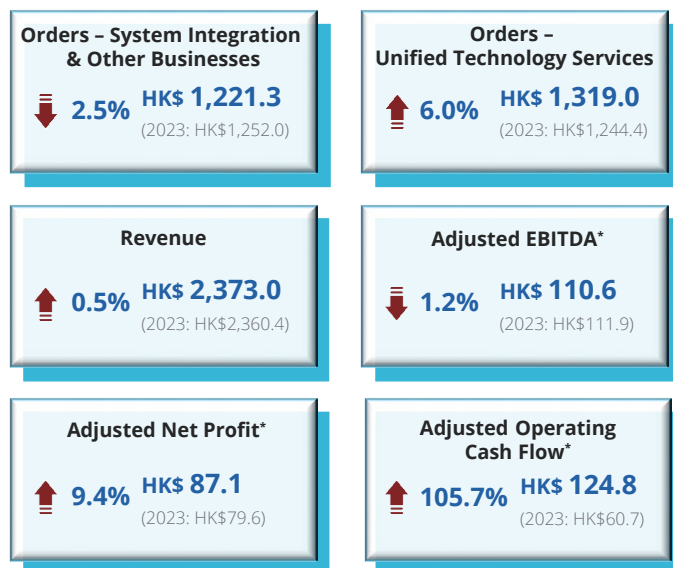
GROUP PERFORMANCE OVERVIEW

(HK\$ million)

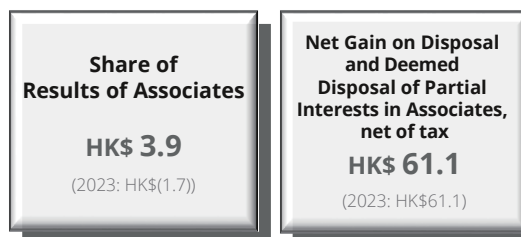
Group Consolidated Financial Result



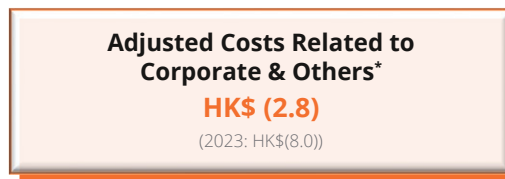
Core Business



Interests in Associates



Non-Operating Items



Adjusted EBITDA:

Adjusted Earnings Before Interest, Taxes, Depreciation, and Amortisation ("Adjusted EBITDA") is calculated based on profit for the year excluding interest income and expenses, tax, depreciation and amortisation, fair value loss on investment properties, equity-settled share-based payments expense, share of results of associates, net gain on disposal of interests in associates, net gain on deemed disposal of partial interest in an associate, one-off professional fees and remeasurement of employee benefit obligations.

Adjusted Net Profit:

Adjusted Net Profit is calculated based on Adjusted EBITDA adding back depreciation and amortisation and income tax expense and tax adjustments from the equity-settled share-based payments expense, net gain on disposal of the partial interest in an associate and remeasurement of employee benefit obligations.

Adjusted Operating Cash Flow:

Operating cash flow of core business is calculated based on net cash from operating activities of the Group excluding one-off professional fees, tax paid/refund in relation to disposal of the partial interest in an associate and including the impact on cash flow of time deposits.

Adjusted Costs Related to Corporate & Others: System Integration & Other Businesses:

Mainly represent the fair value change on investment properties, equity-settled share-based payments expense, one-off professional fees, tax adjustments from the gain on disposal of the partial interest in an associate, finance costs and income and the remeasurement of employee benefit obligations.

Unified Technology Services:

Being the business of information technology in supplying of information technology and associated products carried out by the Group, and Professional Service carried out by subsidiaries, other than Automated Systems (H.K.) Limited. Being the business of information technology in providing systems integration, software and consulting services, engineering support for products and solutions and managed services carried out by a subsidiary, Automated Systems (H.K.) Limited.

*:

The information is not a measure required by or presented in accordance with Hong Kong Financial Reporting Standards ("HKFRS"). The use of this non-HKFRS measure has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for analysis of, our results or operations or financial condition as reported under HKFRS.

RESULTS

The board (the “Board”) of directors (the “Directors”) of Automated Systems Holdings Limited (the “Company”) are pleased to announce the audited consolidated results of the Company and its subsidiaries (the “Group” or “ASL”) for the year ended 31st December 2024 together with comparative figures for the year ended 31st December 2023 as follows:

Consolidated Statement of Profit or Loss

		Audited	
		Year ended	
		31st December	
		2024	2023
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	3	2,372,976	2,360,425
Cost of goods sold		(962,312)	(1,034,782)
Cost of services rendered		(1,164,678)	(1,079,686)
Other income	4	28,379	15,736
Other gain, net	5	60,526	59,713
Fair value loss on investment properties		(2,300)	(1,200)
Selling expenses		(104,736)	(101,218)
Administrative expenses		(63,138)	(66,075)
Finance income	6	614	249
Finance costs		(1,162)	(2,563)
Share of results of associates		3,918	(1,685)
		<hr/>	<hr/>
Profit before income tax	7	168,087	148,914
Income tax expense	8	(18,765)	(17,595)
		<hr/>	<hr/>
Profit for the year attributable to equity holders of the Company		149,322	131,319
		<hr/>	<hr/>
		<i>HK cents</i>	<i>HK cents</i>
Earnings per share attributable to equity holders of the Company:	<i>10</i>		
– Basic		17.91	15.75
– Diluted		17.90	15.75
		<hr/>	<hr/>

Consolidated Statement of Comprehensive Income

	Audited	
	Year ended	
	31st December	
	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Profit for the year	149,322	131,319
Other comprehensive (loss)/income:		
<i>Items that will not be reclassified subsequently to profit or loss:</i>		
Revaluation (loss)/surplus of land and buildings	(870)	5,016
Remeasurement of long service payment obligations	(957)	–
Deferred taxation arising from revaluation of land and buildings	144	(828)
Equity investment at fair value through other comprehensive income (“FVOCI”) – net movement in fair value reserve (non-recycling)	(3,892)	–
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of overseas operations	(13,030)	1,931
Share of other comprehensive (loss)/income of associates	(6,285)	5,059
Total comprehensive income for the year attributable to equity holders of the Company	124,432	142,497

Consolidated Statement of Financial Position

		Audited	
		31st December	
		2024	2023
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
NON-CURRENT ASSETS			
Property, plant and equipment	<i>11</i>	320,638	337,048
Investment properties	<i>12</i>	48,500	50,800
Intangible assets		–	–
Interests in associates	<i>13</i>	1,219,206	1,258,056
Prepayments	<i>15</i>	10,291	2,350
Financial asset at FVOCI		–	3,906
Finance lease receivables		15,310	2,499
Deferred income tax assets		127	781
		<u>1,614,072</u>	<u>1,655,440</u>
CURRENT ASSETS			
Inventories		333,911	295,890
Trade receivables	<i>14</i>	192,410	228,692
Finance lease receivables		6,808	1,726
Other receivables, deposits and prepayments	<i>15</i>	74,853	41,900
Contract assets		337,834	344,583
Tax recoverable		2,140	3,044
Time deposits	<i>16</i>	415,306	287,218
Bank balances and cash	<i>16</i>	299,087	252,401
		<u>1,662,349</u>	<u>1,455,454</u>
TOTAL ASSETS		<u>3,276,421</u>	<u>3,110,894</u>
EQUITY			
Share capital		83,370	83,370
Share premium		403,164	403,164
Reserves		1,790,374	1,690,782
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		<u>2,276,908</u>	<u>2,177,316</u>

Consolidated Statement of Financial Position (Continued)

		Audited	
		31st December	
		2024	2023
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
NON-CURRENT LIABILITIES			
Deferred income tax liabilities		163,077	170,229
Lease liabilities		2,353	5,969
		<u>165,430</u>	<u>176,198</u>
CURRENT LIABILITIES			
Trade payables	<i>17</i>	298,705	302,821
Other payables and accruals	<i>18</i>	179,849	179,245
Receipts in advance		344,568	253,535
Current income tax liabilities		5,177	5,331
Bank borrowings	<i>19</i>	–	11,259
Lease liabilities		5,784	5,189
		<u>834,083</u>	<u>757,380</u>
TOTAL LIABILITIES		<u>999,513</u>	<u>933,578</u>
TOTAL EQUITY AND LIABILITIES		<u>3,276,421</u>	<u>3,110,894</u>
NET CURRENT ASSETS		<u>828,266</u>	<u>698,074</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,442,338</u>	<u>2,353,514</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

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

The consolidated financial statements also comply with the applicable disclosure requirements of the Hong Kong Companies Ordinance and include the applicable disclosure requirements of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The consolidated financial statements have been prepared under the historical cost basis except for land and buildings, investment properties and equity investment classified as financial asset at FVOCI, which are stated at fair values.

The preparation of consolidated financial statements in conformity with HKFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies.

2. MATERIAL ACCOUNTING POLICIES

(i) Amended HKFRS Accounting Standards that are effective for the annual periods beginning on 1st January 2024:

In the current year, the Group has applied for the first time the following amended HKFRS Accounting Standards 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 1st 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 and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

Except for mentioned below, the adoption of the amended HKFRS Accounting Standards has no material impact on how the results and financial position of the Group for the current and prior periods have been prepared and presented.

2. MATERIAL ACCOUNTING POLICIES (Continued)

(i) Amended HKFRS Accounting Standards that are effective for the annual periods beginning on 1st January 2024: (Continued)

Amendments to HKAS 1 “Classification of Liabilities as Current or Non-current” (“2020 Amendments”) and related amendments to Hong Kong Interpretation 5 and Amendments to HKAS 1 “Non-current Liabilities with Covenants” (“2022 Amendments”)

The amendments clarified the classification of debt and other liabilities as current or non-current, depending on whether an entity has a right to defer settlement of the liability for at least twelve months from the end of the reporting period and this right has to be existed at the end of the reporting period. Any expectations about events after the reporting period do not impact the assessment of the classification of the liabilities make at the end of the reporting period as to the classification of the liability.

Covenants of a loan arrangement that an entity must comply with on or before the reporting date (even if the covenant is only assessed after the reporting date) affect the classification of that liability as current or non-current. Covenants that the entity is required to comply with after the reporting date do not affect the classification at the reporting date.

The amendments also define “settlements” of a liability, which includes transfer of entity’s own equity instrument. However, if the holder’s conversion option in a convertible bond is classified as equity in accordance with HKAS 32, the transfer of equity instruments by exercising the conversion option does not constitute settlement of liability and would be disregarded when determining whether the liability is current or non-current. If the holder’s conversion option is classified as liability, such option must be considered for the determination of current/non-current classification of a convertible bond.

The amendments are applied retrospectively.

Based on the Group’s outstanding liabilities as at 1 January 2024, the application of amendments did not result in reclassification of the Group’s liabilities.

2. MATERIAL ACCOUNTING POLICIES (Continued)

(ii) Issued but not yet effective HKFRS Accounting Standards:

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

Amendments to HKAS 21	Lack of Exchangeability ¹
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11 ²
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity ²
HKFRS 18	Presentation and Disclosure in Financial Statements ³
HKFRS 19	Subsidiaries without Public Accountability: Disclosures ³
Amendments to Hong Kong Interpretation 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause ³
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴

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

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

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

⁴ Effective date not yet determined

The directors anticipate that all of the pronouncements will be adopted in the Group's accounting policy for the first period beginning on or after the effective date of the pronouncement. Information on new and amended HKFRS Accounting Standards that are expected to have impact on the Group's accounting policies is provided below. Other new and amended HKFRS Accounting Standards are not expected to have a material impact on the Group's consolidated financial statements.

HKFRS 18 "Presentation and Disclosure in Financial Statements" and related amendments to Hong Kong Interpretation 5

HKFRS 18 replaces HKAS 1 "Presentation of Financial Statements". It carries forward many of the existing requirements in HKAS 1, with limited changes, and some HKAS 1 requirements will be moved to HKAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and HKFRS 7 "Financial Instruments: Disclosures".

2. MATERIAL ACCOUNTING POLICIES (Continued)

(ii) Issued but not yet effective HKFRS Accounting Standards: (Continued)

HKFRS 18 “Presentation and Disclosure in Financial Statements” and related amendments to Hong Kong Interpretation 5 (Continued)

HKFRS 18 will not impact the recognition and measurement of financial statements items but the presentation of them. It introduces three major new requirements, including:

- reporting newly defined subtotals (namely “operating profits” and “profits before financing and income tax”), and classifying items into five newly defined categories (namely “operating”, “investing”, “financing”, “income tax” and “discontinued operation”), depending on the reporting entity’s main business activities, in the statement of profit or loss;
- Disclosure of management-defined performance measures (“MPMs”) in a single note to the financial statements; and
- enhanced guidance of aggregation and disaggregation of information in the financial statements.

Besides, narrow-scope amendments have been made to HKAS 7 “Statement of Cash Flows”, which includes:

- using “operating profit or loss” as the starting point for indirect method for the presentation of operating cash flows purposes; and
- the option for classifying interest and dividend cash flows as operating activities is eliminated.

In addition, there are consequential amendments to several other standards.

HKFRS 18, and the amendments to the other HKFRS Accounting Standards, are effective for annual period beginning on or after 1 January 2027 and must be applied retrospectively with specific transition provisions. The directors of the Group are still in the process of assessing the impact of HKFRS 18, particularly with respect to the structure of the Group’s consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of cash flows and the additional disclosures required for MPMs.

3. REVENUE AND SEGMENT INFORMATION

The Group's revenue is analysed as follows:

	Audited	
	Year ended	
	31st December	
	2024	2023
	HK\$'000	HK\$'000
Sales of goods	1,109,716	1,179,728
Revenue from service contracts	1,263,260	1,180,697
	<u>2,372,976</u>	<u>2,360,425</u>

The executive directors have been identified as the chief operating decision maker. The executive directors have reviewed the Group's internal reporting in order to assess the performance and allocate resources. The executive directors have determined the operating segments based on the Group's internal reporting.

The Group is currently organised into two (2023: two) operating divisions—Information Technology Products (“IT Products”) and Information Technology Services (“IT Services”).

These divisions are the basis on which the Group reports its primary segment information to the chief operating decision maker. The business nature of each segment is disclosed as follows:

IT Products

Being the business of information technology in supplying of information technology and associated products.

IT Services

Being the business of information technology in providing systems integration, software and consulting services, engineering support for products and solutions and managed services.

3. REVENUE AND SEGMENT INFORMATION (Continued)

The Group's revenue and results by reportable segments for the year are presented below:

Audited

Year ended 31st December 2024

	IT Products <i>HK\$'000</i>	IT Services <i>HK\$'000</i>	Total <i>HK\$'000</i>
Revenue from external customers	1,109,716	1,263,260	2,372,976
Intersegment revenue	<u>1,557</u>	<u>16,741</u>	<u>18,298</u>
Segment revenue	1,111,273	1,280,001	2,391,274
Reportable segment profit	102,583	38,021	140,604
Segment depreciation	3,473	13,411	16,884
Additions to property, plant and equipment*	<u>19</u>	<u>6,152</u>	<u>6,171</u>

* Additions to property, plant and equipment of HK\$6,647,000 were related to unallocated assets.

Audited

Year ended 31st December 2023

	IT Products <i>HK\$'000</i>	IT Services <i>HK\$'000</i>	Total <i>HK\$'000</i>
Revenue from external customers	1,179,728	1,180,697	2,360,425
Intersegment revenue	<u>1,765</u>	<u>27,973</u>	<u>29,738</u>
Segment revenue	1,181,493	1,208,670	2,390,163
Reportable segment profit	98,702	46,720	145,422
Segment depreciation	3,385	13,792	17,177
Additions to property, plant and equipment*	<u>28</u>	<u>3,091</u>	<u>3,119</u>

* Additions to property, plant and equipment of HK\$15,727,000 were related to unallocated assets.

3. REVENUE AND SEGMENT INFORMATION *(Continued)*

The Group's assets and liabilities by reportable segments as at reporting dates are presented below:

Audited

As at 31st December 2024

	IT Products <i>HK\$'000</i>	IT Services <i>HK\$'000</i>	Total <i>HK\$'000</i>
Reportable segment assets	530,236	413,996	944,232
Reportable segment liabilities	382,402	307,695	690,097

Audited

As at 31st December 2023

	IT Products <i>HK\$'000</i>	IT Services <i>HK\$'000</i>	Total <i>HK\$'000</i>
Reportable segment assets	506,343	395,947	902,290
Reportable segment liabilities	344,080	263,683	607,763

(a) Segment accounting policies

The accounting policies of the reportable segments are the same as the Group's accounting policies. Performance is measured based on segment profit that is used by the chief operating decision maker for the purposes of resource allocation and assessment of segment performance. Income tax expense is not allocated to reportable segments.

The revenue, profit or loss, assets and liabilities of the Group are allocated based on the operations of the segments.

Reportable segment profit is profit before income tax, excluding unallocated other income, unallocated other gain, net, share of results of associates, unallocated depreciation for property, plant and equipment that are used for all segments, fair value loss on investment properties, finance costs and unallocated corporate expenses (mainly include staff costs and other general administrative expenses) of the head office.

Reportable segment assets exclude interests in associates, deferred income tax assets, tax recoverable, time deposits, bank balances and cash and unallocated corporate assets (mainly include property, plant and equipment and investment properties that are used by all segments, prepayments, deposits, other receivables and financial asset at FVOCI).

Reportable segment liabilities exclude current income tax liabilities, deferred income tax liabilities and unallocated corporate liabilities, which mainly include lease liabilities, accrued charges of the head office and bank borrowings.

3. REVENUE AND SEGMENT INFORMATION *(Continued)*

(b) Reconciliation of the reportable segment revenue, profit or loss, assets and liabilities

Reportable segment revenue, profit or loss, assets and liabilities are reconciled to results and total assets and total liabilities of the Group as follows:

	Audited	
	Year ended	
	31st December	
	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue		
Reportable segment revenue	2,391,274	2,390,163
Elimination of intersegment revenue	<u>(18,298)</u>	<u>(29,738)</u>
Revenue per consolidated statement of profit or loss	<u>2,372,976</u>	<u>2,360,425</u>

Intersegment revenue is charged at cost plus a percentage of profit mark-up.

	Audited	
	Year ended	
	31st December	
	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Profit or loss		
Reportable segment profit	140,604	145,422
Unallocated amounts:		
Unallocated other income	27,516	13,813
Unallocated other gain, net	60,526	59,713
Fair value loss on investment properties	(2,300)	(1,200)
Unallocated depreciation	(9,609)	(8,344)
Share of results of associates	3,918	(1,685)
Finance costs	(1,162)	(2,563)
Unallocated corporate expenses	<u>(51,406)</u>	<u>(56,242)</u>
Profit before income tax per consolidated statement of profit or loss	<u>168,087</u>	<u>148,914</u>

3. REVENUE AND SEGMENT INFORMATION *(Continued)*

(b) Reconciliation of the reportable segment revenue, profit or loss, assets and liabilities *(Continued)*

Reportable segment revenue, profit or loss, assets and liabilities are reconciled to results and total assets and total liabilities of the Group as follows: *(Continued)*

	Audited	
	Year ended	
	31st December	
	2024	2023
	HK\$'000	HK\$'000
Assets		
Reportable segment assets	944,232	902,290
Unallocated assets:		
Interests in associates	1,219,206	1,258,056
Deferred income tax assets	127	781
Tax recoverable	2,140	3,044
Time deposits	415,306	287,218
Bank balances and cash	299,087	252,401
Unallocated corporate assets	<u>396,323</u>	<u>407,104</u>
Total assets per consolidated statement of financial position	<u>3,276,421</u>	<u>3,110,894</u>
	Audited	
	Year ended	
	31st December	
	2024	2023
	HK\$'000	HK\$'000
Liabilities		
Reportable segment liabilities	690,097	607,763
Unallocated liabilities:		
Current income tax liabilities	5,177	5,331
Deferred income tax liabilities	163,077	170,229
Unallocated corporate liabilities	<u>141,162</u>	<u>150,255</u>
Total liabilities per consolidated statement of financial position	<u>999,513</u>	<u>933,578</u>

3. REVENUE AND SEGMENT INFORMATION *(Continued)*

(b) Reconciliation of the reportable segment revenue, profit or loss, assets and liabilities *(Continued)*

The following table sets out information about the geographical segment location of the Group's revenue from external customers. The geographical location of customers is based on the location at which the services were provided or the goods were delivered.

	Revenue from external customers	
	Audited Year ended 31st December	
	2024	2023
	HK\$'000	HK\$'000
Place of domicile		
Hong Kong	2,222,428	2,232,844
Mainland China	5,765	7,258
Macau	56,661	56,202
Thailand	65,608	50,363
Taiwan	22,514	13,758
	<u>2,372,976</u>	<u>2,360,425</u>

Information about major customers

The Group has no revenue from single customer contributed over 10% of the Group's revenue during the year ended 31st December 2024.

The Group has one customer with whom transaction exceeded 10% of the Group's revenue amounted to approximately HK\$295,481,000 during the year ended 31st December 2023. The revenue attributable to IT Products segment and IT Services segment amounted to approximately HK\$133,757,000 and HK\$161,724,000 respectively during the year ended 31st December 2023.

3. REVENUE AND SEGMENT INFORMATION *(Continued)*

(b) Reconciliation of the reportable segment revenue, profit or loss, assets and liabilities *(Continued)*

The following table sets out information about the geographical segment location of the Group's non-current assets (other than financial instruments and deferred income tax assets). The geographical location of the specified non-current assets is based on the physical location of the asset in the case of property, plant and equipment and investment properties, the location of the operations to which they are allocated in the case of intangible assets and prepayments, and the location of operations in the case of interests in associates.

	Specified non-current assets	
	Audited	
	31st December	
	2024	2023
	HK\$'000	HK\$'000
Place of domicile		
Hong Kong	326,839	333,437
The United States (the "US")	1,189,036	1,232,932
Singapore	30,170	25,124
Mainland China	50,671	53,902
Macau	767	1,816
Thailand	642	973
Taiwan	510	70
	<u>1,598,635</u>	<u>1,648,254</u>

(c) Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services over time and at a point in time, details of the Group's timing of revenue recognition were as follows:

	Audited	
	Year ended	
	31st December	
	2024	2023
	HK\$'000	HK\$'000
Timing of revenue recognition		
At a point in time	1,314,513	1,362,195
Over time	1,058,463	998,230
	<u>2,372,976</u>	<u>2,360,425</u>
Revenue from external customers	<u>2,372,976</u>	<u>2,360,425</u>

Revenue relates to performance obligation that are unsatisfied as at 31st December 2024 amounted to HK\$1,649,772,000 (2023: HK\$1,508,621,000) are expected to be recognised within one to five years.

4. OTHER INCOME

	Audited	
	Year ended	
	31st December	
	2024	2023
	HK\$'000	HK\$'000
Interest on bank deposits	22,759	10,736
Rental income from investment properties	2,112	2,836
Others	3,508	2,164
	<u>28,379</u>	<u>15,736</u>

5. OTHER GAIN, NET

	Audited	
	Year ended	
	31st December	
	2024	2023
	HK\$'000	HK\$'000
Loss on disposal of property, plant and equipment	(27)	(3)
Exchange loss, net	(707)	(1,319)
Net gain on disposal of interests in associates	14,199	668
Net gain on deemed disposal of partial interest in an associate	47,107	60,394
Others	(46)	(27)
	<u>60,526</u>	<u>59,713</u>

6. FINANCE INCOME

Finance income represents accretion of discount recognised upon initial recognition of finance lease receivables to their fair values.

7. PROFIT BEFORE INCOME TAX

	Audited	
	Year ended	
	31st December	
	2024	2023
	HK\$'000	HK\$'000
Profit before income tax is arrived at after charging/(crediting):		
Auditors' remuneration:		
Audit services		
– Current year	2,282	2,167
– (Over)/Under-provision in respect of prior year	(54)	50
Non-audit services	1,092	1,082
Depreciation:		
– Property, plant and equipment–owned assets	20,072	18,339
– Property, plant and equipment–right-of-use assets	6,421	7,182
Lease charges:		
– Short term leases	471	730
ECL allowance of trade receivables	669	489
Reversal of ECL allowance of trade receivables	–	(92)
Provision for/(Reversal of provision for) obsolete inventories, net	38	(3)
Write off of inventories	37	79
	1,092	1,082

8. INCOME TAX EXPENSE

	Audited	
	Year ended	
	31st December	
	2024	2023
	HK\$'000	HK\$'000
Current taxation:		
Hong Kong profits tax (<i>Note (i)</i>)	13,155	13,866
Overseas taxation (<i>Note (ii)</i>)	5,182	2,557
(Over)/Under provision in respect of prior years:		
Hong Kong profits tax	(677)	85
Overseas taxation	6	884
	17,666	17,392
Deferred taxation:		
Current year	1,099	203
Income tax expense	18,765	17,595

8. INCOME TAX EXPENSE (Continued)

Notes:

- (i) Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of qualifying entities will be taxed at 8.25%, and the profits above HK\$2 million will be taxed at 16.5%. The profits of entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at 16.5%. For the years ended 31st December 2024 and 2023, Hong Kong profits tax of a subsidiary of the Company is calculated in accordance with the two-tiered profits tax rates regime.
- (ii) Taxation on overseas profit has been calculated on the assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

9. DIVIDENDS

Audited	
Year ended	
31st December	
2024	2023
<i>HK\$'000</i>	<i>HK\$'000</i>

Dividend approved and paid:

Final dividend in respect of the year ended 31st December 2023
of 3.0 HK cents (2023: in respect of the year ended
31st December 2022 of 3.0 HK cents) per share

<u>25,011</u>	<u>25,011</u>
---------------	---------------

Year ended	
31st December	
2024	2023
<i>HK\$'000</i>	<i>HK\$'000</i>

Dividend proposed:

Final dividend in respect of the year ended 31st December 2024
of 3.0 HK cents (2023: in respect of the year ended
31st December 2023 of 3.0 HK cents) per share (*Note*)

<u>25,011</u>	<u>25,011</u>
---------------	---------------

The Directors have resolved to recommend the payment of a final dividend in respect of the year ended 31st December 2024 of 3.0 HK cents per share subject to the approval of shareholders at the forthcoming annual general meeting.

Note:

The proposed final dividend for the year ended 31st December 2024, as referred to above, is calculated on the basis of 833,696,492 (2023: 833,696,492) ordinary shares in issue as at 31st December 2024 and at a final dividend of 3.0 HK cents (2023: 3.0 HK cents) per share.

10. EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The calculation of the basic and diluted earnings per share attributable to equity holders of the Company is based on the following data:

	Audited	
	Year ended	
	31st December	
	2024	2023
	HK\$'000	HK\$'000
Profit attributable to equity holders of the Company for basic and diluted earnings per share	149,322	131,319
	Number of shares	
	2024	2023
	'000	'000
Weighted average number of ordinary shares for basic earnings per share (<i>Note (a)</i>)	833,696	833,696
Effect of dilutive potential ordinary shares		
– Share awards (<i>Note (b)</i>)	353	–
– Share options (<i>Note (b)</i>)	–	–
Weighted average number of ordinary shares for diluted earnings per share	834,049	833,696
	Audited	
	Year ended	
	31st December	
	2024	2023
	HK cents	HK cents
Earnings per share		
– Basic	17.91	15.75
– Diluted	17.90	15.75

Notes:

- (a) The 833,696,000 ordinary shares are derived from the weighted average number of ordinary shares in issue during year ended 31st December 2024 and 31st December 2023.
- (b) The calculation of the diluted earnings per share for the year ended 31st December 2024:
- has taken into account the issuance of share awards of the Company under the 2024 Share Award Scheme;
 - has not taken into account the exercise of the share options of the Company granted under the 2017 Share Option Scheme (Amended) and the effect of the dilutive instruments issued by the Group's associates as they are considered as anti-dilutive.

The calculation of the diluted earnings per share for the year ended 31st December 2023 has not taken into account the exercise of the share options of the Company granted in under the 2017 Share Option Scheme and the effect of the dilutive instruments issued by the Group's associates as they are considered as anti-dilutive.

11. PROPERTY, PLANT AND EQUIPMENT

During the year ended 31st December 2024, additions to property, plant and equipment were approximately HK\$12,818,000 (2023: HK\$18,846,000), mainly for the acquisition of computer and office equipment and furniture and fixtures (2023: computer and office equipment and furniture and fixtures). During the year ended 31st December 2024, total additions to right-of-use assets, right-of-use assets with reassessment of lease term and lease modification included in property, plant and equipment amounting to HK\$714,000 (2023: HK\$67,000), HK\$2,629,000 (2023: HK\$6,325,000) and Nil (2023: HK\$2,492,000), respectively, which are related to office premises and office equipment.

The Group's land and buildings were stated at revaluations made at 31st December 2024 and 2023. The land and buildings were revalued by an independent professional valuer at 31st December 2024 and 2023 on market value basis, which was determined by reference to market evidence of recent transactions for similar properties. The revaluation gave rise to a revaluation loss net of applicable deferred income taxes of approximately HK\$726,000 (2023: revaluation gave rise to a revaluation surplus net of applicable deferred income taxes of approximately HK\$4,188,000) which has been charged (2023: credited) to the property revaluation reserve.

As at 31st December 2024, if the land and buildings had not been revalued, they would have been included in these consolidated financial statements at historical cost, less accumulated depreciation and amortisation, with carrying amount of approximately HK\$72,207,000 (2023: HK\$76,013,000).

As at 31st December 2024, the Group had pledged land and buildings with carrying amount of HK\$154,700,000 (2023: HK\$156,000,000) to secure banking facilities granted to the Group as disclosed in Note 20.

12. INVESTMENT PROPERTIES

The investment properties of the Group were revalued by an independent professional valuer at 31st December 2024 and 2023 on market value basis, which was determined by reference to market evidence of recent transactions for similar properties.

As at 31st December 2024, the Group had pledged investment properties with carrying amount of HK\$47,000,000 (2023: HK\$50,800,000) to secure banking facilities granted to the Group as disclosed in Note 20.

13. INTERESTS IN ASSOCIATES

	Audited	
	2024	2023
	HK\$'000	HK\$'000
At 1st January	1,258,056	1,192,897
Net gain on deemed disposal of partial interest in an associate	47,107	60,394
Disposal of interests in associates	(75,380)	(324)
Dividend received	–	(699)
Share of results of associates	3,918	(1,685)
Share of other comprehensive (loss)/income of associates	(6,285)	5,059
Exchange realignment	(8,210)	2,414
	1,219,206	1,258,056
At 31st December	1,219,206	1,258,056

14. TRADE RECEIVABLES

	Audited	
	31st December	
	2024	2023
	HK\$'000	HK\$'000
Trade receivables – gross	202,591	238,204
Less: ECL allowance	(10,181)	(9,512)
	<hr/>	<hr/>
Trade receivables – net	192,410	228,692
	<hr/>	<hr/>

The Group has granted credit to substantially all of its customers for 30 days and has credit control procedures to minimise credit risk. Overdue balances are reviewed regularly by senior management.

Based on the invoice dates, the ageing analysis of the gross trade receivables is as follows:

	Audited	
	31st December	
	2024	2023
	HK\$'000	HK\$'000
0 – 30 days	92,776	131,852
31 – 60 days	34,485	55,324
61 – 90 days	30,317	19,190
Over 90 days	45,013	31,838
	<hr/>	<hr/>
	202,591	238,204
	<hr/>	<hr/>

15. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Audited	
	31st December	
	2024	2023
	HK\$'000	HK\$'000
Other receivables	7,044	2,104
Deposits	5,606	5,975
Prepayments	69,314	28,689
Amount due from ultimate holding company	832	832
Amount due from immediate holding company	438	–
Amount due from an associate	2,742	7,482
	<hr/>	<hr/>
Other receivables, deposits and prepayments – gross	85,976	45,082
Less: ECL allowance	(832)	(832)
	<hr/>	<hr/>
Other receivables, deposits and prepayments – net	85,144	44,250
	<hr/>	<hr/>
Representing:		
Non-current assets	10,291	2,350
Current assets	74,853	41,900
	<hr/>	<hr/>
Other receivables, deposits and prepayments – net	85,144	44,250
	<hr/>	<hr/>

16. TIME DEPOSITS/BANK BALANCES AND CASH

Time deposits at 31st December 2024 represented bank deposits placed in banks in the US, Hong Kong and Macau (2023: placed in bank in the US). The interest rates ranged from 3.5% to 4.2% (2023: 5.0% to 5.3%) per annum and are denominated in HKD and USD amounted to approximately HK\$38.0 million and HK\$377.3 million respectively (2023: all denominated in USD).

As at 31st December 2024, bank balances carry interest at market rates with an average interest rate of 0.25% (2023: 0.39%) per annum.

17. TRADE PAYABLES

An ageing analysis of the trade payables as at the reporting date, based on payment due date, is as follows:

	Audited 31st December	
	2024	2023
	HK\$'000	HK\$'000
Current	178,334	222,681
Within 30 days	68,277	51,376
31 – 60 days	9,299	6,132
61 – 90 days	14,365	3,313
Over 90 days	28,430	19,319
	<u>298,705</u>	<u>302,821</u>

18. OTHER PAYABLES AND ACCRUALS

	Audited 31st December	
	2024	2023
	HK\$'000	HK\$'000
Other payables	5,724	6,313
Accruals	172,164	169,198
Amount due to ultimate holding company	1,869	1,460
Amounts due to associates	9	2,252
Amounts due to fellow subsidiaries	83	22
	<u>179,849</u>	<u>179,245</u>

19. BANK BORROWINGS

	Audited 31st December	
	2024	2023
	HK\$'000	HK\$'000
Current		
Bank borrowings, secured		
– Repayable within one year or on demand	<u>–</u>	<u>11,259</u>

19. BANK BORROWINGS *(Continued)*

The bank borrowings are repayable by 60 equal monthly instalments commencing from 29th March 2019 and bears interest at floating interest rate. As at 31st December 2023, the bank borrowings are denominated in HKD with an effective interest rate of 6.78% per annum. All bank borrowings are fully repaid during year ended 31st December 2024.

As at 31st December 2023, the bank borrowings are secured by:

- (1) the legal charges over the Group's land and buildings with carrying amount of approximately HK\$156,000,000 (Note 11);
- (2) the legal charges over the Group's investment properties with carrying amount of HK\$50,800,000 (Note 12);
- (3) the guarantees given by the Company and certain subsidiaries of the Group up to a limit of HK\$330,000,000;
- (4) assignment of rental and sales proceeds from the Group's land and buildings and investment properties; and
- (5) assignment of insurance of all insurance policies (other than third party liabilities and public liabilities) over the Group's land and buildings and investment properties.

The banking facilities of term loan is subject to the fulfilment of certain financial and non-financial covenants relating to certain subsidiaries of the Group, which are commonly found in lending arrangements with financial institutions. If the Group was to breach the covenants, the drawn down facilities would become repayable on demand.

The Group regularly monitors its compliance with these covenants, is up to the date with the scheduled repayments of the loans and does not consider it probable that the banks will exercise its discretion to demand repayment for so long as the Group continues to meet these requirements.

Subject to repayment on demand clauses which can be exercised at the banks' sole discretion, the above bank borrowings are classified as current liabilities as at 31st December 2023.

20. PLEDGE OF ASSETS

As at 31st December 2024, the Group's land and buildings with carrying amount of HK\$154,700,000 (2023: HK\$156,000,000) (Note 11) and investment properties with carrying amount of HK\$47,000,000 (2023: HK\$50,800,000) (Note 12) were pledged to secure banking facilities granted to the Group.

DIVIDEND

The Directors have resolved to recommend the payment of a final dividend of 3.0 HK cents per share for the year ended 31st December 2024 (2023: 3.0 HK cents). Subject to the approval of shareholders at the forthcoming annual general meeting, the proposed final dividend is expected to be paid on Tuesday, 17th June 2025 to shareholders whose names appear on the register of members of the Company on Tuesday, 3rd June 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Results

For the year ended 31st December 2024, total revenue and gross profit of the Group were HK\$2,373.0 million and HK\$246.0 million respectively, representing a similar result as compared to last year. During the year, product sales was decreased by 5.9% to HK\$1,109.7 million and service revenue was increased by 7.0% to HK\$1,263.3 million. In addition, product sales and service revenue contributed 46.8% and 53.2% to total revenue respectively, compared to 50.0% and 50.0% respectively of last year.

For the year ended 31st December 2024, commercial and public sector sales contributed 44.8% and 55.2% to total revenue respectively, compared to 42.4% and 57.6% respectively of last year.

During the year under review, the Group recorded a profit for the year attributable to the Company's equity holders of HK\$149.3 million, an increase of 13.7% compared to last year of HK\$131.3 million. The increase was primarily attributable to an increase in interest income and an improved shared of results of associates as compared to last year.

For the year ended 31st December 2024, orders newly secured by the Group's amounted to approximately HK\$2,540.3 million. As at 31st December 2024, the Group's order book balance was approximately HK\$1,649.8 million. The Group's bank balances and cash and time deposits in total stood at approximately HK\$714.4 million with a working capital ratio of 1.99:1 (2023: 1.92:1). The Group maintained a healthy financial position. As at 31st December 2024, the Group has no outstanding borrowings.

Adjusted EBITDA for the year ended 31st December 2024 was HK\$110.6 million, representing a similar result as compared to last year. The “Adjusted EBITDA” excludes certain items that are non-cash or non-recurring in nature. It is a non-HKFRS financial measures used by the Company’s management to evaluate the operating performance and trends of the Group’s core business, to make strategic decisions regarding the allocation of capital and investments. “Adjusted EBITDA” is not a measure required by or presented in accordance with Hong Kong Financial Reporting Standards (“HKFRS”). The use of it has limitations as an analytical tool, and should not be considered in isolation from, or as a substitute for analysis of, our results or operations or financial condition as reported under HKFRS.

The reconciliations from “Profit for the year” to “Adjusted EBITDA” for year ended 31st December 2024 and 2023 are as follows:

	Year ended	
	31st December	
	2024	2023
	<i>HK\$’000</i>	<i>HK\$’000</i>
Profit for the year – HKFRS measure	149,322	131,319
Interest expenses	1,162	2,563
Interest income	(22,759)	(10,736)
Income tax expenses	18,765	17,595
	<hr/>	<hr/>
Profit before interest and tax	146,490	140,741
Adjustments for non-cash items:		
Depreciation and amortisation	26,493	25,521
Equity-settled share-based payments expense	171	11
Share of results of associates	(3,918)	1,685
Fair value loss on investment properties	2,300	1,200
Adjustments for non-recurring items:		
Net gain on disposal of interests in associates	(14,199)	(668)
Net gain on deemed disposal of partial interest in an associate	(47,107)	(60,394)
Remeasurement of employee benefit obligations	–	3,839
One-off professional fees	344	–
	<hr/>	<hr/>
Adjusted EBITDA – Non-HKFRS measure	110,574	111,935
	<hr/>	<hr/>

Core Business Review

The orders newly secured and the revenue of the Group recorded HK\$2,540.3 million and HK\$2,373.0 million respectively, similar to last year. The adjusted net profit of the Group increased by 9.4% to HK\$87.1 million.

Innovative Solutions Business

(Application Development – Enhance customer experience with innovative applications; Dev)

Innovative Solutions Business saw an increase in service orders newly secured during the year as compared to last year. The increase was mainly attributable to the higher number of orders for application development and the provision of IT outsourcing services. During the year, its service revenue recorded HK\$521.7 million.

In the second half of the year, the Group focused on providing sector-focus solutions to public sector and commercial customers, leveraging technologies such as big data, analytical tools and DevOps to drive digital transformation. During the year, the Group received numerous orders in the government and healthcare sectors, many of which involved the development of public services for the benefit of all Hong Kong citizens, including a medical consultation system, demonstrating our ability to cope with complex requirements and tight delivery schedules. In addition, the Group, by applying its DevSecOps, has successfully received a benchmark all Chinese-brand technology project with a contract sum of over HK\$100.0 million from a disciplined force for the provision of a large-scale human resources management system, further demonstrating the Group's expertise in the integration of Information Technology Application Innovation (ITAI) products.

Intelligent Cybersecurity Services Business

(Cybersecurity – Protect your assets with intelligent security technology; Sec)

Regarding the Intelligent Cybersecurity Services business, the volume of service orders newly secured remained stable and the service revenue amounted to HK\$213.5 million, principally due to the demand for threat detection, risk response and security managed services.

For sector performance, the Group received a large-scale 7x24 network security monitoring services from the government. Its Security Operation Centre (SOC) business has grown significantly, benefiting from, among others, the government's push to legislate for the security of critical infrastructure computer systems last year. In addition, the Group further strengthened its market position by successfully renewing contracts with a number of key customers in the retail, transportation, financial and professional services sectors. Meanwhile, the Group's SOC in Guangzhou has successfully obtained the Level 3 certification of Information System Security Level Protection issued by the Ministry of Public Security of the People's Republic of China, demonstrating that the Group has met the highest security management standards for non-banking organizations and has completed the hardware and intelligent deployment of SOC services in the Greater Bay Area.

Integrated Managed Services Business

(Omni-channel Managed Services – Simplify your IT operations to increase efficiency; Ops)

During the year, the Integrated Managed Services Business continued to receive numerous service orders newly secured, supported by the market demand for IT Service Management (ITSM) projects, DevSecOps, and managed services. The service revenue amounted to HK\$477.2 million.

For sector performance, the Group successfully received a large managed services project from a financial institution and accomplished great achievement in the aviation sector, including the provision of large-scale managed services to an airline that has been cooperating with the Group for nearly 20 years, demonstrating the Group's strengths in the application of cloud technology and industry expertise. The steady development of the Group's managed services has benefited from the high level of customer recognition of its Service Level Agreement (SLA) and the expansion of the scope of services from basic maintenance to complex ITSM projects, illustrating the Group's competitiveness in the market. During the year, the Group continued to implement platform-driven service and set up an offshore development center in Zhuhai in the second half of the year to provide service coverage in the Greater Bay Area and to enhance cost-effectiveness, technical capabilities and operational resilience.

Deepening the Capability of ITAI and Unified Technology Services

The Group has been actively responding to the demand for ITAI technologies in the private and public sectors by deepening its technological capabilities and introducing Chinese brands for product testing, expanding the ecosystem of Chinese brands to precisely meet the needs of the Hong Kong market, and further enhancing the “Center of Excellence” established in mid-2024 in the area of artificial intelligence. The Group has also established a “Joint Development Technology Testing Center” with Kylinsoft and partnered with SenseTime Group Inc. (Stock Code on The Stock Exchange of Hong Kong Limited: 0020), a leading company in artificial intelligence (AI) technology, to jointly explore business opportunities. Many of the Group’s customers have conducted tests of various Chinese software through the aforementioned Centre of Excellence.

Sector-focus and Expansion in the Greater Bay Area and Asia Pacific

During the year, the Group actively participated in various industry events to further enhance its brand image in target markets, particularly in the government, healthcare and financial sectors, and to share technology trends and offer the latest innovative applications to our customers.

In addition, the Group established its fourth Offshore Development Center (ODC) in the Greater Bay Area on the west bank of the Pearl River Estuary in September this year to undertake software development in Hong Kong, Macau and overseas. The center will provide remote, omni-channel 7x24 managed services. The center is equipped with the AI technology to identify and resolve problems in a swift manner. Subsequently, the Group has set up an office in the United Kingdom in the fourth quarter of 2024 to accelerate expansion in the Asia Pacific region.

Business of Associates

Grid Dynamics Holdings, Inc. (“GDH”, NASDAQ ticker symbol: GDYN), an associate with business in Europe and the U.S., achieved a record-high annual revenue in 2024, reaching a milestone of over US\$100.0 million in revenue in the fourth quarter. In addition, it once again achieved its highest-ever billable engineering headcount by the end of the fourth quarter, a strong indicator of future growth. According to the Form 10-K for the year ended 31st December 2024 of GDH published on the U.S. Securities and Exchange Commission website, the total revenue of GDH for the year amounted to US\$350.6 million (equivalent to approximately HK\$2,721.7 million), representing a growth of 12.0%, while non-GAAP EBITDA was US\$52.5 million (equivalent to approximately HK\$407.4 million). GDH’s performance in the retail sector was particularly strong, with revenue in 2024 accounting for approximately one-third of the year’s total revenue. In addition, driven by increased demand from fintech and insurance sectors, as well as business acquisitions, revenue from the financial sector rose by 108.6% compared to the previous year.

i-Sprint Holdings Limited and its subsidiaries (collectively “i-Sprint”), one of the major associates in Asia Pacific, continued to optimize management and deepen relationships with key customers, driving double-digit growth in both revenue and EBITDA for the year to approximately HK\$145.8 million and approximately HK\$34.6 million respectively. In addition, i-Sprint, in 2024, successfully obtained the FIDO2 patent certification and signed a memorandum of understanding with Tencent to collaborate on the development of cybersecurity solutions. Furthermore, i-Sprint has won numerous awards in the field of cybersecurity.

Outlook and Prospects

Looking ahead to 2025, there are both opportunities and challenges. Geopolitical tensions and trade conflicts will continue to affect the global business environment. With Mainland China’s economy expected to continue its modest recovery, Hong Kong’s interest rates on a downward trend, the emergence of new competitors in the Mainland, and Hong Kong facing a talent drain, we will closely monitor the impact of the above on the global and Hong Kong economies, and make timely adjustments to our strategies in order to capitalize on future development opportunities.

In relation to information technology, Hong Kong is further integrating into the overall development of China. The Hong Kong Government is fully committed to promoting its city as an international center of innovation and technology and accelerating the introduction of diversified technologies. To this end, the Group has invested substantial resources in advance in 2024 to set up an industry-leading Centre of Excellence to facilitate the integration of technologies from mainland China and the rest of the world, and to build an ecosystem of China brands. Currently, the Group has received support from over 70 international IT vendors and more than 30 ITAI IT vendors, and has successfully built a benchmark case of China-brand technology and diversified technologies for products from mainland China and the rest of the world. With our experience in serving international organizations and our mastery over Chinese brand technologies, the Group can satisfy our customers’ needs for diversified technologies. We will actively support relevant government policies to promote the development of digital economy and jointly build a smart Hong Kong.

As a leading unified technology services partner in the region, the Group is optimizing its operating system in three dimensions, namely, technical capabilities, industry breakthroughs and regional expansion, continuing to strengthen its DevSecOps integration and delivery capabilities, and expanding its talent pool in the Greater Bay Area. Meanwhile, the Group plans to expand its business and ODC in Southeast Asia and has set up offices in Malaysia and Australia in February 2025 to further promote the DevSecOps managed services maturity model and platform-driven services. In addition, the Group has set up cross-regional, full-stack business groups for the government and healthcare sector, leveraging its strengths in customer applications. It has also enhanced its pre-sales, development and after-sales service capabilities in areas such as banking, finance and insurance to meet market demands. With the rise of the AI system – DeepSeek and its global impact, the Group will accelerate the application of innovative technologies such as AI, to enhance its market competitiveness comprehensively, and continue to solidify its leading position in the industry.

Financial Resources and Liquidity

As at 31st December 2024, the Group's total assets of HK\$3,276.4 million (2023: HK\$3,110.9 million) were financed by current liabilities of HK\$834.1 million (2023: HK\$757.4 million), non-current liabilities of HK\$165.4 million (2023: HK\$176.2 million) and equity attributable to equity holders of the Company of HK\$2,276.9 million (2023: 2,177.3 million). The Group had a working capital ratio of approximately 1.99:1 (2023: 1.92:1).

As at 31st December 2024, the Group had an aggregate composite banking facilities from banks of approximately HK\$270.3 million (2023: HK\$226.6 million). All bank borrowings were fully repaid for the year ended 31st December 2024. As at 31st December 2024, the Group had pledged land and buildings with carrying amount of approximately HK\$154.7 million (2023: HK\$156.0 million) and pledged investment properties with carrying amount of HK\$47.0 million (2023: HK\$50.8 million) to secure banking facilities granted to the Group. The performance bonds issued by the Group to customers as security of contracts were approximately HK\$113.2 million (2023: HK\$126.8 million) as at 31st December 2024. The Group's gearing ratio (bank borrowings over equity attributable to equity holders of the Company) was 0.0% as at 31st December 2024 (2023: 0.5%).

Material Acquisition and Disposal

Reference is made to the announcement of the Company dated 13th September 2024, discloseable transaction in relation to the disposal of shares of GDH. Unless otherwise stated, capitalized terms used hereinafter shall have the same meanings as those defined in the abovementioned announcement.

On 12th September 2024 (New York time), GDD, a wholly-owned subsidiary of the Company, disposed of a total of 913,387 GDH Shares by way of block trade through the Broker, representing approximately 1.19% of the total issued and outstanding GDH Shares, at an aggregate consideration of approximately US\$11.7 million (approximately HK\$91.2 million) (exclusive of transaction costs). The selling price for each GDH Share is approximately US\$12.8 (approximately HK\$99.8 per GDH Share), representing a discount of approximately 8.90% to the closing price of US\$14.05 per GDH Share as quoted on NASDAQ on 12th September 2024 (New York time).

The aggregate consideration of the Disposal of approximately US\$11.7 million (approximately HK\$91.2 million) (exclusive of transaction costs), which the selling price applied a discount of approximately 8.90% to the closing price of US\$14.05 per GDH Share as quoted on NASDAQ on 12th September 2024 (New York time), was determined based on arm's length negotiations with the Broker with reference to the prevailing market price of GDH Shares. The consideration of the Disposal is settled in cash on completion, which took place on 16th September 2024 (New York time).

As at the date of the abovementioned announcement and prior to completion of the Disposal, the Group, through GDD, held 14,802,570 GDH Shares, representing approximately 19.31% of the total issued and outstanding GDH Shares. Upon completion of the Disposal, the Group holds 13,889,183 GDH Shares, representing approximately 18.12% of the total issued and outstanding GDH Shares based on publicly available information as at the date of the abovementioned announcement, and GDH will continue to be accounted for as an associate of the Company.

Save as disclosed above, during the year ended 31st December 2024, neither the Company nor any of its subsidiaries had other material acquisition or disposal.

Treasury Policies

The Group generally financed its operations with internally generated resources and credit facilities provided by banks. Banking facilities available for the Group include trust receipt banking loans, clean import loans, overdrafts and term loans. The interest rates of most of them are fixed by reference to the respective countries' Interbank Offer Rate. The bank deposits are mainly denominated in Hong Kong dollars ("HKD") and United States dollars ("USD").

Foreign Exchange Exposure

The Group mainly earns revenue and incurs costs in HKD and USD. Foreign exchange exposure to USD of the Group will continue to be minimal as long as the policy of The Government of the Hong Kong Special Administrative Region to link HKD to USD remains in effect. There was no material exposure to fluctuations in exchange rates and therefore no related hedging financial instrument was applied during the year ended 31st December 2024 (2023: same).

Contingent Liabilities

As at 31st December 2024, performance bonds of approximately HK\$113.2 million (2023: HK\$126.8 million) had been issued by the bank on behalf of the Group to customers as security of contracts.

Capital Commitments

As at 31st December 2024, the Group had contracted capital commitment in respect of property, plant and equipment of approximately HK\$2.0 million (2023: HK\$0.4 million).

Major Customers and Suppliers

During the year ended 31st December 2024, the five largest customers and single largest customer of the Group accounted for approximately 25.9% and 9.6%, respectively, of the Group's total revenue. The five largest suppliers and single largest supplier of the Group accounted for approximately 36.0% and 10.9%, respectively, of the Group's purchases.

At no time during the year ended 31st December 2024 did a Director, their close associate or any shareholder of the Company (which to the knowledge of the Directors owns more than 5% of the number of the Company's issued shares) has an interest in any of the Group's five largest customers or suppliers.

Employee and Remuneration Policies

As at 31st December 2024, the Group, excluding its associates, employed 1,596 permanent and contract staff (2023: 1,495) in Hong Kong, Mainland China, Taiwan, Macau and Thailand. The Group remunerates its employees based on their performance, working experience and the prevailing market conditions. The Group also provides mandatory provident fund, insurance, medical benefits, internal and external training and discretionary bonuses based on individual performance. The share option scheme and share scheme are in place to provide long-term incentives to the selected key staff of the Group.

CLOSURE OF REGISTER OF MEMBERS FOR 2025 ANNUAL GENERAL MEETING

The Company will convene the forthcoming annual general meeting on Wednesday, 21st May 2025. For determining the entitlement to attend and vote at the forthcoming annual general meeting, the register of members of the Company will be closed from Friday, 16th May 2025 to Wednesday, 21st May 2025, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to determine the entitlement to attend and vote at the forthcoming annual general meeting, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Thursday, 15th May 2025.

CLOSURE OF REGISTER OF MEMBERS FOR PROPOSED FINAL DIVIDEND

The proposed final dividend is subject to the approval of the shareholders at the forthcoming annual general meeting. The record date for entitlement to the proposed final dividend is Tuesday, 3rd June 2025. For determining the entitlement of the final dividend, the register of members of the Company will be closed from Thursday, 29th May 2025 to Tuesday, 3rd June 2025, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for the final dividend, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Wednesday, 28th May 2025. The final dividend warrants are expected to be despatched to the qualifying shareholders (except for holders of treasury shares, if any) of the Company on Tuesday, 17th June 2025.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year ended 31st December 2024, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares, if any).

EVENTS AFTER THE REPORTING DATE

As at the date of this announcement, the Directors are not aware of any significant events related to the business or financial performance of the Group after reporting period.

AUDIT COMMITTEE

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, risk management and internal control systems and financial reporting matters including the review of the audited annual results.

SCOPE OF WORK OF GRANT THORNTON HONG KONG LIMITED (“GRANT THORNTON HONG KONG”)

The figures in respect of the consolidated statement of financial position, the consolidated statement of profit or loss, the consolidated statement of comprehensive income and the related notes thereto of the Group for the year ended 31st December 2024 as set out in this results announcement have been agreed by the Company's auditor, Grant Thornton Hong Kong, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Grant Thornton Hong Kong 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 HKICPA and consequently no assurance has been expressed by Grant Thornton Hong Kong in this results announcement.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has 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. The Company has made specific enquiry of all Directors regarding any non-compliance with the Model Code during the year ended 31st December 2024, and they all confirmed that they have fully complied with the required standard set out in the Model Code.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has complied with the Corporate Governance Code (the “CG Code”) set out in Appendix C1 to the Listing Rules throughout the year ended 31st December 2024.

By Order of the Board
Automated Systems Holdings Limited
Wang Yueou
Executive Director and Chief Executive Officer

Hong Kong, 26th March 2025

As at the date of this announcement, the Board comprises Mr. Wang Weihang and Mr. Wang Yueou being Executive Directors; Ms. Zhang Bingxia being Non-Executive Director; and Mr. Pan Xinrong, Mr. Deng Jianxin and Ms. Or Siu Ching Rerina being Independent Non-Executive Directors.