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Silver Tide Holdings Limited

銀濤控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1943)

ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2024

The board (the “**Board**”) of directors (the “**Director(s)**”) of Silver Tide Holdings Limited (the “**Company**”) announces the consolidated results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 March 2024, together with comparative figures for the previous year as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March

	<i>Notes</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Revenue	6	452,666	372,086
Cost of services		(434,364)	(330,636)
Gross profit		18,302	41,450
Other income and gains	6	1,199	12,976
Administrative and other operating expenses		(38,805)	(27,718)
Other losses	7	(14,046)	(15,011)
Finance costs		(109)	(121)
(Loss)/profit before income tax	8	(33,459)	11,576
Income tax credit/(expense)	9	1,367	(6,609)
(LOSS)/PROFIT FOR THE YEAR		(32,092)	4,967
OTHER COMPREHENSIVE LOSS			
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		(174)	–
Total comprehensive (loss)/income attributable to owners of the parent		(32,266)	4,967
(LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted	<i>11</i>	HK(3.2) cents	HK0.5 cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March

	<i>Notes</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
NON-CURRENT ASSETS			
Property, plant and equipment		8,510	13,132
Intangible assets		1,544	–
Trading right		–	500
Prepayments, other receivables and other assets		94	57
Statutory deposits		205	205
Total non-current assets		10,353	13,894
CURRENT ASSETS			
Contract assets	<i>12</i>	94,440	149,057
Trade receivables	<i>13</i>	26,536	32,743
Tax recoverable		1,482	–
Amount due from the ultimate holding company		390	–
Prepayments, other receivables and other assets		9,310	8,170
Financial assets at fair value through profit or loss (“FVTPL”)		–	22,393
Trust bank balances held on behalf of customers		24,715	29,387
Cash and cash equivalents		98,139	52,219
Total current assets		255,012	293,969
CURRENT LIABILITIES			
Trade payables	<i>14</i>	44,059	79,234
Amount due to immediate holding company		18,468	5,328
Other payables and accruals		17,811	4,876
Lease liabilities		897	432
Tax payable		–	1,367
Total current liabilities		81,235	91,237
NET CURRENT ASSETS		173,777	202,732
TOTAL ASSETS LESS CURRENT LIABILITIES		184,130	216,626
NON-CURRENT LIABILITIES			
Deferred tax liabilities		188	188
Lease liabilities		99	329
Total non-current liabilities		287	517
NET ASSETS		183,843	216,109
EQUITY			
Equity attributable to owners of the parent			
Share capital	<i>15</i>	10,000	10,000
Reserves		173,843	206,109
TOTAL EQUITY		183,843	216,109

NOTES

1. CORPORATE AND GROUP INFORMATION

Silver Tide Holdings Limited (the “**Company**”) is an exempted company incorporated in the Cayman Islands on 24 July 2018 with limited liability. The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of operations of the Company is located at office floor 29, Queen's Road Centre, 152 Queen's Road Central, Hong Kong.

The principal activity of the Company is investment holding. The Company and its subsidiaries (collectively referred to as the “**Group**”) are principally engaged in (i) providing construction services, including traditional formwork using timber and plywood, system formwork using aluminium and steel, and ancillary works such as concrete works and reinforcement works for the public and private sectors in Hong Kong and (ii) securities dealing and broking.

In the opinion of the directors of the Company, the immediate holding company of the Company is Central Force Premium Group Limited and the ultimate holding company of the Company is Regal Loyalty Limited, which both are incorporated in the British Virgin Islands (“**BVI**”).

2. BASIS OF PREPARATION

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange (the “**Listing Rules**”) and by the Hong Kong Companies Ordinance. The consolidated financial statements have been prepared under the historical cost convention, except as otherwise stated in the accounting policies below.

The preparation of the consolidated financial statements in accordance with HKFRSs 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. The consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”) and all values are rounded to the nearest thousand (“**HK\$'000**”) except when otherwise indicated.

Basis for consolidation

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

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

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

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

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

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

In the current year, the Group has applied the following new and amendments to HKFRSs issued by the HKICPA for the first time, which are mandatorily effective for the Group's annual period beginning on 1 April 2023 for the preparation of the consolidated financial statements:

HKFRS 17 (including the October 2020 and February 2022 Amendments to HKFRS 17)	Insurance Contracts
Amendments to HKAS 8	Definition of Accounting Estimates
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to HKAS 12	International Tax Reform – Pillar Two model Rules
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies

Except as described below, the application of the new and amendments to HKFRSs in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

Impacts on application of Amendments to HKAS 12 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

The Group has applied the amendments for the first time in the current year. The amendments narrow the scope of the recognition exemption of deferred tax liabilities and deferred tax assets in paragraphs 15 and 24 of HKAS 12 *Income Taxes* so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

In accordance with the transition provision:

- (i) the Group has applied the new accounting policy retrospectively to leasing transactions that occurred on or after 1 April 2022;
- (ii) the Group also, as at 1 April 2022, recognised a deferred tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised) and a deferred tax liability for all deductible and taxable temporary difference associated with right-of-use-assets and lease liabilities.

The application of the amendments has had no material impact on the Group's financial position and performance.

4. ISSUED BUT NOT YET EFFECTIVE HKFRSs

Amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following amendments to HKFRSs that have been issued but are not yet effective:

Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback ²
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) ²
Amendments to HKAS 1	Non-current Liabilities with Covenants ²
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements ²
Amendments to HKAS 21	Lack of Exchangeability ³

¹ Effective for annual periods beginning on or after a date to be determined.

² Effective for annual periods beginning on or after 1 January 2024.

³ Effective for annual periods beginning on or after 1 January 2025.

The directors of the Company anticipate that the application of all other amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

5. OPERATING SEGMENT INFORMATION

The information reported to the directors of the Company, who are the chief operating decision makers (“CODM”), for the purpose of resource allocation and assessment of performance contain discrete operating segment financial information and the directors review the financial results of these components’ performance. The Group has identified two reportable segments. The Group’s reportable segments are i) Construction services and ii) Dealing and broking. The segments are managed separately as each business offers different services and requires different business strategies.

(a) Segment revenue and results

For the year ended 31 March 2024

	Construction service <i>HK\$’000</i>	Dealing and broking <i>HK\$’000</i>	Total <i>HK\$’000</i>
REVENUE			
Revenue to external customers	<u>452,263</u>	<u>403</u>	<u>452,666</u>
RESULT			
Segment loss	<u>(22,245)</u>	<u>(3,176)</u>	<u>(25,421)</u>
Unallocated other income			268
Unallocated corporate expenses			(8,197)
Finance costs			<u>(109)</u>
Loss before income tax			<u><u>(33,459)</u></u>

For the year ended 31 March 2023

	Construction service <i>HK\$’000</i>	Dealing and broking <i>HK\$’000</i>	Total <i>HK\$’000</i>
REVENUE			
Revenue to external customers	<u>370,321</u>	<u>1,765</u>	<u>372,086</u>
RESULT			
Segment profit/(loss)	<u>33,063</u>	<u>(1,233)</u>	31,830
Unallocated other income			96
Unallocated corporate expenses			(20,229)
Finance costs			<u>(121)</u>
Profit before income tax			<u><u>11,576</u></u>

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments without allocation of central administrative expenses.

(b) Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable segment:

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Assets		
Construction services	230,902	243,487
Dealing and broking	31,193	37,199
Segment assets	262,095	280,686
Unallocated	3,270	27,177
Total assets	265,365	307,863
	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Liabilities		
Construction services	35,412	54,388
Dealing and broking	26,158	29,982
Segment liabilities	61,570	84,370
Unallocated	19,952	7,384
Total liabilities	81,522	91,754

For the purposes of assessing segment performance and allocating resources between segments, the CODM monitors the results, assets and liabilities attributable to each reportable segment on the following bases: Segment assets include all tangible, intangible assets and current assets except financial assets at FVTPL. Segment liabilities include trade payables, other payables and accruals, deferred tax liabilities and tax payable attributable to the construction and dealing and broking services activities of the individual segments.

(c) **Other segment information included in segment profit or segment assets**

For the year ended 31 March 2024

	Construction service HK\$'000	Dealing and broking HK\$'000	Unallocated HK\$'000	Total HK\$'000
Interest income	(156)	(227)	(1)	(384)
Depreciation of property, plant and equipment	6,194	10	-	6,204
Depreciation of right-of-use assets	-	462	431	893
Impairment loss on trade receivables	13,247	-	-	13,247
Impairment loss on trading right	-	500	-	500
Additions to property, plant and equipment	1,702	11	-	1,713
Additions to right-of-use assets	-	1,109	-	1,109
Fair value loss arising from financial assets at FVTPL	-	-	236	236
Dividend income on financial assets at FVTPL	-	-	(86)	(86)
Gain on disposal of property, plant and equipment	(7)	-	-	(7)
Written off property, plant and equipment	347	-	-	347

For the year ended 31 March 2023

	Construction service <i>HK\$'000</i>	Dealing and broking <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Total <i>HK\$'000</i>
Interest income	(26)	(74)	–	(100)
Depreciation of property, plant and equipment	8,644	18	–	8,662
Depreciation of right-of-use assets	1,579	–	143	1,722
Impairment loss on trade receivables	687	–	–	687
Impairment loss on retention receivables	208	–	–	208
Additions to property, plant and equipment	6,962	–	–	6,962
Additions to right-of-use assets	–	–	897	897
Fair values loss arising from financial assets at FVTPL	–	–	13,923	13,923
Gain on disposal of property, plant and equipment	(239)	–	–	(239)
Written off of property, plant and equipment	323	–	–	323
	<u>323</u>	<u>–</u>	<u>–</u>	<u>323</u>

Geographical information

No geographical information is presented as the Group's revenue was solely derived from customers in Hong Kong and the non-current assets of the Group were mainly located in Hong Kong.

Information about major customers

Revenue from each major customer which accounted for 10% or more of the Group's revenue for the year is set out below:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Customer I ¹	188,047	254,848
Customer II ¹	207,109	87,777
Customer III ¹	52,658	N/A ²
	<u>188,047</u>	<u>342,625</u>

¹ Revenue from construction service.

² The corresponding revenue did not contribute over 10% of the total revenue of the Group during the corresponding year.

6. REVENUE, OTHER INCOME AND GAINS

Revenue represents the net invoiced value of services rendered and earned by the Group. All the Group's revenue (other than interest income) is derived from contracts with customers under HKFRS 15.

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

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Revenue		
Construction services		
Private sector	425,448	346,440
Public sector	26,815	23,881
	<u>452,263</u>	<u>370,321</u>
Dealing and broking services		
Brokerage commission	362	1,657
Interest income	41	108
	<u>403</u>	<u>1,765</u>
	<u>452,666</u>	<u>372,086</u>
Other income and gains		
Interest income	384	100
Rental income	332	1,319
Government grants*	204	11,176
Gain on disposal of items of property, plant and equipment	7	239
Dividend income on financial assets at FVTPL	86	–
Others	186	142
	<u>1,199</u>	<u>12,976</u>

* Grants have been received from the Construction Industry Council, an institution established by the Government of the Hong Kong Special Administrative Region, for strengthening hygienic control measures, providing on-the-job training for graduate engineers and trainees and the Government subsidies under Employee Support Scheme for the Covid-19 pandemic. There were no unfulfilled conditions or contingencies relating to these grants.

7. OTHER LOSSES

An analysis of other losses is as follows:

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Fair values loss arising from financial assets at FVTPL	236	13,923
Impairment loss on trade receivables	13,247	687
Impairment loss on retention receivables	–	208
Impairment loss on trading right	500	–
Others	63	193
	<u>14,046</u>	<u>15,011</u>

8. (LOSS)/PROFIT BEFORE INCOME TAX

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

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Depreciation of owned assets	6,204	8,662
Depreciation of right-of-use assets	893	1,722
	<u>7,097</u>	<u>10,384</u>
Total depreciation		
Expenses related to short-term leases	614	2,097
Auditors' remuneration	1,150	1,050
Employee benefit expense (including directors' and chief executive's remuneration):		
Wages and salaries	31,819	17,601
Pension scheme contributions	472	596
	<u>32,291</u>	<u>18,197</u>
Gain on termination of lease	–	(136)
Written-off of items of property, plant and equipment	347	323
	<u>347</u>	<u>323</u>

9 INCOME TAX

Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax in the Cayman Islands and the BVI.

Hong Kong profits tax has been provided at the rate of 16.5% (2023: 16.5%) on the estimated assessable profits arising in Hong Kong during the year, except for a subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2 million of assessable profits of this subsidiary is taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for the year.

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Current – Hong Kong		
Charge for the year	–	1,376
Over-provision in respect of prior years	(1,367)	–
Deferred tax	–	5,233
	<hr/>	<hr/>
Total tax (credit)/charge for the year	(1,367)	6,609
	<hr/> <hr/>	<hr/> <hr/>

10. DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company during the years ended 31 March 2024 and 2023, nor has any dividend been proposed since the end of the reporting period.

11. (LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of basic and diluted (loss)/earnings per share is based on:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
(Loss)/profit attributable to ordinary equity holders of the Company for the purpose of calculating (loss)/earnings per share	<u>(32,092)</u>	<u>4,967</u>
	Number of shares	
	2024 <i>'000</i>	2023 <i>'000</i>
Weighted average number of ordinary shares for the purpose of calculating basic (loss)/earnings per share	<u>1,000,000</u>	<u>1,000,000</u>

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 March 2024 and 2023.

12. CONTRACT ASSETS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Contract assets		
Unbilled revenue	19,519	50,915
Retention receivables	75,129	98,350
Less: Impairment loss on retention receivables	<u>(208)</u>	<u>(208)</u>
	<u>94,440</u>	<u>149,057</u>

Unbilled revenue included in contract assets represents the Group's right to receive consideration for work completed and not yet billed because the rights are conditional upon the quality and quantity check by the customers on the construction work completed by the Group and the work is pending for the certification by the customers. The contract assets are transferred to the trade receivables when the rights become unconditional, which is typically at the time the Group obtains the certification of the completed construction work from the customers.

Retention receivables included in contract assets represent the Group's right to consideration for work performed but not yet collectible because the rights are conditional on the satisfaction of the service quality by the customers over a certain period as stipulated in the contracts. The contract assets are transferred to trade receivables when the rights become unconditional, which is typically at the expiry date of the period for the provision of assurance by the Group on the service quality of the construction work performed by the Group.

13. TRADE RECEIVABLES

	<i>Notes</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Construction service	<i>(a)</i>	39,738	32,717
Arising from securities brokerage of cash customers	<i>(b)</i>	732	713
Less: Impairment loss on trade receivables		(13,934)	(687)
		26,536	32,743

Notes:

- (a) The amount represented receivables for contract works. Management generally submit interim payment applications to customers on a monthly basis containing a statement setting out management's estimation of the valuation of the works completed in the preceding month. Upon receiving the interim payment application, the architect or the consultant of the customer will verify such valuation of works completed and issue an interim payment certificate within 30 days. Within 30 days after the issuance of the interim payment certificate, the customer will make payment to the Group based on the certified amount stipulated in such certificate, deducting any retention money in accordance with the contract. Trade receivables are non-interest-bearing.
- (b) Amounts due from cash customers for securities brokerage is required to be settled on the settlement dates of their respective transactions (normally one to two business days after the respective trade dates).

An ageing analysis of trade receivables (net of impairment loss allowance) based on the invoice date or progress payment certificate date is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Within 30 days	26,536	27,972
31 to 60 days	–	–
61 to 90 days	–	189
Over 90 days	–	4,582
	26,536	32,743

14. TRADE PAYABLES

	<i>Notes</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Construction service		18,639	49,321
Arising from securities brokerage of cash customers	<i>(a)</i>	24,692	29,378
Arising from securities of HKSCC	<i>(a)</i>	728	535
		44,059	79,234

Note:

- (a) Trade payables arising from securities broking business are repayable on demand subsequent to settlement date (normally one to two business days after the respective trade dates).

An ageing analysis of trade payables as at the end of the reporting period, based on the invoice date or the progress payment certificate date, is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Within 30 days	43,499	72,974
31 to 60 days	100	6,260
61 to 90 days	–	–
Over 90 days	460	–
	44,059	79,234

Trade payables are non-interest-bearing. The payment terms of trade payables from construction service are stipulated in the relevant contracts with credit periods of 30 days in general.

15. SHARE CAPITAL

Details of the share capital of the Company are as follows:

	Number of ordinary shares of HK\$0.01 each	Nominal value of ordinary shares <i>HK\$'000</i>
Authorised:		
At 1 April 2022, 31 March 2023, 1 April 2023 and 31 March 2024	<u>2,000,000,000</u>	<u>20,000</u>
	Number of shares in issue	Amount <i>HK\$'000</i>
Issued and fully paid:		
At 1 April 2022, 31 March 2023, 1 April 2023 and 31 March 2024	<u>1,000,000,000</u>	<u>10,000</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND OPERATION RESULTS

FINANCIAL HIGHLIGHTS

- Revenue was approximately HK\$452.7 million for FY2023/24, representing an increase of approximately 21.7% as compared with the revenue of approximately HK\$372.1 million for FY2022/23.
- Gross profit was approximately HK\$18.3 million for FY2023/24, as compared with the gross profit of approximately HK\$41.5 million for FY2022/23.
- Loss attributable to owners of the parent was approximately HK\$32.3 million for FY2023/24, whereas profit attributable to owners of the parent was approximately HK\$5.0 million for FY2022/23.
- Basic loss per share was approximately HK\$3.2 cents for FY2023/24, and basic earnings per share was approximately HK0.5 cents for FY2022/23.
- The Board does not recommend the payment of any final dividend for the FY2023/24.

BUSINESS REVIEW

The Group is a Hong Kong-based subcontractor engaged in the provision of formwork work services and dealing and broking services in Hong Kong. The revenue from (i) provision of formwork work services and (ii) provision of dealing and broking services in Hong Kong for the year ended 31 March 2024 (“**FY2023/24**”) amounted to approximately HK\$452.7 million, representing an increase of approximately HK\$80.6 million or 21.7% as compared to approximately HK\$372.1 million for the year ended 31 March 2023 (“**FY2022/23**”). Such increase was primarily attributable to increase in revenue generated from two major projects commenced in November 2022 and May 2022, which achieved significant progress during FY2023/24. The revenue from provision of dealing and broking services contributed HK\$0.4 million for FY2023/24.

The gross profit of approximately HK\$18.3 million reported for FY2023/24 while the gross profit of approximately HK\$41.5 million for FY2022/23 was primarily due to the increase in additional subcontracting costs.

BUSINESS PROSPECT

During the year, the Group was principally engaged in the provision of formwork work services and dealing and broking services in Hong Kong. Looking ahead, the Directors believe that smart building and construction digitalisation will become an important trend in the construction industry, and the Group's existing business, which represents an important part of the construction process, should actively adapt to the market changes and technological development trend. Therefore, the Directors believe the model construction market has broad development prospects and potential in the future. The Group will strengthen its technological innovation and research and development capability, and actively apply smart building and construction digitalisation related technologies and products to improve construction efficiency and quality and enhance the competitiveness of its products and service standards, so as to gain advantage in market competition. At the same time, the Group will leverage the background and resources of its shareholders to explore business diversification. In particular, the Group will focus on business development opportunities related to people's livelihood and seek a second growth curve for business development in a timely manner, so as to lay a solid foundation for the Group's sustainable operation in the future and to reward the shareholders of the Company with fruitful business results.

As at 31 March 2024, the Group had 9 projects that were yet to be completed, and the original contract value of such projects amounted to approximately HK\$659.4 million.

On top of the above, the Group has been exploring other business opportunities in dealing and broking services in Hong Kong to further broaden its revenue bases.

FINANCIAL REVIEW

Analysis of key items of results of operations

Revenue

Our revenue was approximately HK\$452.7 million for FY2023/24, representing an increase of approximately 17.8% as compared with the revenue of approximately HK\$372.1 million for FY2022/23.

Gross profit and gross profit margin

Our gross profit and gross profit margin for FY2022/23 and FY2023/24 respectively were as follows:

	FY2023/24	FY2022/23
Revenue (HK\$'000)	452,666	372,086
Gross profit (HK\$'000)	18,302	41,450
Gross profit margin	4.0%	11.1%

The Group's gross profit of approximately HK\$18.3 million reported for FY2023/24 while the gross profit of approximately HK\$41.4 million for FY2022/23 was primarily due to the increase in additional subcontracting costs.

Other income and gains

Other income and gains decreased by approximately HK\$11.8 million from approximately HK\$13.0 million for FY2022/23 to approximately HK\$1.2 million for FY2023/24, representing a decrease of approximately 90.8%. Such decrease was mainly attributable to the decrease in government subsidies from approximately HK\$11.2 million for FY2022/23 to approximately HK\$0.2 million for FY2023/24.

Administrative expenses

Administrative expenses increased by approximately HK\$11.1 million from approximately HK\$27.7 million for FY2022/23 to approximately HK\$38.8 million for FY2023/24, representing an increase of approximately 40.1%. Such increase was mainly attributable to the increase in one off staff bonus of HK\$13.6 million to a project manager for FY2023/24 (for FY2022/23: HK\$5 million).

Other losses

The Group recorded other losses of approximately HK\$14.0 million for FY2023/24 (for FY2022/23: HK\$15.0 million), which was mainly attributable to (i) the decrease in other expenses derived from fair value loss arising from financial assets at FVTPL of HK\$0.2 million for FY2023/24 (for FY2022/23: HK\$13.9 million); (ii) partial offset by increase in impairment loss on trade receivables of HK\$13.2 million for FY2023/24 (for FY2022/23: HK\$0.7 million).

Finance costs

Finance costs remained relatively stable at approximately HK\$0.1 million for FY2022/23 and approximately HK\$0.1 million for FY2023/24.

Income tax

For FY2023/24, the Group's income tax credit amounted to approximately HK\$1.4 million, as compared with approximately HK\$6.6 million of income tax expense amount for FY2022/23. Such change was mainly due to over-provision of income tax expense in prior years.

(Loss)/Profit attributable to owners of the parent

As a result of the foregoing, the loss attributable to owners of the parent amounted to approximately HK\$32.3 million for FY2023/24 as compared to the profit attributable to owners of the parent of approximately HK\$5.0 million for FY2022/23.

Final dividend

The Board has resolved not to recommend the declaration of any final dividend for FY2023/24 (FY2022/23: nil).

Liquidity and financial resources

Our primary uses of capital are to satisfy our working capital needs and to fund our construction projects. We financed our working capital primarily from (i) cash generated from operating activities, which primarily comprised cash payments we received from our revenue from the provision of formwork works and other construction works and (ii) bank borrowings. In managing our liquidity, our management monitors and maintains a reasonable level of cash and cash equivalents which are deemed adequate by our management to finance our operations and to mitigate the impacts of fluctuations in cash flows. We rely on cash and cash equivalents on hand and the cash generated from operating activities as the main sources of liquidity. As at 31 March 2024, the cash and cash equivalents, net current assets and total assets less current liabilities were approximately HK\$98.1 million (as at 31 March 2023: approximately HK\$52.2 million), approximately HK\$173.8 million (as at 31 March 2023: approximately HK\$202.7 million) and approximately HK\$184.1 million (as at 31 March 2023: approximately HK\$216.6 million), respectively.

Contingent liabilities

As at 31 March 2024, the Group did not have any material contingent liabilities (as at 31 March 2023: nil).

Capital commitments

As at 31 March 2024, the Group had HK\$1.1 million capital commitments in respect of the acquisitions of property, plant and equipment (as at 31 March 2023: nil) contracted for but not provided in the consolidated financial statements of the Group.

Funding and treasury policy

The Group maintains a prudent funding and treasury policy. Surplus funds are maintained in the form of cash deposits with licensed banks. 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.

Foreign currency risk

The Group has no significant exposure to foreign currency risk because almost all of the Group's transactions are denominated in Hong Kong dollars. The management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure as and when appropriate.

Gearing ratio

As at 31 March 2024, the Group's gearing ratio was nil (as at 31 March 2023: nil), representing total bank and other borrowings as a percentage of total equity.

Segment information

Segment information is presented for the Group as disclosed in note 5 to the consolidated financial statements.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES

During FY2023/24, the Group did not have any material acquisitions or disposals of subsidiaries or associated companies.

SIGNIFICANT INVESTMENT HELD

During FY2023/24, the Group had not held any significant investment.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

During FY2023/24, the Group did not have any plans for material investments and capital assets.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2024, the Group has 37 employees in Hong Kong (31 March 2023: 48 employees). The remuneration package that our Group offers to employees includes salary, bonuses and other cash subsidies. In general, our Group determines employee salaries based on each employee's qualifications, position and seniority. As required by Hong Kong laws, we have enrolled all of our full-time staff in the Mandatory Provident Fund Scheme. We intend to maintain our remuneration package competitive in order to attract and retain talented labour, and we regularly carry out staff evaluation to assess their performance.

COMPETITION INTERESTS

During FY2023/24, none of the Directors nor the controlling shareholders of the Company and their respective associates (as defined under Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**")) had any interests in a business, apart from the business of the Group, which competes or may compete with the business of the Group or has any other conflict of interest with the Group which would be required to be disclosed under Rule 8.10 of the Listing Rules.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix C3 of the Listing Rules as the code of conduct regarding securities transactions by the Directors. The Company has also set guidelines, at least as strict as the Model Code, on transactions of the Company's securities for relevant employees who are likely to be in possession of unpublished inside information of the Company.

Having made specific enquiry with all the Directors, all the Directors confirmed that they have complied with the required standard of dealings as set out in the Model Code during FY2023/24 and up to the date of this announcement.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the best knowledge of the Directors, the Directors confirm that the Company has maintained a sufficient amount of public float for the shares of the Company as required under the Listing Rules during FY2023/24 and up to the date of this announcement.

CORPORATE GOVERNANCE PRACTICES

The Company and the Board are devoted to achieve and maintain high standards of corporate governance, as the Board believes that good and effective corporate governance practices are fundamental to obtain and maintain the trust and safeguarding interest of the shareholders and other stakeholders of the Company. The Company has adopted the principles and code provisions set out in the Corporate Governance Code (the “**CG Code**”) as set out in Appendix C1 of the Listing Rules.

To the best knowledge of the Board, except for the deviation from the code provision C.2.1 of the CG Code, the Company has complied with the code provisions in the CG Code throughout FY2023/24 and up to the date of this announcement.

Pursuant to code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. Mr. Wang Jianfeng (“**Mr. Wang**”) assumed the dual role as the chairman of the Board and the chief executive of the Company. However, the Board believes that with the support of the management, vesting the roles of both chairman of the Board and chief executive officer on Mr. Wang can facilitate the execution of the Group’s business strategies and provide a strong and consistent leadership to improve the Company’s efficiency in decision-making. The Board considers that appointment of Mr. Wang as the chairman of the Board and the chief executive officer of the Company will not impair the balance of power as all major decisions are made in consultation with members of the Board. In addition, under the supervision by the Board which currently consists of one executive Director, three non-executive Directors and three independent non-executive Directors, the interests of the Shareholders will be adequately and fairly represented. Therefore, the Board considers the deviation from the code provision C.2.1 of the CG Code is appropriate under such circumstances. However, the Board will periodically review the effectiveness of this arrangement and consider separating the roles of chairman of the Board and chief executive officer of the Company when it thinks appropriate.

AUDIT COMMITTEE

The Audit Committee of the Company was established on 8 June 2019. The Company has established the Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph D.3 of the CG Code. The Audit Committee consists of three independent non-executive Directors namely Mr. Cai Huihui, Ms. Florence Ng and Mr. Wang Wenxing, (being the chairman of the Audit Committee who possesses the appropriate professional qualifications).

The primary duties of the Audit Committee are to review, supervise, and assist our Board in providing an independent view of, our financial reporting processes, and internal control and risk management systems, as well as to oversee the audit process, review our annual and interim financial statements, provide advice and comments to the Board on matters related to corporate governance, and perform other duties and responsibilities as assigned by our Board from time to time.

The Audit Committee has approved and reviewed with the external auditor of the Company and the management of the Group, the consolidated financial results of the Group for FY2023/24 and agreed to the accounting principles and policies adopted by the Group.

During FY2023/24, the Audit Committee held three meetings. The members of Audit Committee reviewed and discussed with the external auditors of the Company on the Group's audited consolidated financial statements for FY2022/23 and the unaudited interim consolidated financial statements for the six months ended 30 September 2023. They were of the opinion that these statements had complied with the applicable accounting standards, the Listing Rules and legal requirements, and that adequate disclosures had been made. Additional meeting may also be held by the Audit Committee from time to time to discuss special projects or other issues which it considers necessary. The external auditors of the Group may request a meeting of the Audit Committee to be convened if they consider that is necessary.

SCOPE OF WORK OF HLB HODGSON IMPEY CHENG LIMITED (“HLB”)

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit and loss and other comprehensive income, and the related notes thereto for the year ended 31 March 2024 as set out in this announcement have been agreed by HLB to be the same amounts set out in the Group's audited consolidated financial statements for FY2023/24. The work performed by HLB 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 HKICPA and consequently no assurance has been expressed by HLB on this announcement.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities during FY2023/24.

SHARE OPTION SCHEME

The Company adopted a share option scheme (the “**Scheme**”) pursuant to a resolution in writing passed by the then sole shareholder of the Company on 8 June 2019.

As at the date of this announcement, the maximum number of unexercised shares in respect of which options may be granted under the Scheme is 100,000,000 shares, representing approximately 10% of the entire issued share capital of the Company as at the date of the adoption of the Scheme.

As at the date of this announcement, no option has been granted by the Company under the Scheme.

CLOSURE OF REGISTER OF MEMBERS FOR ANNUAL GENERAL MEETING

The annual general meeting of the Company (the “**AGM**”) is scheduled to be held on Wednesday, 21 August 2024 (the “**2024 AGM**”). For determining the entitlement to attend and vote at the 2024 AGM, the register of members of the Company will be closed from Friday, 16 August 2024 to Wednesday, 21 August 2024 (both days inclusive) during which period no share transfer will be registered. In order to be eligible to attend and vote at the 2024 AGM, all transfers forms accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Boardroom Share Registrars (HK) Limited at Room 2103B, 21st Floor, 148 Electric Road, North Point, Hong Kong, for registration no later than 4:30 p.m. on Thursday, 15 August 2024.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement will be published on the respective websites of the Stock Exchange (www.hkexnews.hk) and the Company’s website (www.silvertide.hk). The annual report for the year ended 31 March 2024 containing all the information required by the Listing Rules will be available on the above websites and despatched to the Shareholders in due course.

EVENTS AFTER THE REPORTING PERIOD

There have been no significant event occurred after 31 March 2024 and up to the date of this announcement.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express my sincere gratitude to our management and staff members for their commitment and contribution, and to all our Shareholders, customers, subcontractors, suppliers and business partners for their endless support, and to the growth of the Group.

By order of the Board
Silver Tide Holdings Limited
Wang Jianfeng
Chairman, Chief Executive Officer and Executive Director

Hong Kong, 28 June 2024

As at the date of this announcement, the Board of the Company comprises Mr. Wang Jianfeng (Chairman, Chief Executive Officer and executive Director), Mr. Cai Huihui, Ms. Liu Jingna and Mr. Ruan Dongdong as non-executive Directors, and Mr. Wang Wenxing, Mr. An Wen Long and Ms. Florence Ng as independent non-executive Directors.