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## **VISION VALUES HOLDINGS LIMITED**

### **遠見控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 862)**

## **ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 30 JUNE 2024**

The board (the “**Board**”) of directors (the “**Directors**”) of Vision Values Holdings Limited (the “**Company**”) announces the audited consolidated results of the Company and its subsidiaries (the “**Group**”) for the year ended 30 June 2024 (the “**Financial Year**”) together with the comparative figures in the previous year as follows:

### **CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

*For the financial year ended 30 June 2024*

		<b>Year ended 30 June</b>	
		<b>2024</b>	<b>2023</b>
	<i>Note</i>	<b>HK\$’000</b>	<b>HK\$’000</b>
Revenue	3	<b>524,823</b>	400,723
Other gains, net	5	<b>271</b>	1,419
Changes in inventories of finished goods and work in progress		<b>(2,538)</b>	(1,896)
Subcontracting fees for project services		<b>(1,515)</b>	(8,455)
Direct operating costs for private jet management services		<b>(18,688)</b>	(17,633)
Direct operating costs for logistics services		<b>(399,335)</b>	(297,117)
Direct operating costs for trading of minerals		<b>(18,064)</b>	–
Fair value (losses)/gains on investment properties	10	<b>(44,112)</b>	3,784
Employee benefit expenses		<b>(38,351)</b>	(40,891)
Depreciation		<b>(6,913)</b>	(7,431)
Other expenses	7	<b>(23,188)</b>	(20,491)
Operating (loss)/profit		<b>(27,610)</b>	12,012
Finance income	6	<b>127</b>	413
Finance costs	6	<b>(9,859)</b>	(7,291)

		<b>Year ended 30 June</b>	
		<b>2024</b>	<b>2023</b>
	<i>Note</i>	<b>HK\$'000</b>	<b>HK\$'000</b>
(Loss)/profit before income tax		(37,342)	5,134
Income tax expense	8	<u>(6,469)</u>	<u>(4,745)</u>
<b>(Loss)/profit for the year</b>		<b><u>(43,811)</u></b>	<b><u>389</u></b>
<b>(Loss)/profit is attributable to:</b>			
Owners of the Company		(56,467)	(10,029)
Non-controlling interests		<u>12,656</u>	<u>10,418</u>
		<b><u>(43,811)</u></b>	<b><u>389</u></b>
<b>Loss per share attributable to owners of the Company for the year (HK cents)</b>	9		
Basic and diluted loss per share:		<u>(1.44)</u>	<u>(0.26)</u>

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 30 June 2024

	Year ended 30 June	
	2024	2023
	HK\$'000	HK\$'000
(Loss)/profit for the year	(43,811)	389
<b>Other comprehensive loss</b>		
Item that may be reclassified subsequently to profit or loss:		
Currency translation differences	<u>(36)</u>	<u>(9,326)</u>
Total comprehensive loss for the year	<u>(43,847)</u>	<u>(8,937)</u>
<b>Total comprehensive loss is attributable to:</b>		
Owners of the Company	(56,503)	(19,355)
Non-controlling interests	<u>12,656</u>	<u>10,418</u>
Total comprehensive loss for the year	<u>(43,847)</u>	<u>(8,937)</u>
<b>Total comprehensive loss for the year attributable to owners of the Company</b>	<u>(56,503)</u>	<u>(19,355)</u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2024

		As at 30 June	
		2024	2023
	Note	HK\$'000	HK\$'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		13,805	18,441
Right-of-use assets		2,254	3,341
Investment properties	10	239,338	283,450
Exploration and evaluation assets	11	96,447	82,995
Rental deposit		168	231
		<u>352,012</u>	<u>388,458</u>
<b>Current assets</b>			
Inventories	12	730	1,023
Trade and bills receivables	13	261,930	194,492
Prepayments, deposits and other receivables		7,015	9,880
Contract assets	13	38,647	15,563
Cash and cash equivalents		41,358	24,193
		<u>349,680</u>	<u>245,151</u>
<b>Total assets</b>		<u><b>701,692</b></u>	<u><b>633,609</b></u>
<b>EQUITY</b>			
<b>Capital and reserves attributable to owners of the Company</b>			
Share capital		39,242	39,242
Other reserves		471,168	467,823
Accumulated losses		(315,414)	(255,566)
		<u>194,996</u>	<u>251,499</u>
<b>Non-controlling interests</b>		<u><b>90,241</b></u>	<u><b>74,701</b></u>
<b>Total equity</b>		<u><b>285,237</b></u>	<u><b>326,200</b></u>

		<b>As at 30 June</b>	
		<b>2024</b>	2023
	<i>Note</i>	<b>HK\$'000</b>	<i>HK\$'000</i>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Deferred income tax liabilities		2,331	2,781
Lease liabilities		434	1,299
Loan from a director		<u>136,715</u>	<u>102,695</u>
		<u>139,480</u>	<u>106,775</u>
<b>Current liabilities</b>			
Trade payables	14	32,024	6,284
Accrued charges and other payables		49,046	43,751
Contract liabilities		1,230	7,778
Borrowings	15	188,934	137,641
Lease liabilities		1,476	1,907
Tax payable		<u>4,265</u>	<u>3,273</u>
		<u>276,975</u>	<u>200,634</u>
<b>Total liabilities</b>		<u>416,455</u>	<u>307,409</u>
<b>Total equity and liabilities</b>		<u>701,692</u>	<u>633,609</u>
<b>Net current assets</b>		<u>72,705</u>	<u>44,517</u>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 1. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and disclosure requirements of the Hong Kong Companies Ordinance (“HKCO”) Cap.622. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties, which are stated at fair value.

### 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Changes in accounting policies and disclosures

##### (a) *New standard and amendments to existing standards adopted by the Group*

The following new standard and amendments to existing standards are mandatory for the first time for the financial year beginning 1 July 2023 and have been adopted in the preparation of the consolidated financial statements.

		<b>Effective for annual periods beginning on or after</b>
HKAS 1 and HKFRS Practice Statement 2 (Amendments)	Disclosure of Accounting Policies	1 July 2023
HKAS 8 (Amendments)	Definition of Accounting Estimates	1 July 2023
HKAS 12 (Amendments)	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 July 2023
HKAS 12 (Amendments)	International Tax Reform – Pillar Two Model Rules	1 July 2023
HKFRS 17	Insurance Contracts	1 July 2023
HKFRS 17 (Amendments)	Initial Application of HKFRS 17 and HKFRS 9 – Comparative Information	1 July 2023

The adoption of these amendments to existing standards and conceptual framework did not have any significant change on the Group’s accounting policies or any significant impact on the consolidated financial statements of the Group.

**(b) Amendments to existing standards and interpretation that are not effective and have not been early adopted by the Group**

The following amendments to existing standards and interpretation have been issued but are not effective for the financial year beginning on 1 July 2023 and have not been early adopted by the Group:

		<b>Effective for annual periods beginning on or after</b>
HKAS 1 (Amendment)	Classification of Liabilities as Current or Non-current	1 July 2024
HKAS 1 (Amendment)	Non-current Liabilities with Covenants	1 July 2024
Hong Kong Int 5 (Revised)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 July 2024
HKFRS 16 (Amendments)	Lease Liability in a Sale and Leaseback	1 July 2024
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements	1 July 2024
Amendments to HKAS 21	Lack of Exchangeability	1 July 2025
HKFRS 10 and HKAS 28 (Amendments)	Sales or Contribution of Assets between an Investor and its Associates or Joint Ventures	To be determined

None of the above new standards, amendments to existing standards and interpretation is expected to have a significant impact on the consolidated financial statements of the Group in the current or future reporting periods and on foreseeable future transactions. The Group will adopt the above amendments to existing standards and interpretation when they become effective.

(c) **Change in accounting policy on offsetting arrangement in long service payment scheme in Hong Kong**

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

Prior to 1 January 2023, the Group applied practical expedient in HKAS 19 paragraph 93(b) (the “**practical expedient**”) to account for the offsetable MPF Benefits as deemed employee contributions to reduce the current service costs in the period in which the related services were rendered.

In July 2023, the HKICPA published “Accounting implications of the abolition of the MPF-LSP offsetting mechanism in Hong Kong” (the “**Guidance**”) which provides clarified and detailed guidance on the accounting considerations relating to the abolition of the offsetting mechanism. The Guidance clarified that following the enactment of the Amendment Ordinance, LSP is no longer a ‘simple type of contributory plans’ to which the practical expedient had been intended to apply.

### 3. REVENUE

An analysis of the Group’s revenue for the year recognised is as follows:

	<b>2024</b>	2023
	<b>HK\$’000</b>	HK\$’000
Logistics services income	<b>456,052</b>	352,125
Trading of minerals	<b>25,027</b>	–
Private jet management services income	<b>32,322</b>	29,120
Rental income	<b>5,136</b>	6,077
Network solutions and project service fee	<b>6,286</b>	13,401
	<b>524,823</b>	400,723

Revenue of HK\$7,529,000 was recognised for the year ended 30 June 2024 (2023: HK\$6,613,000) related to carried-forward contract liabilities.



#### 4. SEGMENT INFORMATION

The Group's reportable operating segments are: (i) property investment; (ii) minerals exploration; (iii) private jet management services; (iv) logistics services and (v) others.

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

The Executive Directors assess the performance of operating segments based on a measure of segment results. This measurement basis is revenue less direct attributable expenses to revenue but excluding depreciation. Other information provided, except as described below, to the Directors is measured in a manner consistent with that in the consolidated financial statements. Segment assets exclude other assets that are managed on a central basis.

There are no sales or other transactions between business segments.

##### The segment revenue and results for the year ended 30 June 2024:

	Logistics services <i>HK\$'000</i>	Property investment <i>HK\$'000</i>	Minerals exploration <i>HK\$'000</i>	Private jet management services <i>HK\$'000</i>	Others <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segment revenue	<u>456,052</u>	<u>5,136</u>	<u>-</u>	<u>32,322</u>	<u>31,313</u>	<u>524,823</u>
Segment results	<u>46,848</u>	<u>3,989</u>	<u>-</u>	<u>13,634</u>	<u>4,028</u>	68,499
Depreciation	(4,921)	-	(146)	(1,032)	(142)	(6,241)
Fair value loss on investment properties	-	(44,112)	-	-	-	(44,112)
Unallocated expenses <i>(Note (a))</i>						(45,756)
Finance costs						(9,859)
Finance income						<u>127</u>
Loss before income tax						<u>(37,342)</u>
Other segment information						
- Capital expenditure <i>(Note (b))</i>	<u>545</u>	<u>-</u>	<u>13,459</u>	<u>-</u>	<u>13</u>	<u>14,017</u>

The segment revenue and results for the year ended 30 June 2023:

	Logistics services <i>HK\$'000</i>	Property investment <i>HK\$'000</i>	Minerals exploration <i>HK\$'000</i>	Private jet management service <i>HK\$'000</i>	Others <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segment revenue	<u>352,125</u>	<u>6,077</u>	<u>–</u>	<u>29,120</u>	<u>13,401</u>	<u>400,723</u>
Segment results	<u>43,974</u>	<u>4,981</u>	<u>–</u>	<u>11,488</u>	<u>2,485</u>	62,928
Depreciation	(4,976)	–	(293)	(1,473)	(292)	(7,034)
Fair value gain on investment properties	–	3,784	–	–	–	3,784
Unallocated expenses ( <i>Note (a)</i> )						(47,666)
Finance costs						(7,291)
Finance income						<u>413</u>
Profit before income tax						<u>5,134</u>
Other segment information						
– Capital expenditure ( <i>Note (b)</i> )	851	–	7,767	30	–	8,648
– Unallocated capital expenditure						<u>54</u>
						<u>8,702</u>

*Notes:*

- (a) Unallocated expenses mainly include unallocated employee benefit expenses, legal and professional fees and reimbursement of sharing of administrative services incurred at corporate level.
- (b) This relates to additions to property, plant and equipment and exploration and evaluation assets.

## Segment Assets

As at 30 June 2024

	Logistics services <i>HK\$'000</i>	Property investment <i>HK\$'000</i>	Minerals exploration <i>HK\$'000</i>	Private jet management services <i>HK\$'000</i>	Others <i>HK\$'000</i>	Total <i>HK\$'000</i>
Total segment assets	<u>302,747</u>	<u>240,186</u>	<u>96,742</u>	<u>13,879</u>	<u>2,753</u>	656,307
Unallocated						
– Cash and cash equivalents						41,358
– Other unallocated assets						<u>4,027</u>
Consolidated total assets						<u>701,692</u>

As at 30 June 2023

	Logistics services <i>HK\$'000</i>	Property investment <i>HK\$'000</i>	Minerals exploration <i>HK\$'000</i>	Private jet management services <i>HK\$'000</i>	Others <i>HK\$'000</i>	Total <i>HK\$'000</i>
Total segment assets	<u>212,128</u>	<u>284,595</u>	<u>83,394</u>	<u>10,355</u>	<u>9,843</u>	600,315
Unallocated						
– Cash and cash equivalents						24,193
– Other unallocated assets						<u>9,101</u>
Consolidated total assets						<u>633,609</u>

The Company is domiciled in Hong Kong and the Group is operating in three main geographical areas:

Hong Kong	:	Property investment, private jet management services and others
Mainland China	:	Property investment, logistics services and others
Mongolia	:	Minerals exploration

There are neither sales nor other transactions between the geographical areas in the year ended 30 June 2024.

	Non-current assets		Revenue	
	2024	2023	2024	2023
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Hong Kong	207,310	251,406	42,642	47,437
Mainland China	48,034	53,292	482,181	353,286
Mongolia	96,668	83,760	–	–
	<u>352,012</u>	<u>388,458</u>	<u>524,823</u>	<u>400,723</u>

The Group's revenue by geographical location is determined by the places/countries in which the customers are located. The Group's non-current assets by geographical location are determined by the places/countries in which the assets are located.

#### Revenue from major customers

Revenue from each major customer which accounted for 10% or more of the Group's revenue for each of the financial year is set out below. The revenue is attributable to the segment of private jet management services in Hong Kong and logistics services in Mainland China.

	2024	2023
	HK\$'000	HK\$'000
Customer A	227,343	175,395
Customer B	212,137	134,232
	<u>439,480</u>	<u>309,627</u>

#### 5. OTHER GAINS, NET

	2024	2023
	HK\$'000	HK\$'000
Government grants ( <i>Note</i> )	–	496
Sundry income	332	921
Gain on disposal of property, plant and equipment	51	2
Write off of property, plant and equipment	(112)	–
	<u>271</u>	<u>1,419</u>

*Note:*

Government grants mainly represents benefits received from the HKSAR Government under COVID-19 related employment support schemes. The Group has complied all attached conditions and recognised in the consolidated statement of profit or loss for the year ended 30 June 2023. No government grants was recognised for the year ended 30 June 2024.

## 6. FINANCE INCOME AND COSTS

	<b>2024</b> <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Finance income		
– Bank interest income	<u>127</u>	<u>413</u>
Finance costs		
– Interest expense on bank loans	(3,106)	(2,710)
– Interest expense on loan from a director	(6,620)	(4,486)
– Interest expense on lease liabilities	<u>(133)</u>	<u>(95)</u>
	<u><b>(9,859)</b></u>	<u><b>(7,291)</b></u>

## 7. OTHER EXPENSES

Other expenses included the following:

	<b>2024</b> <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Auditor's remuneration		
– Audit services	1,920	2,330
– Non-audit services	29	28
Direct operating expenses from investment properties that generate rental income	1,147	1,096
Loss on derecognition of right-of-use assets	165	–
Exchange (gains)/losses, net	(95)	336
Operating lease rental for short-term leases	879	1,036
Legal and professional fee	3,656	4,111
Insurance	781	754
Reimbursement of sharing of administrative services	<u>7,742</u>	<u>7,358</u>

## 8. INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2023: 16.5%) on the estimated assessable profits for the year. Taxation on overseas profits has been calculated on the estimated assessable profits for the year at the rates of taxation prevailing in the countries in which the Group operates.

The amount of income tax charged to the consolidated statement of profit or loss represents:

	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
Current income tax		
– Hong Kong profits tax	<b>513</b>	178
– People's Republic of China corporate income tax	<b>6,422</b>	5,446
Deferred income tax		
– Origination of temporary differences	<b>(450)</b>	(78)
Overprovision in prior year	<b>(16)</b>	(801)
Total income tax expense	<b>6,469</b>	4,745

## 9. LOSS PER SHARE

### (a) Basic

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

	<b>2024</b>	2023
Loss attributable to owners of the Company (HK\$'000)	<b>(56,467)</b>	(10,029)
Weighted average number of ordinary shares in issue (in thousands shares)	<b>3,924,190</b>	3,924,190
Basic loss per share attributable to the ordinary equity holders of the Company (HK cents)	<b>(1.44)</b>	(0.26)

**(b) Diluted**

The calculation of the diluted loss per share for the years ended 30 June 2024 and 2023 is based on the loss for the year attributable to equity holders of the Company, adjusted to assume exercise of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares: share option. The weighted average number of ordinary shares used in the calculation is the weighted average number of the ordinary shares in issue during the year, as used in the basic loss per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of share option.

During the years ended 30 June 2024 and 2023, the share options granted by the Company were not assumed to be exercised as they would have anti-dilutive impact to the basic loss per share.

**10. INVESTMENT PROPERTIES**

	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
At beginning of the year	<b>283,450</b>	282,789
Fair value (losses)/gains on revaluation of investment properties, net	<b>(44,112)</b>	3,784
Currency translation differences	—	(3,123)
	<u>                    </u>	<u>                    </u>
At end of the year	<b><u>239,338</u></b>	<b><u>283,450</u></b>

*Note:*

**Amounts recognised in profit and loss for investment properties**

	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
Rental income	<b>5,136</b>	6,077
Direct operating expenses from investment properties that generate rental income	<b>(1,147)</b>	(1,096)
Fair value (losses)/gains on investment properties	<b>(44,112)</b>	3,784
	<u>                    </u>	<u>                    </u>

As at 30 June 2024 and 2023, the Group had no unprovided contractual obligations for future repairs and maintenance.

The Group's investment properties were valued at 30 June 2024 by an independent professionally qualified valuer, Eidea Professional Services Company Limited, who holds a recognised relevant professional qualification and has relevant experience in the locations and segments of the investment properties valued. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

## 11. EXPLORATION AND EVALUATION ASSETS

The Group owns a mineral mining license in western part of Mongolia. Additions to the exploration and evaluation assets represent the geological and geophysical costs, drilling and exploration expenses directly attributable to exploration activities.

Movement of exploration and evaluation assets is as follows:

	<b>2024</b> <b>HK\$'000</b>	2023 HK\$'000
At beginning of the year	<b>82,995</b>	75,228
Additions	<u><b>13,452</b></u>	<u>7,767</u>
At end of the year	<u><b>96,447</b></u>	<u>82,995</u>

*Note:*

In July 2020, a mining license was issued and granted for an initial period of 30 years to replace the exploration license which was expired during the year ended 30 June 2020. The mining license can be extended for two successive periods of 20 years each.

The management assessed the impairment indicators of the exploration and evaluation assets annually. Based on the result, the directors considered no impairment indicator is noted and no impairment is required.

## 12. INVENTORIES

	<b>2024</b> <b>HK\$'000</b>	2023 HK\$'000
Work in progress	<b>571</b>	373
Finished goods	<u><b>159</b></u>	<u>650</u>
	<u><b>730</b></u>	<u>1,023</u>

The cost of inventories recognised as expense in the consolidated statement of profit or loss amounted to approximately HK\$2,538,000 (2023: HK\$1,896,000).



### 13. TRADE AND BILLS RECEIVABLES AND CONTRACT ASSETS

	<b>2024</b> <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade receivables		
– a related party	<b>5,151</b>	7,255
– third parties	<b>44,355</b>	22,272
Bills receivables	<b>212,424</b>	164,965
	<b>261,930</b>	194,492
Contract assets		
– a related party	<b>16,174</b>	–
– third parties	<b>22,473</b>	15,563
	<b>38,647</b>	15,563

During the year ended 30 June 2024, the Group factored the bills receivables with a carrying amount HK\$188,934,000 (2023: HK\$137,641,000). The maturity date of the bills receivables ranged from 1 to 6 months.

In accordance with the terms of factoring with banks, the bank has the rights of recourse against the Group if the bills receivables turn default.

In the opinion of management, the Group has retained the substantial risk and rewards, and accordingly, the Group continue to recognise the full carrying amounts of bills receivables amounting to HK\$188,934,000 (2023: HK\$137,641,000) as at 30 June 2024, and factoring loans as disclosed in Note 15 in this announcement.

The carrying amounts of the Group's trade and bills receivables and contract assets approximate their fair values.

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

	<b>2024</b> <i>HK\$'000</i>	2023 <i>HK\$'000</i>
0 – 30 days	<b>33,543</b>	25,492
31 – 60 days	<b>15,086</b>	2,250
61 – 90 days	<b>788</b>	1,520
Over 90 days	<b>89</b>	265
	<b>49,506</b>	29,527

All trade receivables are either repayable within one year or on demand. The Group generally grants credit terms of 30 to 90 days to its customers. The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for trade receivables.

In the opinion of the directors, the loss allowance for trade and bills receivables and contract assets as at 30 June 2024 and 2023 was insignificant.

#### 14. TRADE PAYABLES

The ageing analysis of the trade payables based on invoice date is as follows:

	<b>2024</b> <b>HK\$'000</b>	2023 HK\$'000
0 – 30 days	<b>31,660</b>	5,790
31 – 60 days	<b>135</b>	80
61 – 90 days	<b>–</b>	–
91 – 180 days	<b>229</b>	414
	<u><b>32,024</b></u>	<u>6,284</u>

The carrying amounts of the Group's trade payables approximate their fair values.

#### 15. BORROWINGS

	<b>2024</b> <b>HK\$'000</b>	2023 HK\$'000
Unsecured		
– Factoring loan – within 1 year ( <i>Note</i> )	<b>188,934</b>	137,641
	<u><b>188,934</b></u>	<u>137,641</u>

As at 30 June 2024 and 2023, the Group's borrowings contain a repayable demand clause and are repayable based on the scheduled date are as follows:

	<b>2024</b> <b>HK\$'000</b>	2023 HK\$'000
Within one year	<b>188,934</b>	137,641
	<u><b>188,934</b></u>	<u>137,641</u>

The carrying amounts of the Group's borrowings are denominated in RMB.

The carrying amounts of the borrowings approximate their fair values.

*Note:*

As at 30 June 2024, the Group factored the bills receivables with certain banks amounted to RMB174,939,000 (approximately HK\$188,934,000) (2023: RMB127,446,000 (approximately HK\$137,641,000) with terms of recourse and bank interest at rates ranging from 1.31% to 3.0% per annum (2023: ranging from 1.8% to 2.9% per annum).

#### 16. CAPITAL COMMITMENTS

The total capital expenditure of exploration activities in Mongolia which was authorised by management of the Group but not contracted for as at 30 June 2023 was HK\$13,124,000. Such capital expenditure of exploration activities were contributed by equity holders of the Mission Wealth Group on a pro-rata basis and the commitment of the Company amounts to HK\$6,693,000.

The Company did not have any material capital expenditure contracted for at the end of the year but not yet incurred (2023: Nil).

## **REVIEW OF CONSOLIDATED FINANCIAL STATEMENTS**

The independent auditor of the Company, Messrs. PricewaterhouseCoopers, has agreed that the figures in respect of the Group's consolidated results for the year ended 30 June 2024 contained in this announcement are consistent with the amounts set out in the Group's audited consolidated financial statements for the year in accordance with its engagement under Hong Kong Standard on Related Services 4400 "Engagements to perform agreed-upon procedures regarding financial information" and with reference to Practice Note 730 "Guidance for auditors regarding preliminary announcements of annual results" issued by the HKICPA.

## **FINAL DIVIDEND**

The Directors do not recommend the payment of a final dividend for the year ended 30 June 2024 (2023: nil).

## **ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS**

The forthcoming annual general meeting (the "AGM") of the Company will be held on Thursday, 28 November 2024. The notice of AGM will be published and despatched to the shareholders of the Company in the manner as required by the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") in due course.

The register of members of the Company will be closed from Monday, 25 November 2024 to Thursday, 28 November 2024, both days inclusive. During such period, no transfer of shares of the Company will be registered. For the purpose of ascertaining the members' entitlement to attend and vote at the AGM, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Abacus Limited, at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Friday, 22 November 2024.

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW

#### 1. Property Investment

The policy of the Group's investment properties is holding to earn rentals and/or for capital appreciation. The management will review the Group's property portfolio from time to time to achieve this policy. The revenue for the Financial Year was HK\$5.1 million (2023: HK\$6.1 million). As at 30 June 2024, all the investment properties were renting out except for two office premises in Wan Chai, Hong Kong. Commercial real estate demand in Hong Kong remained overall weak in the Financial Year with majority of the tenants prioritised cost savings in view of a more conservative sentiment towards business outlook. As a result, the rental market demand was subdued.

#### 2. Exploration and Evaluation of Mineral Resources

FVSP LLC (“**FVSP**”), a 51% owned indirect subsidiary, holds a mining license number MV-021621 with gold and other mineral resources in Mongolia covering approximately 7,120 hectares (the “**Zoolon Project**”).

In 2023, the geological exploration work for Zoolon Project was successfully conducted through the collaborative efforts of the inhouse geological team and a technical team from a subsidiary of the Xinjiang Bureau of Geology and Mineral Resources (新疆維吾爾自治區地質礦產勘查開發局) (the “**Xinjiang Team**”). The fieldwork took place in the first half of the Financial Year, during which the FVSP team executed tasks such as geological mapping, sampling, geological logging, and induced polarization survey. On the other hand, Xinjiang Team was responsible for tasks including audio-frequency magnetotellurics (AMT), three-dimensional induced polarization (3DIP), and geological research.

Subsequently, in April and May of 2024, both teams completed and submitted the 2023 geological exploration reports for Zoolon Project. This marked the formal conclusion of the 2023 geological exploration work under Zoolon Project. The collaboration between the two teams not only demonstrated efficient coordination but also highlighted the successful fulfillment of their respective responsibilities in ensuring the comprehensive assessment and documentation of the geological aspects of the project.

## Exploration Highlights of 2023:

- A lithostratigraphic column for Carboniferous volcanic and volcanogenic sedimentary rocks in the licensed area hosting Target 7 (Zoolon deposit) along with Target 3, 9, and 10 was created. This development suggested the possible existence of a volcanic center in the southwest region of Target 7 and Target 10. The identification and delineation of such geological features hold immense implications for further exploration and understanding of the area’s volcanic history and potential resources;
- More exploration and discovery of additional surface copper-gold showings from Target 15 to Target 18 had been examined through geophysical surveys and drilling. This mineralization zone, covering a distance of 5,000 meters in a west-east strike pattern, corresponds to distinct moderate to high chargeability and high resistivity anomalies. Subsequent drilling had uncovered low-grade copper and gold mineralization intersections;
- Our analysis indicated that the extension of the copper-gold mineralization zone from Target 15 to Target 18 was probably influenced by fault structures and seemed to be linked to a deeply rooted intrusive body. Both Target 15 and 18 shown promising prospects for containing porphyry copper-gold deposits;
- The AMT survey conducted at Zoolon deposit revealed significant northwest and northeast striking anomalies or structures, which were further investigated through drilling. Although the drilling results did not intercept economic orebodies, a vertical mineralization zoning pattern was observed, with gold-silver in the upper part, lead-zinc-copper in the middle, and copper-molybdenum (“Cu-Mo”) in the depth. This zoning pattern, particularly Cu-Mo anomaly grades in the depth, might indicate a significant potential of upper gold-polymetallic deposit and deeper Cu-Mo deposit associated with deeply seated magmatic hydrothermal fluids. Further research and exploration may be necessary to fully understand the potential of this deposit;
- The drilling results obtained at Target 10 in 2023 had unveiled resemblances in alteration and mineralization patterns to those observed at the Zoolon Deposit. These findings suggested that Target 10 possessed the potential to be another site similar to the Zoolon Deposit. Further exploration and analysis are warranted to confirm and fully assess the significance of these similarities; and

- In 2023, a regional geochemical survey encompassing the southern portion of the license area was conducted utilizing a grid of 40x100 meters. During this survey, a total of 25 geochemical anomaly areas were identified. The majority of these anomalies reaffirmed previously known targets, while two newly discovered areas were highlighted for further detailed exploration. Consequently, the distribution of copper and gold mineralization experienced a substantial expansion as a result of these findings.

FVSP is currently evaluating the feasibility of implementing heap leaching technology for the Zoolon Project. This approach offers the potential for reduced capital expenditures and accelerated project development. Our initial studies involve laboratory-scale heap leaching tests using environmentally friendly gold leaching agents on oxide ore samples from the Zoolon Project site.

### **3. Private Jet Management Services (“PJM”)**

As at the end of the Financial Year, PJM managed five aircrafts: four under long-term management contracts (2023: three) and one under ad hoc arrangements (2023: one). This represents a slight increase from the previous financial year. Revenue for the Financial Year reached approximately HK\$32.3 million (2023: HK\$29.1 million), demonstrating modest growth compared to the prior year.

### **4. Logistics business**

The logistics business of the Group is carried out by an indirect non-wholly owned subsidiary (the “JV”). The JV is owned beneficially as to 60% by the Group and the remaining 40% by independent third parties. The business scope of the JV is mainly covering drop and pull transport at Xinjiang border; gangue backfill and route transportation of clean coal and its by-products. At the end of the Financial Year, JV owned 50 heavy-duty semi-trailer tractors and various heavy-duty semi-trailers. Apart from an inhouse fleet, JV also engages external contractors’ fleet on an as-needed basis.

JV delivered a satisfactory performance during the Financial Year because of the strong growth in freight volume. The revenue for the Financial Year was HK\$456.1 million (2023: HK\$352.1 million). The freight traffic handled by the JV during the Financial Year was approximately 2,270,000 tonnes (2023: 1,357,000 tonnes).

## FINANCIAL REVIEW

### 1. Results Analysis

#### *Revenue*

During the Financial Year, the Group's revenue increased to HK\$524.8 million (2023: HK\$400.7 million). Around 91.7% (2023: 87.9%) of the Group's revenue was generated from the logistics business, 6.2% (2023: 7.3%) from the private jet management services and 2.1% (2023: 4.8%) from other segments.

#### *Fair value changes on investment properties*

The fair values of the Group's investment properties at the end of the Financial Year were valued by an independent qualified valuer. The decrease in carrying values were due to fair value losses on investment properties of HK\$44.1 million (2023: combined effect of fair value gain of HK\$3.8 million and loss on currency translation of HK\$3.1 million). The Group's portfolio of commercial properties in Hong Kong accounted for the fair value losses on investment properties.

#### *Finance costs*

For the Financial Year, finance costs were HK\$9.9 million (2023: HK\$7.3 million). The increase in finance costs was mainly due to the increase in loan from a director and unsecured factoring loans from banks to finance the net cash used in operating activities.

### 2. Liquidity and Financial Resources

As at 30 June 2024, the Group had a revolving standby facility from Mr. Lo Lin Shing, Simon ("Mr. Lo"), the Chairman and director of the Company totaling HK\$160 million. The Group drew down HK\$125.6 million from the facility as of 30 June 2024. The maturity date of this facility is 30 June 2026.

### 3. Gearing

As at 30 June 2024, the gearing ratio of the Group was 46.4% (2023: 37.9%) which was calculated based on the Group's total borrowings to total assets.

#### **4. Foreign Exchange**

The Group's key operations are located in Hong Kong, China and Mongolia. The Group's assets and liabilities are mainly denominated in Hong Kong dollars, United States dollars and Renminbi. The Group does not establish a foreign currency hedging policy. However, management of the Group continues to monitor foreign exchange exposure and will consider hedging significant currency exposures should the need arise.

#### **5. Contingent Liabilities**

As at 30 June 2024, the Group did not have material contingent liabilities (2023: Nil).

### **BUSINESS OUTLOOK**

The Group delivered a satisfactory business performance, driven primarily by robust growth in our logistics business. However, our logistics operations primarily serve the coal washing and steel mill sectors in Xinjiang, China. Given the ongoing challenges of overcapacity in the Chinese steel industry, particularly in Xinjiang, we anticipate a potential impact on our business. A recent annual report from a major Chinese steelmaker with main market in the Xinjiang region highlighted the acute supply-demand imbalance in the sector. In response to these evolving market conditions, we will maintain a cautious and adaptable approach to our logistics business.

### **EMOLUMENT POLICY**

As at 30 June 2024, the Group had employed a total of 50 full-time employees (2023: 63) in Hong Kong and China. The emolument policy regarding the employees of the Group is based on their merit, qualifications and competence. The emoluments of the Directors are reviewed and determined by the Remuneration Committee, having regard to the Company's operating results, individual performance and comparable market statistics. The Group also offers appropriate training programs for staff training and development.

### **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES**

During the Financial Year, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.



## CORPORATE GOVERNANCE

The Board recognises the importance of maintaining a high standard of corporate governance practices to protect and enhance the benefits of the shareholders. The Board and the management of the Company have collective responsibility to maintain the interest of the shareholders and the sustainable development of the Group. The Board also believes that good corporate governance practices can facilitate growth of a company under a healthy governance structure and strengthen the confidence of shareholders and investors.

During the Financial Year, the Company had applied the principles of and complied with the code provisions of the Corporate Governance Code (the “**CG Code**”) as set out in Part 2 of Appendix C1 to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), save for the following deviations:

- i. Code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive officer (“**CEO**”) should be separate and should not be performed by the same individual.

Mr. Lo is the chairman of the Company and has also carried out the responsibility of CEO. Mr. Lo possesses the essential leadership skills to manage the Board and extensive knowledge in the business of the Group. The Board considers the present structure is more suitable for the Company because it can promote the efficient formulation and implementation of the Company’s strategies.

- ii. Code provision F.2.2 of the CG Code stipulates that the chairman of the board should attend the AGM of the Company.

Due to another business engagement, the chairman of the Board did not attend the 2023 AGM. The chairman of the Audit and Remuneration committees of the Company had chaired the 2023 AGM and answered shareholders’ questions. The AGM of the Company provides a channel for communication between the Board and the shareholders.

## COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted its own Code for Securities Transactions by the Directors (the “**Code**”), which are on terms no less exacting than those set out in the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix C3 to the Listing Rules (the “**Model Code**”). The Code is sent to each Director on his/her initial appointment and from time to time when the same is amended or restated.

The Company has also established written guidelines on terms no less exacting than the Model Code (the “**Employees’ Guidelines**”) for securities transactions by relevant employees of the Group who are likely to be in possession of unpublished inside information of the Company. During the Financial Year, no incident of non-compliance with the Employees’ Guidelines by the employees was noted by the Company.

During the period of sixty days immediately preceding and including the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to and including the publication date of the annual results, all Directors and relevant employees are restricted to deal in the securities and derivatives of the Company until such results have been published.

During the period of thirty days immediately preceding and including the publication date of the half year results or, if shorter, the period from the end of the relevant financial quarterly or half year period up to and including the publication date of the half year results, all Directors and relevant employees are restricted to deal in the securities and derivatives of the Company until such results have been published.

The Company Secretary will send reminders prior to the commencement of such period to all Directors and relevant employees. Having made specific enquiry by the Company, all Directors have confirmed in writing that they have complied with the required standards set out in the Model Code and the Code throughout the Financial Year.

## AUDIT COMMITTEE

The Audit Committee of the Company currently comprises four independent non-executive Directors, namely Mr. Lau Wai Piu, Mr. Tsui Hing Chuen, William JP, Mr. Lee Kee Wai, Frank and Mr. Wei, Chi Kuan Kenny. Mr. Lau Wai Piu is the chairman of the Audit Committee and has appropriate professional qualifications, accounting and related financial management expertise.

The Audit Committee has reviewed the consolidated financial statements of the Group for the Financial Year.

## **PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT**

The results announcement is published on the websites of Hong Kong Exchanges and Clearing Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.visionvalues.com.hk](http://www.visionvalues.com.hk)) respectively. The annual report of the Company for the Financial Year containing all the information required by the Listing Rules will be despatched to the Company's shareholders and available on the above websites in due course.

By Order of the Board  
**Vision Values Holdings Limited**  
**Tang Chi Kei**  
*Company Secretary*

Hong Kong, 27 September 2024

*As at the date of this announcement, the Board comprises ten Directors including Mr. Lo Lin Shing, Simon, Mr. Ho Hau Chong, Norman, Ms. Yvette Ong, Mr. Lo, Rex Cze Kei, Mr. Lo, Chris Cze Wai and Mr. Lo, James Cze Chung as executive Directors, Mr. Tsui Hing Chuen, William JP, Mr. Lau Wai Piu, Mr. Lee Kee Wai, Frank and Mr. Wei, Chi Kuan Kenny as independent non-executive Directors.*