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## **China Aluminum Cans Holdings Limited**

**中國鋁罐控股有限公司**

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

**(Stock code: 6898)**

### **ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024**

#### **ANNUAL RESULTS**

The board (the “Board”) of directors (the “Directors”) of China Aluminum Cans Holdings Limited (the “Company”) is pleased to announce the consolidated financial results of the Company and its subsidiaries (collectively, the “Group”) for the year ended 31 December 2024 (the “Reporting Period”), together with the comparative figures for the year ended 31 December 2023.

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME**

*For the year ended 31 December 2024*

	Notes	2024 HK\$'000	2023 HK\$'000
REVENUE	5	227,796	235,507
Cost of sales		<u>(166,326)</u>	<u>(165,909)</u>
Gross profit		<u>61,470</u>	<u>69,598</u>
Other income and gains	5	11,116	10,093
Selling and distribution expenses		(4,407)	(4,935)
Administrative expenses		(25,588)	(25,645)
Research and development expenses	6	(10,928)	(10,323)
Reversal/(provision) of impairment on financial assets, net	6	663	(317)
Other expenses		(8,124)	(8,668)
Finance costs	7	<u>(20)</u>	<u>(16)</u>
PROFIT BEFORE TAX	6	24,182	29,787
Income tax expenses	8	<u>(5,465)</u>	<u>(7,897)</u>
PROFIT FOR THE YEAR		<u><u>18,717</u></u>	<u><u>21,890</u></u>
OTHER COMPREHENSIVE INCOME/(LOSS)			
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:			
Fair value gain on treasury investments		(3)	728
Exchange differences on translation of foreign operations		<u>(4,895)</u>	<u>(10,780)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		<u><u>13,819</u></u>	<u><u>11,838</u></u>

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME (continued)**

*For the year ended 31 December 2024*

	Note	2024 HK\$'000	2023 HK\$'000
Profit attributable to:			
Owners of the parent		18,367	21,461
Non-controlling interests		350	429
		<u>18,717</u>	<u>21,890</u>
Total comprehensive income attributable to:			
Owners of the parent		13,539	11,541
Non-controlling interests		280	297
		<u>13,819</u>	<u>11,838</u>
<b>EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT</b>			
Basic		<u>HK1.9 cents</u>	<u>HK2.4 cents</u>
Diluted		<u>HK1.5 cents</u>	<u>HK1.6 cents</u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

		<b>31 December 2024</b>	31 December 2023
	Notes	<b>HK\$'000</b>	HK\$'000
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	14	<b>160,222</b>	182,141
Right-of-use assets		<b>10,287</b>	10,802
Deferred tax assets		<b>3,071</b>	2,597
Long-term treasury investments		<b>—</b>	23,346
Total non-current assets		<b>173,580</b>	218,886
<b>CURRENT ASSETS</b>			
Inventories		<b>30,186</b>	26,012
Trade and bills receivables	12	<b>27,260</b>	30,501
Prepayments, other receivables and other assets		<b>3,063</b>	2,728
Financial assets at fair value through profit or loss		<b>6,479</b>	—
Short-term treasury investments		<b>11,832</b>	25,411
Cash and cash equivalents		<b>30,621</b>	39,500
Total current assets		<b>109,441</b>	124,152
<b>CURRENT LIABILITIES</b>			
Trade and bills payables	13	<b>5,913</b>	4,140
Other payables and accruals		<b>13,235</b>	14,659
Interest-bearing bank and other borrowings	15	<b>53</b>	—
Lease liabilities		<b>171</b>	63
Tax payable		<b>733</b>	—
Deferred income		<b>243</b>	252
Total current liabilities		<b>20,348</b>	19,114
<b>NET CURRENT ASSETS</b>		<b>89,093</b>	105,038
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>262,673</b>	323,924

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

As at 31 December 2024

	Notes	31 December 2024 HK\$'000	31 December 2023 HK\$'000
<b>NON-CURRENT LIABILITIES</b>			
Interest-bearing bank and other borrowings	15	—	126
Deferred tax liabilities		<b>1,916</b>	2,682
Deferred income		<b>3,805</b>	4,122
		<hr/>	<hr/>
Total non-current liabilities		<b>5,721</b>	6,930
		<hr/>	<hr/>
Net assets		<b>256,952</b>	316,994
		<hr/> <hr/>	<hr/> <hr/>
<b>EQUITY</b>			
Equity attributable to owners of the parent			
Share capital		<b>9,567</b>	9,116
Equity component of convertible notes		<b>139,826</b>	216,826
Reserves		<b>103,798</b>	86,740
		<hr/>	<hr/>
		<b>253,191</b>	312,682
Non-controlling interests		<b>3,761</b>	4,312
		<hr/>	<hr/>
Total equity		<b>256,952</b>	316,994
		<hr/> <hr/>	<hr/> <hr/>

NOTES:

**1. CORPORATE AND GROUP INFORMATION**

China Aluminum Cans Holdings Limited is a limited liability company incorporated in the Cayman Islands. The registered office address of the Company is Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands.

During the year, the Group was involved in the manufacture and sale of aluminum aerosol cans.

In the opinion of the directors (the “Directors”), as at 31 December 2024, the immediate holding company and ultimate holding company of the Company is Wellmass International Limited (“Wellmass”), a company incorporated in the British Virgin Islands (the “BVI”).

**Information about subsidiaries**

Particulars of the Company’s subsidiaries are as follows:

Company name	Place of incorporation/ registration and business	Issued capital	Percentage of equity attributable to the Company		Principal activities
			Direct %	Indirect %	
Euro Asia Investments Global Limited	BVI	US\$1	100	—	Investment holding
Hong Kong Aluminum Cans Limited	Hong Kong	HK\$1,001	—	100	Trading of aluminum aerosol cans
Euro Asia Packaging (Hong Kong) Co. Limited	Hong Kong	HK\$1,000,000	—	100	Trading of aluminum aerosol cans
Euro Asia Packaging (Guangdong) Co., Ltd. (“Euro Asia Packaging”) (廣東歐亞包裝有限公司)*	Mainland China	RMB125,000,000	—	98.6	Manufacture and sale of aluminum aerosol cans
European Asia Group Company Limited	Hong Kong	HK\$1,500,000	—	98.6	Trading of aluminum aerosol cans

\* Euro Asia Packaging is registered as a non-wholly-foreign-owned enterprise under the laws of the People’s Republic of China (the “PRC”).

## 2. BASIS OF PREPARATION

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRSs”) (which include all International Financial Reporting Standards, International Accounting Standards (“IASs”) and Interpretations) issued by the International Accounting Standards Board (the “IASB”) and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention. These financial statements are presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand except when otherwise indicated.

### **Basis of consolidation**

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 December 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).

When the Company has, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group’s voting rights and potential voting rights.

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 parent of the Group 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 derecognizes the related assets (including goodwill), liabilities, any non-controlling interest and the exchange fluctuation reserve; and recognizes the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group’s share of components previously recognized 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

The Group has adopted the following revised IFRSs for the first time for the current year's financial statements.

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

The nature and the impact of the revised IFRS that are applicable to the Group are described below:

- (a) Amendments to IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of IFRS 16, the amendments did not have any impact on the financial position or performance of the Group.
- (b) The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

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

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



#### 4. OPERATING SEGMENT INFORMATION

The Group is principally engaged in manufacture and sale of aluminum aerosol cans.

Under IFRS 8 *Operating Segments*, it is required that operating segments be identified on the basis of internal reporting about components of the Group that are regularly reviewed by the chief operating decision-maker in order to allocate resources to segments and to assess their performance. The information reported to the directors of the Company, who are the chief operating decision-makers, for the purpose of resource allocation and assessment of performance does not contain discrete operating segment financial information and the directors reviewed the financial results of the Group as a whole. Therefore, no further information about the operating segment is presented.

##### Geographical information

(a) Revenue from external customers:

	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
Africa	<b>1,362</b>	2,156
America	<b>12,680</b>	15,014
Asia	<b>11,849</b>	7,538
Mainland China	<b>201,905</b>	210,799
	<hr/>	<hr/>
Total revenue	<b>227,796</b>	235,507
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The revenue information above is based on the shipment destinations.

(b) Non-current assets

	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
Hong Kong	<b>157</b>	219
Mainland China	<b>170,352</b>	216,070
	<hr/>	<hr/>
Total non-current assets	<b>170,509</b>	216,289
	<hr/> <hr/>	<hr/> <hr/>

The non-current asset information above is based on the locations of the assets and excludes deferred tax assets.

## 5. REVENUE, OTHER INCOME AND GAINS

### Revenue

An analysis of revenue is as follows:

	2024 HK\$'000	2023 HK\$'000
Revenue from contracts with customers	<u>227,796</u>	<u>235,507</u>
Revenue from contracts with customers		
(a) Disaggregated revenue information		
Segments	2024 HK\$'000	2023 HK\$'000
<b>Type of goods</b>		
Sale of industrial products	<u>227,796</u>	<u>235,507</u>
<b>Geographical markets</b>		
Africa	1,362	2,156
America	12,680	15,014
Asia	11,849	7,538
Mainland China	<u>201,905</u>	<u>210,799</u>
Total revenue from contracts with customers	<u>227,796</u>	<u>235,507</u>
<b>Timing of revenue recognition</b>		
Goods transferred at a point in time	<u>227,796</u>	<u>235,507</u>

The following table shows the amount of revenue recognized in the current reporting period that was included in the contract liabilities at the beginning of the reporting period and recognized from performance obligations satisfied in previous periods:

	2024 HK\$'000	2023 HK\$'000
Revenue recognised that was included in the contract liabilities at the beginning of the reporting period:		
Sale of industrial products	<u>6,071</u>	<u>5,801</u>

## 5. REVENUE, OTHER INCOME AND GAINS (continued)

### Revenue (continued)

#### (b) Performance obligations

Information about the Group's performance obligations is summarized below:

##### *Sale of industrial products*

The performance obligation is satisfied upon delivery of the industrial products and payment is generally due within 30 to 180 days from delivery, except for some customers, where payment in advance is normally required.

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December are as follows:

	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
Amounts expected to be recognized as revenue:		
Within one year	<u><b>5,026</b></u>	<u>6,071</u>

All the remaining performance obligations are expected to be recognized within one year.

## 5. REVENUE, OTHER INCOME AND GAINS (continued)

### Other income and gains

	2024 HK\$'000	2023 HK\$'000
Sale of scrap materials	7,266	5,374
Bank interest income	816	785
Government grants:		
— Related to assets*	59	256
— Related to income**	459	731
Tax preference***	778	961
Foreign exchange differences	—	—
Income from research and development design	227	352
Forfeiture of customers' deposit	195	236
Gain on derecognition of treasury investments	487	650
Others	194	748
Gains from financial assets at fair value through profit or loss	635	—
	<u>11,116</u>	<u>10,093</u>
Total other income and gains	<u>11,116</u>	<u>10,093</u>

\* The amount represents the subsidies for the aluminum aerosol cans production line technical renovation program received from the local government. Government grants received for which the related expenditure has not yet been undertaken are included in deferred income in the consolidated statement of financial position. There are no unfulfilled conditions or contingencies relating to these grants.

\*\* Various government grants of HK\$459,000 (2023: HK\$731,000) represent cash receipts from and subsidies provided by the local government authorities to the Group as an encouragement for its technological innovation and an reward for a high technology enterprise. There are no unfulfilled conditions or contingencies relating to these grants.

\*\*\* Since January 1, 2023, taxpayers in the advanced manufacturing industry are allowed to enjoy additional 5% of input VAT amount deductible from tax payable. Such additional VAT deduction was record as “Other income and gains”.

## 6. PROFIT BEFORE TAX

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

	Notes	2024 HK\$'000	2023 HK\$'000
Cost of inventories sold		166,326	165,909
Depreciation of property, plant and equipment	14	17,015	16,855
Depreciation of right-of-use assets		659	498
Auditor's remuneration		1,227	1,172
Research and development costs		10,928	10,323
Lease payments not included in the measurement of lease liabilities		94	222
Employee benefit expense (excluding directors' remuneration (note 11)):			
Wages and salaries		31,562	30,409
Pension scheme contributions		2,445	2,245
		<u>34,007</u>	<u>32,654</u>
Foreign exchange differences, net*		298	780
Loss on disposal of items of property, plant and equipment*		767	82
Impairment losses on financial assets	12	(663)	317
Write-down of inventories to net realisable value*		653	72
Impairment losses on property, plant and equipment*		<u>4,051</u>	<u>6,480</u>

\* Included in "Other expenses" in the consolidated statement of profit or loss and other comprehensive income

## 7. FINANCE COSTS

An analysis of finance costs is as follows:

	2024 HK\$'000	2023 HK\$'000
Interest on bank loans wholly repayable within five years	8	11
Interest on lease liabilities	12	5
	<u>20</u>	<u>16</u>

## 8. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and/or operate.

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands, and accordingly, is exempt from the payment of the Cayman Islands income tax.

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

Hong Kong profits tax was provided at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during the year 2024 (2023: 16.5%).

Pursuant to the PRC Income Tax Law and the respective regulations, subsidiaries of the Group operating in Mainland China are subject to Corporate Income Tax (“CIT”) at a rate of 25% on the taxable income. Preferential tax treatment is available to the Group’s operating subsidiary, Euro Asia Packaging, since it was recognised as a high technology enterprise and was entitled to a preferential tax rate of 15% for the years of 2024 and 2023.

	<b>2024</b>	2023
	<b>HK\$’000</b>	HK\$’000
Current – Mainland China	<b>6,758</b>	8,594
Deferred	<b>(1,293)</b>	(697)
Total tax charge for the year	<b><u>5,465</u></b>	<u>7,897</u>

## 8. INCOME TAX (continued)

A reconciliation of the tax expenses applicable to profit before tax using the statutory rate for the jurisdictions in which the majority of its subsidiaries are domiciled and/or operate to the tax expense at the effective tax rates, and a reconciliation of the applicable tax rates to the effective tax rates, are as follows:

	2024 HK\$'000	%	2023 HK\$'000	%
Profit before tax	<u>24,182</u>		<u>29,787</u>	
Tax charged at the statutory tax rate	6,046	25.0	7,447	25.0
Entities subject to a preferential tax rate	(2,488)	(10.3)	(3,025)	(10.2)
Effect of withholding tax on movement of undistributed profits of the PRC subsidiary	(752)	(3.1)	(84)	(0.3)
Super deduction of R&D	(1,476)	(6.1)	(1,503)	(5.0)
Withholding income tax expense for the current period	3,005	12.4	3,779	12.7
Income not subject to tax	(116)	(0.5)	—	—
Expenses not deductible for tax	568	2.3	380	1.3
Tax losses and temporary differences not recognized	719	3.0	903	3.0
Adjustments in respect of current tax of previous periods	<u>(41)</u>	<u>(0.2)</u>	<u>—</u>	<u>—</u>
Tax charge at the Group's effective tax rate	<u>5,465</u>	<u>22.6</u>	<u>7,897</u>	<u>26.5</u>

## 9. DIVIDENDS

	Note	2024 HK\$'000	2023 HK\$'000
Interim – HK0.28 cent (2023: HK0.29 cent) per ordinary share		2,679	2,760
Proposed final – HK0.28 cent (2023: HK0.4 cent) per ordinary share	(i)	<u>2,679</u>	<u>3,646</u>
Total		<u>5,358</u>	<u>6,406</u>

Note:

- (i) The proposed dividend on ordinary shares is subject to approval at the annual general meeting and was not recognized as a liability as at 31 December 2024.

## 10. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 951,782,173 (2023: 908,760,288) outstanding during the year.

The calculation of the diluted earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the weighted average number of ordinary shares outstanding during the year, as used in the basic earnings 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 all dilutive potential ordinary shares into ordinary shares.

	2024 HK\$'000	2023 HK\$'000
<b>Earnings</b>		
Profit attributable to ordinary equity holders of the parent, used in the basic and diluted earnings per share calculations	<u>18,367</u>	<u>21,461</u>

### Number of shares

<b>Shares</b>		
Weighted average number of ordinary shares outstanding used in the basic earnings per share calculation	951,782,173	908,760,288
Effect of dilution – weighted average number of ordinary shares:		
Convertible Notes	<u>254,228,072</u>	<u>394,228,072</u>
Adjusted weighted average number of ordinary shares outstanding used in the diluted earnings per share calculation	<u>1,206,010,245</u>	<u>1,302,988,360</u>

## 11. INVENTORIES

	2024 HK\$'000	2023 HK\$'000
Raw materials	11,301	11,131
Work in progress	8,245	3,942
Finished goods	<u>10,640</u>	<u>10,939</u>
Total	<u>30,186</u>	<u>26,012</u>

As at 31 December 2024, the amount of inventories is net of a write-down of approximately HK\$4,112,000 (2023: HK\$3,689,000).



## 12. TRADE AND BILLS RECEIVABLES

	2024 HK\$'000	2023 HK\$'000
Trade receivables	26,439	29,517
Impairment	(113)	(781)
Net carrying amount	26,326	28,736
Bills receivable	934	1,765
Total	<u>27,260</u>	<u>30,501</u>

The Group requires most of its customers to make payments in advance, however, the Group generally grants credit terms from 30 to 180 days to those customers with good payment history. The credit period for specific customers is considered on a case-by-case basis and set out in the sales contracts, as appropriate.

The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management.

The Group does not hold any collateral or other credit enhancements over its trade and bills receivable balances. Trade receivables are non-interest-bearing, and the carrying amounts of the trade and bills receivables approximate to their fair values.

An ageing analysis of the trade receivables as at the end of each reporting period, based on the invoice date and net of loss allowance, is as follows:

	2024 HK\$'000	2023 HK\$'000
Within 30 days	9,657	9,720
31 to 60 days	6,768	6,144
61 to 90 days	7,483	5,283
Over 90 days	2,418	7,589
Total	<u>26,326</u>	<u>28,736</u>

## 12. TRADE AND BILLS RECEIVABLES (continued)

The movements in the loss allowance for impairment of trade receivables are as follows:

	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
At beginning of year	<b>781</b>	1,871
Reversal/(provision) of Impairment on financial asset, net (note 6)	<b>(663)</b>	317
Amount written off as uncollectible	—	(1,359)
Exchange realignment	<b>(5)</b>	(48)
	<u>113</u>	<u>781</u>
At end of year	<b>113</b>	781

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses (ECLs). The provision rates are based on the invoice date for groupings of various customer segments with similar loss patterns (i.e., by product type, customer type and rating, ageing of the balances and recent historical payment patterns). For certain trade receivables for which the counterparty failed to make demanded repayments, the Group has made a 100% provision ("Default receivables"). Except for Default receivables, the Group used the calculation which reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

	Ageing					Total
	1 to 30 days	31 to 60 days	61 to 90 days	91 to 120 days	Over 120 days	
<b>As at 31 December 2024</b>						
Related party:						
Expected credit loss rate	—	—	—	—	—	—
Gross carrying amount (HK\$'000)	<b>961</b>	<b>753</b>	<b>1,163</b>	<b>244</b>	—	<b>3,121</b>
Expected credit losses (HK\$'000)	—	—	—	—	—	—
Third party:						
Other receivables						
Expected credit loss rate	<b>0.17%</b>	<b>0.26%</b>	<b>0.46%</b>	<b>1.85%</b>	<b>100.00%</b>	<b>0.48%</b>
Gross carrying amount (HK\$'000)	<b>8,711</b>	<b>6,031</b>	<b>6,349</b>	<b>2,215</b>	<b>12</b>	<b>23,318</b>
Expected credit losses (HK\$'000)	<b>15</b>	<b>16</b>	<b>29</b>	<b>41</b>	<b>12</b>	<b>113</b>
Total expected credit losses (HK\$'000)	<u><b>15</b></u>	<u><b>16</b></u>	<u><b>29</b></u>	<u><b>41</b></u>	<u><b>12</b></u>	<u><b>113</b></u>

## 12. TRADE AND BILLS RECEIVABLES (continued)

	Ageing					Total
	1 to 30 days	31 to 60 days	61 to 90 days	Over 90 days	Over 120 days	
<b>As at 31 December 2023</b>						
Related party:						
Expected credit loss rate	—	—	—	—	—	—
Gross carrying amount (HK\$'000)	1,018	954	1,644	2,196	5,392	11,204
Expected credit losses (HK\$'000)	—	—	—	—	—	—
Third party:						
Other receivables						
Expected credit loss rate	1.59%	2.53%	7.85%	40.24%	100.00%	4.26%
Gross carrying amount (HK\$'000)	8,843	5,325	3,949	1	195	18,313
Expected credit losses (HK\$'000)	141	135	310	—	195	781
Total expected credit losses (HK\$'000)	<u>141</u>	<u>135</u>	<u>310</u>	<u>—</u>	<u>195</u>	<u>781</u>

\* Due to the significant increase in credit risk of certain customers, the Group has made a 100% provision.

## 13. TRADE AND BILLS PAYABLES

An ageing analysis of the trade and bills payables as at the end of each reporting period, based on the invoice date, is as follows:

	2024	2023
	HK\$'000	HK\$'000
Within 30 days	4,716	3,043
31 to 60 days	912	893
61 to 90 days	—	197
Over 90 days	285	7
Total	<u>5,913</u>	<u>4,140</u>

The trade payables are non-interest-bearing and are normally settled on terms of 30 to 90 days. The carrying amounts of the trade payables approximate to their fair values.

## 14. PROPERTY, PLANT AND EQUIPMENT

	Buildings HK\$'000	Plant and machinery HK\$'000	Office and other equipment HK\$'000	Motor vehicles HK\$'000	Construction in progress HK\$'000	Total HK\$'000
<b>31 December 2024</b>						
At 1 January 2024:						
Cost	79,939	309,608	7,834	8,070	17,739	423,190
Accumulated depreciation	(36,919)	(193,550)	(4,898)	(5,682)	—	(241,049)
Net carrying amount	<u>43,020</u>	<u>116,058</u>	<u>2,936</u>	<u>2,388</u>	<u>17,739</u>	<u>182,141</u>
At 1 January 2024, net of						
accumulated depreciation	43,020	116,058	2,936	2,388	17,739	182,141
Additions	656	(2,381)	1,055	1,091	4,117	4,538
Disposals	—	(2,747)	(700)	(1,014)	—	(4,461)
Depreciation provided during the year	(4,319)	(11,940)	(297)	(459)	—	(17,015)
Impairment*	—	—	—	—	(4,051)	(4,051)
Transfers	—	4,201	—	—	(4,201)	—
Exchange realignment	(724)	330	415	777	(1,728)	(930)
At 31 December 2024, net of accumulated depreciation and impairment	<u>38,633</u>	<u>103,521</u>	<u>3,409</u>	<u>2,783</u>	<u>11,876</u>	<u>160,222</u>
At 31 December 2024:						
Cost	79,166	303,149	8,058	8,031	11,876	410,280
Accumulated depreciation and impairment	(40,533)	(199,628)	(4,649)	(5,248)	—	(250,058)
Net carrying amount	<u>38,633</u>	<u>103,521</u>	<u>3,409</u>	<u>2,783</u>	<u>11,876</u>	<u>160,222</u>

#### 14. PROPERTY, PLANT AND EQUIPMENT (continued)

	Buildings HK\$'000	Plant and machinery HK\$'000	Office and other equipment HK\$'000	Motor vehicles HK\$'000	Construction in progress HK\$'000	Total HK\$'000
<b>31 December 2023</b>						
At 1 January 2023:						
Cost	77,593	319,174	7,914	9,654	25,307	439,642
Accumulated depreciation	(33,690)	(187,244)	(4,774)	(5,373)	—	(231,081)
Net carrying amount	<u>43,903</u>	<u>131,930</u>	<u>3,140</u>	<u>4,281</u>	<u>25,307</u>	<u>208,561</u>
At 1 January 2023, net of						
accumulated depreciation	43,903	131,930	3,140	4,281	25,307	208,561
Additions	4,561	(3,327)	228	—	1,857	3,319
Disposals	—	(365)	(10)	(123)	—	(498)
Depreciation provided during the year	(4,216)	(11,717)	(196)	(726)	—	(16,855)
Impairment*	—	(600)	—	(932)	(4,948)	(6,480)
Transfers	—	3,825	—	—	(3,825)	—
Exchange realignment	(1,228)	(3,688)	(226)	(112)	(652)	(5,906)
At 31 December 2023, net of accumulated depreciation and impairment	<u>43,020</u>	<u>116,058</u>	<u>2,936</u>	<u>2,388</u>	<u>17,739</u>	<u>182,141</u>
At 31 December 2023:						
Cost	79,939	309,608	7,834	8,070	17,739	423,190
Accumulated depreciation and impairment	(36,919)	(193,550)	(4,898)	(5,682)	—	(241,049)
Net carrying amount	<u>43,020</u>	<u>116,058</u>	<u>2,936</u>	<u>2,388</u>	<u>17,739</u>	<u>182,141</u>

## 15. INTEREST-BEARING BANK AND OTHER BORROWINGS

	2024			2023		
	Contractual interest rate	Maturity	HK\$'000	Contractual interest rate	Maturity	HK\$'000
<b>Current</b>						
Bank loans – secured	4.25%	2025	<u>53</u>	—	—	<u>—</u>
Total – current			<u><u>53</u></u>			<u><u>—</u></u>
<b>Non-current</b>						
Long-term bank loans – secured	—	—	<u>—</u>	LPR+1.15%	2025	<u>126</u>
Total			<u><u>53</u></u>			<u><u>126</u></u>

Note:

“LPR” stands for the Loan Prime Rate designated by the People’s Bank of China (中國人民銀行).

	2024 HK\$'000	2023 HK\$'000
Bank loans repayable:		
Within one year or on demand	<u>53</u>	<u>—</u>
In the second year	<u>—</u>	<u>126</u>
Subtotal	<u><u>53</u></u>	<u><u>126</u></u>

## 15. INTEREST-BEARING BANK AND OTHER BORROWINGS (continued)

The above secured bank loans and unutilized bank facilities were secured by certain of the Group's assets and their carrying values are as follows:

	Notes	2024 HK\$'000	2023 HK\$'000
Property, plant and equipment	14	36,479	36,847
Leasehold land		<u>2,310</u>	<u>2,449</u>
Total		<u><u>38,789</u></u>	<u><u>39,296</u></u>

	2024 HK\$'000	2023 HK\$'000
Interest-bearing bank borrowings denominated in:		
— RMB	<u>53</u>	<u>126</u>

The Group has the following undrawn banking facilities:

	2024 HK\$'000	2023 HK\$'000
Floating rate:		
— to expire within one year	<u>125,609</u>	<u>88,870</u>

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **BUSINESS OVERVIEW**

The Group is principally engaged in the manufacture and sale of monobloc aluminum aerosol cans, which are generally used in the packaging of fast-moving personal care products such as sanitizer products, body deodorant, hair styling products and shaving cream, as well as pharmaceutical products such as pain relieving spray, spray dressing and antiseptic spray. The Group has a wide range of extrusion dies available to produce more than 50 models of aluminum aerosol cans of base diameters from 22 mm to 66 mm and heights from 58 mm to 247 mm with various features and shapes for our customers' selection.

### **OPERATING ENVIRONMENT AND PROSPECTS**

In 2024, the global economy continues to face many challenges, and the complexity and uncertainty of the external environment continues to increase. From an international perspective, the significant increase in geopolitical risks, the slow growth of the global economy and the continuing high inflationary pressure, together with the intensifying commodity price volatility, have created uncertainty over the prospects of global economic recovery. From a domestic perspective, the lack of effective demand and the downturn in consumer confidence have become a prominent problem, resulting in a slight decrease in the Group's revenue in 2024. In addition, the insufficient domestic demand in the PRC, operational difficulties of some enterprises and the increasing complexity of the international environment have brought new challenges to the Group. Therefore, stable development, risk prevention as well as exploration and innovation remain the key to the Group's future work. The Group will continue to face (i) the fierce competition in the aluminium aerosol can market around the world, especially the intensified competition from small-scale manufacturers in the industry; (ii) continued downgrade and weakened consumer demand; and (iii) various policy risks in the PRC.

### **FINANCIAL REVIEW**

#### **Turnover**

For the Reporting Period, the Group has recorded a total turnover of approximately HK\$ 227.8 million (2023: approximately HK\$235.5 million), representing a slight decrease of approximately 3.3% as compared to the corresponding period of 2023. The number of aluminum aerosol cans sold by the Group for the Reporting Period was approximately 127.2 million (2023: approximately 126.8 million). Whereas, the revenue of the Group from the PRC markets was approximately HK\$ 201.9 million (2023: approximately HK\$210.8 million). The decrease in revenue was primarily due to the change in the domestic market conditions in the PRC, the conservative consumption behavior arising from the downturn in consumer confidence, and the overall market activity further dampened by the weakness in domestic demand, which ultimately led to the decrease in revenue of the Group during the Reporting Period.



## **Cost of Sales**

For the Reporting Period, cost of sales of the Group amounted to approximately HK\$166.3 million (2023: approximately HK\$165.9 million), which represented approximately 73.0% (2023: approximately 70.4%) of the turnover in the Reporting Period. There was an increase of approximately 2.6% in the percentage of cost of sales to turnover which was mainly attributable to the decrease in sales revenue and the increase in the price of aluminum ingots, the raw material.

## **Other Income and Gains**

Other income and gains mainly consist of sales of scrap materials, government grants, bank interest income and income from provision of research and development services. During the Reporting Period, other income and gains of the Group was approximately HK\$11.1 million (2023: approximately HK\$10.1 million), representing an increase of approximately 10.1 % which was due to the net effects of (i) the increase in scrap material income; (ii) the increase in investment gains; and (iii) the decrease in government grants.

## **Selling and Distribution Expenses**

Selling and distribution expenses mainly consist of transportation expenses, salaries, performance bonuses and employee benefits expenses for the sales and marketing staff, business travel and entertainment expenses, and advertisement and promotion costs. For the Reporting Period, selling and distribution expenses were approximately HK\$4.4 million (2023: approximately HK\$4.9 million), representing a decrease of approximately 10.7% as compared to the corresponding period of 2023. The decrease was primarily due to the decrease in general selling expenses as a result of strict cost control measures.

## **Administrative Expenses**

Administrative expenses mainly represent the salaries and benefits of the administrative and management staff, professional consulting fees, depreciation and other miscellaneous administrative expenses. For the Reporting Period, administrative expenses were approximately HK\$25.6 million (2023: approximately HK\$25.6 million), which were basically unchanged as compared to the corresponding period of 2023.

## **Net Profit**

The Group's net profit amounted to approximately HK\$18.7 million for the Reporting Period (2023: approximately HK\$21.9 million), representing a decrease of approximately 14.5% as compared to the corresponding period in 2023. Net profit margin for the Reporting Period was approximately 8.2% (2023: approximately 9.3%).

The decrease in net profit was mainly due to the net effects of (i) the decrease in sales revenue due to the insufficient effective demand in the domestic market of the PRC; (ii) the decrease in gross profit margin due to the increase in the cost of aluminum ingots, the raw material; and (iii) the implementation of the strict cost control measures to reduce the general overhead.

## **TREASURY POLICY**

The Group adopts treasury policy that aims to better control its treasury operations and lower borrowing cost. As such, the Group endeavours to maintain an adequate level of cash and cash equivalents to address short term funding needs. The Board would also consider various funding sources depending on the Group's funding needs to ensure that the financial resources have been used in the most cost-effective and efficient way to meet the Group's financial obligations. The Board reviews and evaluates the Group's treasury policy from time to time to ensure its adequacy and effectiveness.

## **LIQUIDITY AND CAPITAL RESOURCES**

### **Current Assets**

As at 31 December 2024, the Group had current assets of approximately HK\$109.4 million (31 December 2023: approximately HK\$124.2 million). The Group's cash and cash equivalents amounted to HK\$30.6 million as at 31 December 2024 (31 December 2023: approximately HK\$39.5 million) which are mainly denominated in Renminbi, United States dollars and Hong Kong dollars. The current ratio of the Group was approximately 5.4 as at 31 December 2024 (31 December 2023: approximately 6.5).

### **Borrowing and the Pledge of Assets**

As at 31 December 2024, the bank borrowings of the Group amounted to approximately HK\$0.05 million (31 December 2023: HK\$0.13 million), which were secured by our properties, plant and equipment and leasehold land. All borrowings are charged with reference to Loan Prime Rate of People's Bank of China. All borrowings are denominated in Renminbi.

As at 31 December 2024, the Group had available unutilized banking facilities of approximately HK\$125.6 million (31 December 2023: approximately HK\$89.0 million). Further details of the Group's bank borrowings are set out in note 15 to the consolidated financial statements.

### **Gearing Ratio**

As a result of a decrease in cash and cash equivalents and a decrease in total borrowings of the Group, the gearing ratio which is calculated by dividing net debt by total equity and net debt, amounted to approximately -9% as at 31 December 2024 (31 December 2023: approximately -11%).

### **Contingent Liabilities**

As at 31 December 2024, the Group had no significant contingent liabilities (31 December 2023: Nil).

### **Capital commitments**

As at 31 December 2024, the Group's capital commitments of plant and machinery amounted to approximately HK\$0.55 million (31 December 2023: approximately HK\$0.53 million).

## **CAPITAL STRUCTURE**

As at 31 December 2024, the total number of issued shares of the Company (the "Shares") was 956,675,000 (31 December 2023: 911,607,000).

## **FOREIGN EXCHANGE EXPOSURE AND EXCHANGE RATE RISK**

Approximately 10% of the Group's revenue for the Reporting Period were denominated in the United States dollar ("US\$"). However, over 90% of the production costs were denominated in RMB. Therefore, there is a currency mismatch between US\$ revenue and RMB production costs, which gives rise to exposure to foreign exchange risk. Furthermore, there is a time lag between invoicing and final settlement from customers of export sales. The Group is exposed to foreign exchange risks if the foreign exchange rate at which the US\$ sales proceeds received from export sales is different from the rate at which the Group used to book the US\$ sales transactions at the time of sales.

During the year ended 31 December 2024, we did not enter into any foreign currency forward contracts or have any outstanding foreign currency forward contracts. The Group does not use any financial instruments for hedging purposes.

## **FORWARD PURCHASE OF ALUMINUM INGOTS**

The major raw materials for manufacturing of aluminum aerosol cans are aluminum slugs which are processed from aluminum ingots. Aluminum ingots are widely used metal commodities, as such the price of aluminum ingots fluctuates depending on the market supply and demand conditions.

In order to avoid our business from being negatively impacted by substantial increases in the cost of aluminum ingots, it has been our practice to hedge part of our monthly estimated requirement of aluminum ingots through forward purchases and cover the remainder through purchases in the spot market. This practice enables us to average down our actual cost of aluminum ingots for production in the event of a significant increase in the spot price of aluminum ingots after our forward purchases.

During the year ended 31 December 2024, we had not conducted any forward purchase of aluminum ingots. As at 31 December 2024, we had no outstanding forward purchases of aluminum ingots.

## **EMPLOYEES AND EMOLUMENTS POLICY**

As at 31 December 2024, the Group had a workforce of 269 employees (31 December 2023: 268 employees). The staff costs, including directors' emoluments but excluding any contributions to the pension scheme, were approximately HK\$34.3 million for the Reporting Period (2023: approximately HK\$32.9 million). Remuneration is determined with reference to market terms and the performance, qualification and experience of an individual employee. In addition to a basic salary, year-end bonuses are offered to those staff with outstanding performance to attract and retain eligible employees of the Group. Share options would be granted to respective employees with outstanding performance and contributions to the Group. The emoluments of the Directors have been determined with reference to the skills, knowledge, contribution in the Company's affairs and the performance of each Director, and to the profitability of the Company and prevailing market conditions during the Reporting Period.

## **DIRECTORS' REMUNERATION POLICY**

A directors' remuneration policy has been adopted. It aims to set out the Company's policy in respect of remuneration paid to executive Directors and non-executive Directors. The Directors' remuneration policy sets out the remuneration structure that allows the Company to attract, motivate and retain qualified Directors who can manage and lead the Company in achieving its strategic objective and contribute to the Company's performance and sustainable growth, and to provide Directors with a balanced and competitive remuneration. The remuneration policy is, therefore, aiming at being competitive but not excessive. To achieve this, remuneration package is determined with reference to a matrix of factors, including the individual performance, qualification and experience of Directors concerned and prevailing industry practice. It will be reviewed and, if necessary, updated from time to time to ensure its continued effectiveness.

## **SIGNIFICANT INVESTMENTS**

During the Reporting Period, the Group did not have any significant investments (2023: Nil).

## USE OF PROCEEDS

Our business objectives and planned use of proceeds as stated in the prospectus dated 28 June 2013 (the “Prospectus”) were based on the best estimation of future market conditions made by the Group at the time of preparing the Prospectus. The actual use of proceeds was based on the actual market development. The net proceeds from the public offer and placing of the Shares (the “Share Offer”) were approximately HK\$80.0 million. During the Reporting Period, the net proceeds from the Share Offer had been applied as follows:

Business objectives as stated in the Prospectus	Actual net proceeds (HK\$ million)	Actual amount utilized up to 31 December 2023 (HK\$ million)	Actual amount utilized subsequent to	Remaining unutilized balance as at 31 December 2024 (HK\$ million)	Expected timeline for unutilized net proceeds
			31 December 2023 and up to 31 December 2024 (HK\$ million)		
Partially fund the expansion of our production capacity, including the upgrade of our existing production lines and the acquisition of a brand new production line for aluminum aerosol cans	48.0	48.0	—	—	
Establish a new research and development laboratory	12.0	3.3	—	8.7	by 31 December 2026
Partially repay US\$ denominated bank loan	16.0	16.0	—	—	
General working capital purposes	4.0	4.0	—	—	
	<u>80.0</u>	<u>71.3</u>	<u>—</u>	<u>8.7</u>	

The Board will further extend the expected timeline for the use of unutilized proceeds to 31 December 2026. As the aluminium cans industry has accelerated its transformation into a low-carbon and light-weight industry in recent years, our product lines have been tilting from the original pharmaceutical industry to the cosmetic industry. The original laboratory design plan was required to incorporate the research and development needs of new materials, and the technical verification and plan adjustment took more time than expected.

The unused net proceeds have been placed as interest-bearing deposits with licensed banks in Hong Kong and the PRC in accordance with the intention of the Board as disclosed in the Prospectus.

## **FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS**

Apart from strengthening the Group's current business, the Group will explore new business opportunities as and when appropriate, in order to enhance Shareholder's value.

## **EVENTS AFTER THE REPORTING PERIOD**

There were no significant events after 31 December 2024 and up to the date of this announcement.

## **MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES**

During the year ended 31 December 2024, the Group had no material acquisitions or disposals of subsidiaries, associates or joint ventures.

## **CORPORATE GOVERNANCE PRACTICES**

The Company has adopted and complied with the code provisions set out in the Corporate Governance Code as set out in Appendix C1 (the "CG Code") to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules") during the Reporting Period except code provision C.2.1 of the CG Code.

Pursuant to code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. As the duties of chairman and chief executive of the Company are performed by Mr. Lin Wan Tsang ("Mr. Lin"), the Company has deviated from the CG Code. The Board believes that it is necessary to vest the roles of chairman and chief executive in the same person due to its unique role, Mr. Lin's experience and established market reputation in the industry, and the importance of Mr. Lin in the strategic development of the Company. The dual role arrangement provides strong and consistent market leadership and is critical for efficient business planning and decision making of the Company. As all major decisions are made in consultation with the members of the Board, and there are three independent non-executive Directors on the Board offering independent perspectives, the Board is therefore of the view that there are adequate safeguards in place to ensure sufficient balance of powers within the Board. The Board will also continue to review and monitor the practices of the Company for the purpose of complying with the CG Code and maintaining a high standard of corporate governance practices of the Company.

## **AUDIT COMMITTEE**

The Audit Committee was established on 20 June 2013 with terms of reference (amended on 31 December 2015) in compliance with the CG Code to the Listing Rules for the purpose of making recommendations to the Board on the appointment and removal of the external auditors, reviewing the financial statements and related materials and providing advice in respect of the financial reporting process, and overseeing the risk management and internal control systems of the Group. The Audit Committee comprises three members, all being independent non-executive Directors, namely, Mr. Yip Wai Man Raymond (Chairman), Dr. Lin Tat Pang and Ms. Luo Mei Kai. The Group's accounting principles and practices, financial statements and related materials for the Reporting Period had been reviewed by the Audit Committee.

## **SCOPE OF WORK OF ERNST & YOUNG**

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for FY2024 as set out in this preliminary announcement have been agreed by the Group's auditor, Ernst & Young, to the amounts set out in the Group's consolidated financial informations for the year. The work performed by Ernst & Young in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Ernst & Young on the preliminary announcement.

## **REMUNERATION COMMITTEE**

The remuneration committee of the Company (the "Remuneration Committee") was established on 20 June 2013, with specific written terms of reference for making recommendations to the Board regarding the Group's policy and structure for all remuneration of Directors and senior management and approving the remuneration package of the individual executive Directors, the specific duties set out in code provisions E.1.2(a) to (h) of the CG Code. The Remuneration Committee comprises a total of four members, being one executive Director, namely, Mr. Lin Wan Tsang, and three independent non-executive Directors, namely, Ms. Luo Mei Kai (Chairlady), Dr. Lin Tat Pang and Mr. Yip Wai Man Raymond. Accordingly, a majority of the members are independent non-executive Directors.



## **NOMINATION COMMITTEE**

The nomination committee of the Company (the “Nomination Committee”) was established on 20 June 2013, with specific written terms of reference in compliance with the CG Code for reviewing the Board composition, developing the relevant procedures for nomination and appointment of Directors and assessing the independence of the independent non-executive Directors to ensure that the Board has a balance of expertise, skills and experience and formulating succession plans for executive Directors and senior executives. The Nomination Committee comprises a total of four members, being one executive Director, namely, Mr. Lin Wan Tsang, and three independent non-executive Directors, namely, Dr. Lin Tat Pang (Chairman), Ms. Luo Mei Kai and Mr. Yip Wai Man Raymond. Accordingly, a majority of the members are independent non-executive Directors.

## **RISK MANAGEMENT COMMITTEE**

The risk management committee of the Company (the “Risk Management Committee”) was established on 24 June 2013, with specific written terms of reference for reviewing and approving the hedging policies as formulated by the hedging team of the Company (the “Hedging Team”) and report to the Board as to whether the hedging policies have been duly following by the Hedging Team. The Risk Management Committee is authorized to separate and independent direct access to and complete and open communication with the Group’s management to allow them to fulfill their duties. The Risk Management Committee comprises a total of two members, being two independent non-executive Directors, namely, Mr. Yip Wai Man Raymond (Chairman) and Dr. Lin Tat Pang. Accordingly, all of the members are independent non-executive Directors.

The Risk Management Committee has reviewed the hedging policies regarding its activities in forward purchases of aluminum ingots and entering into foreign currency forward contracts of the Group for the year ended 31 December 2024 and is of the opinion that the Group has complied with the hedging policy.

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

During the Reporting Period, (1) 140,000,000 new ordinary shares of the Company were issued pursuant to the exercise of the conversion rights attached to the convertible notes issued by the Company; and (2) 94,932,000 shares were repurchased and cancelled.

During the Reporting Period, the Company repurchased the shares on The Stock Exchange of Hong Kong Limited details as follows:

<b>Month/year</b>	<b>Number of shares repurchased</b>	<b>Highest price paid per share</b> HK\$	<b>Lowest price paid per share</b> HK\$	<b>Aggregate price paid</b> HK\$
May 2024	2,384,000	0.64	0.59	1,489,420
June 2024	74,384,000	0.73	0.65	50,992,880
July 2024	18,164,000	0.74	0.72	13,439,220
	<u>94,932,000</u>			<u>65,921,520</u>

The Board considers that the current trading price of the Shares does not adequately reflect the Company's intrinsic value and the actual business prospects of the Group. The Board is confident in the long-term strategy and growth of the Company, and the share repurchase would benefit the Company and create value to its shareholders as a whole.

Save as disclosed herein, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the listed securities of the Company for the Reporting Period.

## **DIRECTORS' SECURITIES TRANSACTIONS**

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 as its code of conduct regarding the Directors' securities transactions. Specific enquiries have been made with all the Directors and they have confirmed that they have complied with the Model Code throughout the Reporting Period.

## **FINAL DIVIDEND**

The Board recommends the payment of a final dividend of HK0.28 cent per Share for the year ended 31 December 2024 (2023: HK0.40 cent per Share) to be payable to the shareholders of the Company whose names appear on the register of members of the Company as at 12 June 2025, subject to the approval of the Shareholders at the forthcoming annual general meeting of the Company (the "AGM") to be held on 21 May 2025. The final dividend will be payable on or around 8 July 2025.

## **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from 15 May 2025 to 21 May 2025, both days inclusive, during which period no transfers of Shares shall be effected. In order to qualify for attending the forthcoming AGM, all transfers of Shares accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on 14 May 2025.

The register of members of the Company will be closed from 7 June 2025 to 12 June 2025, both days inclusive, during which period no transfers of Shares shall be effected. In order to qualify for the final dividend, all transfers of Shares accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at the above address for registration not later than 4:30 p.m. on 6 June 2025.

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

This annual results announcement will be published on the websites of the Stock Exchange ([www.hkex.com.hk](http://www.hkex.com.hk)) and the Company (<http://www.6898hk.com>). The annual report of the Company for the year ended 31 December 2024 will be dispatched to the Shareholders and published on the websites of the Stock Exchange and the Company in due course.

By order of the Board  
**China Aluminum Cans Holdings Limited**  
中國鋁罐控股有限公司  
**Lin Wan Tsang**  
*Chairman and executive Director*

Hong Kong, 21 March 2025

*As at the date of this announcement, the executive Directors are Mr. Lin Wan Tsang and Mr. Dong Jiangxiong; and the independent non-executive Directors are Dr. Lin Tat Pang, Ms. Luo Mei Kai and Mr. Yip Wai Man Raymond.*