

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024

The board (the “**Board**”) of directors (the “**Directors**”) of Raymond Industrial Limited (the “**Company**”) is pleased to announce the audited results of the Company and its subsidiaries (together the “**Group**”) for the year ended 31 December 2024, together with comparative figures for last year as follows:

Consolidated statement of profit or loss (Expressed in Hong Kong dollars)

	<i>Notes</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Revenue	4	1,075,732	1,362,732
Cost of sales		<u>(926,269)</u>	<u>(1,179,007)</u>
Gross profit		149,463	183,725
Other revenue	5	17,236	15,178
Other net income	5	9,868	11,809
Selling expenses		(12,369)	(13,569)
General and administrative expenses		<u>(110,055)</u>	<u>(118,645)</u>
Profit before taxation		54,143	78,498
Income tax expense	6	<u>(8,924)</u>	<u>(10,627)</u>
Profit for the year attributable to shareholders of the Company	7	<u>45,219</u>	<u>67,871</u>
Earnings per share			
Basic, HK cents	9	<u>9.02</u>	<u>13.54</u>
Diluted, HK cents		<u>N/A</u>	<u>N/A</u>

Consolidated statement of profit or loss and other comprehensive income*(Expressed in Hong Kong dollars)*

	<i>Notes</i>	2024 HK\$'000	2023 HK\$'000
Profit for the year attributable to shareholders of the Company		45,219	67,871
Other comprehensive income			
Item that will not be reclassified to profit or loss:			
– Revaluation gain arising from the transfer of property, plant and equipment to investment properties	11	32,797	-
Item that may be reclassified to profit or loss:			
– Exchange differences on translation of financial statements of foreign operations		<u>(5,610)</u>	<u>(5,103)</u>
Total comprehensive income for the year attributable to shareholders of the Company		<u>72,406</u>	<u>62,768</u>

Consolidated statement of financial position*(Expressed in Hong Kong dollars)*

	<i>Notes</i>	2024 HK\$'000	2023 <i>HK\$'000</i>
Non-current assets			
Property, plant and equipment	10	125,732	119,077
Right-of-use assets	10	5,553	6,990
Investment properties	11	32,800	-
Deferred tax assets		2,529	3,028
		166,614	129,095
Current assets			
Inventories		134,683	144,473
Trade and other receivables	12	229,710	248,009
Current tax assets		107	2,058
Bank and cash balances	13	349,130	367,415
		713,630	761,955
Current liabilities			
Trade and other payables	14	201,565	215,764
Dividends payable		366	339
Current tax liabilities		2,396	1,249
		204,327	217,352
Net current assets		509,303	544,603
Total assets less current liabilities		675,917	673,698
Non-current liabilities			
Deferred tax liabilities		155	157
NET ASSETS		675,762	673,541
CAPITAL AND RESERVES			
Share capital		467,676	467,676
Reserves		208,086	205,865
TOTAL EQUITY		675,762	673,541

Notes:

1. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with all applicable HKFRS Accounting Standards, issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). HKFRS Accounting Standards comprise Hong Kong Financial Reporting Standards (“**HKFRS**”); Hong Kong Accounting Standards (“**HKAS**”); and Interpretations. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange and with the requirements of the Companies Ordinance (Cap. 622).

The HKICPA has issued certain new and revised HKFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group. Note 2 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these consolidated financial statements.

2. ADOPTION OF NEW AND REVISED HKFRS ACCOUNTING STANDARDS

Application of new and revised HKFRS Accounting Standards

The Group has applied the following amendments to HKFRS Accounting Standards and interpretation issued by the HKICPA for the first time, which are relevant to the Group and mandatorily effective for the annual period beginning on or after 1 January 2024 for the preparation of the consolidated financial statements:

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current, and Non-current Liabilities with Covenants
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Hong Kong Interpretation 5 (“HK Int 5”)(Revised)	Presentation of Financial Statements - Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

All amendments and interpretation listed above did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

3 SEGMENT INFORMATION

The Group is principally engaged in the manufacture and sale of electrical home appliances. The electrical home appliances are manufactured within the Group's manufacturing facilities located in the People's Republic of China (the "PRC"). The Group's operating segments are determined based on information reported to the senior executive management, being the chief operating decision maker ("CODM") of the Group for the purposes of resource allocation and assessment of segment performance, focused on customer locations.

The identified reportable operating segments are as follows:

- North America – mainly including the United States of America and Canada
- Latin America – mainly including Mexico
- Europe – mainly including the United Kingdom and Netherlands
- Asia – mainly including the PRC, Korea, and Japan

For the operating segments of Australia and Africa, they have been included within the "rest of the world" due to neither of these operating segments meeting the quantitative thresholds required for classification as reportable segments.

(a) Segment profit or loss, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the profit or loss, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all tangible assets and current assets with the exception of tax balances. Segment liabilities include trade and other payables, with the exception of tax balances and dividends payable, attributable to the manufacture and sale activities of the individual segments. Segment non-current assets do not include deferred tax assets.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments. The measurement used for reporting segment profit is "adjusted EBITDA" i.e. "adjusted earnings before interest, taxes, depreciation and amortisation". To arrive at adjusted EBITDA, the Group's earnings are further adjusted for items not specifically attributed to individual segments, such as other head office or corporate administration costs.

3 SEGMENT INFORMATION (continued)

(a) Segment profit or loss, assets and liabilities (continued)

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the year is set out below.

	Electrical home appliances					Total
	North America	Latin America	Europe	Asia	Rest of the world	
	2024	2024	2024	2024	2024	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
Total reportable segment revenue recognised at a point in time	289,044	250,882	238,288	261,967	35,551	1,075,732
Total reportable segment profit (adjusted EBITDA)	5,922	25,690	29,875	982	1,381	63,850
Total reportable segment assets as at 31 December	-	-	-	877,608	-	877,608
Total reportable segment liabilities as at 31 December	-	-	-	(201,565)	-	(201,565)
Additions to non-current segment assets during the year	-	-	-	37,931	-	37,931

	Electrical home appliances					Total
	North America	Latin America	Europe	Asia	Rest of the world	
	2023	2023	2023	2023	2023	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
Total reportable segment revenue recognised at a point in time	271,496	218,049	234,725	615,866	22,596	1,362,732
Total reportable segment profit (adjusted EBITDA)	15,561	12,497	13,454	47,107	1,294	89,913
Total reportable segment assets as at 31 December	-	-	-	885,964	-	885,964
Total reportable segment liabilities as at 31 December	-	-	-	(215,764)	-	(215,764)
Additions to non-current segment assets during the year	-	-	-	40,505	-	40,505

3 SEGMENT INFORMATION *(continued)*

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

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Revenue		
Consolidated revenue	<u>1,075,732</u>	<u>1,362,732</u>
	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Profit or loss		
Total reportable segment profit (adjusted EBITDA)	63,850	89,913
Bank interest income	17,236	15,178
Depreciation	<u>(26,943)</u>	<u>(26,593)</u>
Consolidated profit before taxation	<u>54,143</u>	<u>78,498</u>

3 SEGMENT INFORMATION *(continued)*

(b) Reconciliations of reportable segment revenue, profit or loss, assets and liabilities *(continued)*

	<i>2024</i> <i>HK\$'000</i>	<i>2023</i> <i>HK\$'000</i>
Assets		
Total reportable segment assets	877,608	885,964
Current tax assets	107	2,058
Deferred tax assets	2,529	3,028
Consolidated total assets	<u>880,244</u>	<u>891,050</u>
	<i>2024</i> <i>HK\$'000</i>	<i>2023</i> <i>HK\$'000</i>
Liabilities		
Total reportable segment liabilities	(201,565)	(215,764)
Dividends payable	(366)	(339)
Current tax liabilities	(2,396)	(1,249)
Deferred tax liabilities	(155)	(157)
Consolidated total liabilities	<u>(204,482)</u>	<u>(217,509)</u>

3 SEGMENT INFORMATION *(continued)*

(c) Revenue from major customers

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

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Customer A	310,902	261,243
Customer B	240,839	247,606
Customer C	151,966	153,991
Customer D	132,859	462,470

4 REVENUE

Disaggregation of revenue from contracts with customers by major products for the year is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Revenue from contracts with customers within the scope of HKFRS 15		
Disaggregated by major products – sales of goods	<u>1,075,732</u>	<u>1,362,732</u>

5 OTHER REVENUE AND OTHER NET INCOME

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Other revenue		
Bank interest income	<u>17,236</u>	<u>15,178</u>
Other net income		
Net gain on disposal of scrap materials	1,681	2,798
Net exchange gain	7,452	7,382
Net loss on disposal of property, plant and equipment	(31)	(359)
Government subsidy income	63	388
Fair value loss on investment property	(900)	-
Sundry income/(expense)	675	(403)
Rental income from investment properties	928	-
Rental income from other properties	-	2,003
	<u>9,868</u>	<u>11,809</u>

6 INCOME TAX EXPENSE

Income tax has been recognised in profit or loss as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Current tax – Hong Kong Profits Tax		
Provision for the year	4,213	1,803
Under/(over)-provision in respect of prior years	10	(65)
	<u>4,223</u>	<u>1,738</u>
Current tax – PRC Enterprise Income Tax		
Provision for the year	2,849	8,494
PRC Withholding Income Tax for the year	2,126	2,654
Over-provision in respect of prior years	(732)	(2,057)
	<u>4,243</u>	<u>9,091</u>
Deferred tax		
Origination and reversal of temporary differences	458	(202)
	<u>8,924</u>	<u>10,627</u>

Notes:

(i) Hong Kong Profits Tax

Under the two-tiered Profits Tax rate regime, the first HK\$2,000,000 of profits of the qualifying group entity established in Hong Kong will be taxed at 8.25%, and profit above that amount will be subject to the tax rate of 16.5%. The profits of the group entities not qualifying for the two-tiered Profit Tax rate regime will continue to be taxed at a rate of 16.5%.

(ii) PRC Enterprise Income Tax

A subsidiary in the PRC was qualified as a high and new technology enterprise and taxed at a preferential tax rate of 15% (2023: 15%).

(iii) PRC Withholding Income Tax

PRC Withholding Income Tax under double tax arrangement at a rate of 5% would be imposed on payment relating to dividend received to the Company that holds directly at least 25% of the payer's capital. Such tax rate may be further reduced by applicable tax treaties or arrangements.

7 PROFIT FOR THE YEAR

The Group's profit for the year is stated after charging/(crediting) the following:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Staff costs (including directors' remuneration)		
Salaries, wages and other benefits	221,417	220,372
Discretionary bonuses	3,267	5,416
Contributions to defined contribution retirement plans	17,077	16,448
	<u>241,761</u>	<u>242,236</u>
Other items		
Cost of inventories sold (<i>note (i)</i>)	927,604	1,153,330
Write-down of inventories	264	2,424
Reversal of write-down of inventories	(3,602)	(335)
Depreciation of right-of-use assets	443	478
Depreciation of property, plant and equipment	26,500	26,115
Auditor's remuneration		
- Audit services		
· provision for the year	820	780
· under-provision in prior year	43	40
- Non-audit services	170	160
Product development costs (<i>note (ii)</i>)	40,727	46,767
Obsolete moulds and toolings written off (<i>note (iii)</i>)	2,003	23,588
Expenses relating to short-term leases (included in general and administrative expenses) (<i>note (iv)</i>)	1,203	502
Expenses relating to leases of low value assets (included in cost of inventories and general and administrative expenses) (<i>note (iv)</i>)	97	473

7 PROFIT FOR THE YEAR *(continued)*

Notes:

- (i) Cost of inventories sold includes approximately HK\$193,627,000 (2023: HK\$196,331,000) relating to staff costs and depreciation, which are also included in the respective total amounts disclosed separately above.
- (ii) Product development costs include approximately HK\$29,693,000 (2023: HK\$27,539,000) relating to staff costs and depreciation, which are also included in the respective total amounts disclosed separately above.
- (iii) During the year ended 31 December 2023, the Group launched various new items and products with new specifications, significant quantities of moulds and tooling were considered obsolete as new models and products are in place.

Consequently, the Group obsoleted and wrote off moulds and tooling with carrying amount of HK\$23,588,000 during the year ended 31 December 2023.

- (iv) For the years ended 31 December 2024 and 2023, the Group leases various warehouses and carpark for its operations. Lease contracts are entered into for fixed term of one month to two years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

8 FINAL AND SPECIAL DIVIDENDS

(i) Dividends payable to shareholders of the Company attributable to the year

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Interim dividend declared and paid of 4 HK cents per ordinary share (2023: 3 HK cents per ordinary share)	20,053	15,040
Final dividend proposed after the end of the reporting period of 2 HK cents per ordinary share (2023: 4 HK cents per ordinary share)	10,026	20,053
Special dividend proposed after the end of the reporting period of 6 HK cents per ordinary share (2023: 6 HK cents per ordinary share)	30,079	30,079
	60,158	65,172

The final and special dividends proposed after the end of the reporting period have not been recognised as liabilities at the end of the reporting period.

(ii) Dividends payable to shareholders of the Company attributable to the previous financial year, approved and paid during the year

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Final dividend in respect of the previous financial year, approved and paid during the year, of 4 HK cents per ordinary share (2023: 4 HK cents per ordinary share)	20,053	20,053
Special dividend in respect of the previous financial year, approved and paid during the year, of 6 HK cents per ordinary share (2023: nil HK cents per ordinary share)	30,079	-
	50,132	20,053

9 EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit for the year attributable to shareholders of the Company of HK\$45,219,000 (2023: HK\$67,871,000) and the weighted average number of ordinary shares of 501,324,000 (2023: 501,324,000) shares in issue during the year.

For the years ended 31 December 2023 and 2024, no diluted earnings per share is presented as the Company had no dilutive potential ordinary shares outstanding.

10 PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

	Property, plant and equipment <i>HK\$'000</i>	Right-of-use assets <i>HK\$'000</i>	Total <i>HK\$'000</i>
Cost			
At 1 January 2023	592,139	20,354	612,493
Exchange adjustments	(7,387)	(262)	(7,649)
Additions	40,505	-	40,505
Disposals	(264,077)	-	(264,077)
	<hr/>	<hr/>	<hr/>
At 31 December 2023	361,180	20,092	381,272
	<hr/>	<hr/>	<hr/>
At 1 January 2024	361,180	20,092	381,272
Exchange adjustments	(6,307)	(310)	(6,617)
Additions	37,931	-	37,931
Disposals	(21,768)	-	(21,768)
Transfer to investment properties (note 11)	(7,451)	(1,985)	(9,436)
	<hr/>	<hr/>	<hr/>
At 31 December 2024	363,585	17,797	381,382
	<hr/>	<hr/>	<hr/>
Accumulated depreciation			
At 1 January 2023	459,641	12,802	472,443
Exchange adjustments	(5,195)	(178)	(5,373)
Charges for the year	26,115	478	26,593
Disposals	(238,458)	-	(238,458)
	<hr/>	<hr/>	<hr/>
At 31 December 2023	242,103	13,102	255,205
	<hr/>	<hr/>	<hr/>
At 1 January 2024	242,103	13,102	255,205
Exchange adjustments	(3,735)	(219)	(3,954)
Charges for the year	26,500	443	26,943
Disposals	(19,564)	-	(19,564)
Transfer to investment properties (note 11)	(7,451)	(1,082)	(8,533)
	<hr/>	<hr/>	<hr/>
At 31 December 2024	237,853	12,244	250,097
	<hr/>	<hr/>	<hr/>
Net carrying value			
At 31 December 2024	125,732	5,553	131,285
	<hr/>	<hr/>	<hr/>
At 31 December 2023	119,077	6,990	126,067
	<hr/>	<hr/>	<hr/>

11 INVESTMENT PROPERTIES

	2024 HK\$'000
At 1 January	-
Transfer from property, plant and equipment (note 10)	903
Revaluation gain recognised in other comprehensive income	32,797
Fair value loss recognised in profit or loss	(900)
	<hr/>
At 31 December	32,800 <hr/>

On 1 April 2024, the Group leased out a portion of an owner-occupied building to generate rental income. Accordingly, that portion of property, plant and equipment was reclassified as investment property when the owner-occupation ceased.

The fair value of the Group's investment properties as of the date of transfer from property, plant and equipment to investment properties was valued by an external independent valuer at HK\$33,700,000.

Investment properties were revalued at 31 December 2024 on income capitalisation method. The valuations were performed by the external independent valuer.

The Group leases out the investment properties under operating leases with fixed rentals receivable monthly. The leases typically run for an initial period of 3 years.

The Group is not exposed to foreign currency risk as a result of the lease arrangements, as all leases are denominated in HK\$. The lease contract does not contain residual value guarantee and/or lessee's option to purchase the property at the end of lease term.

12 TRADE AND OTHER RECEIVABLES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade receivables	204,120	223,215
Other receivables	20,386	18,891
Deposits and prepayments	5,204	5,903
	<u>229,710</u>	<u>248,009</u>

The ageing analysis of trade receivables as of the end of the reporting period, based on invoice date, is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Within 1 month	63,956	66,298
More than 1 month but less than 3 months	106,917	118,850
More than 3 months but less than 12 months	33,241	38,067
Over 12 months	6	-
	<u>204,120</u>	<u>223,215</u>

The Group's trading terms with customers are mainly on credit. The credit term generally ranged from 30 to 120 days.

13 BANK AND CASH BALANCES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Time deposits with original maturity within 3 months	191,489	244,251
Cash at bank and in hand	157,641	123,164
	<u>349,130</u>	<u>367,415</u>

14 TRADE AND OTHER PAYABLES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade payables	145,980	148,343
Accrued charges and other payables	55,547	67,415
Contract liabilities	38	6
	<hr/> 201,565 <hr/>	<hr/> 215,764 <hr/>

The above balances are expected to be settled within one year.

The ageing analysis of trade payables as of the end of the reporting period, based on invoice date, is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Within 1 month	49,580	51,103
More than 1 month but less than 3 months	73,533	81,172
More than 3 months but less than 12 months	21,948	15,377
Over 12 months	919	691
	<hr/> 145,980 <hr/>	<hr/> 148,343 <hr/>

BUSINESS REVIEW

OPERATION RESULTS

During the financial year (“FY”) of 2024, the Group faced strong challenges of continuous geopolitical tensions and rising interest rates that resulted in inflationary pressures and lower sales demand worldwide. To alleviate the impact of these uncertainties, the Group opted to exercise financial prudence to lower safety stock to an optimal level, and to optimize fixed costs usage by investing in new machineries prudently for confirmed new business, and adopting efficient cost cutting measures to cope with significant sudden drop in sales demand worldwide in the home environmental product category as consumers in China, Japan and Korea, facing higher unemployment rate and weakened domestic currencies during 2024, spent less money on health related consumer products. Nevertheless, the Group managed to tackle each challenge and launched more new innovative products during 2024 in the grooming product categories that helped consumers to look smart when they went out to work and socialize.

Despite launching new grooming products in niche markets, for FY2024, the Group’s consolidated turnover decreased to HK\$1,075,732,000, representing a decrease of approximately 21.06% as compared with the same period in the previous year. Net profit of the Group was HK\$45,219,000, representing a decrease of approximately 33.38%, as compared with the net profit of HK\$67,871,000 for the same period in FY2023; and representing basic earnings per share of 9.02 Hong Kong cents (net profit in FY2023 was HK\$67,871,000, with basic earnings per share of 13.54 Hong Kong cents). The decrease in net profit was attributable to the fact that despite the Group’s business had better gross margins for new products and better control of expenses, significant decrease in sales revenue in FY2024 inevitably increased per unit fixed costs that caused net profit to go down.

Cash generated from operations was HK\$77,239,000 in FY2024. Net cash and cash equivalents at the end of FY2024 was HK\$349,130,000 (of which HK\$70,158,000 was dividend paid out during FY2024) as compared with HK\$367,415,000 at the beginning of FY2024. The positive operating cash flow and substantial cash balances enable the Group to continue paying dividends to the shareholders. At the same time, the Group continues to invest excess cash in research and development (“R&D”), new technology and automation equipment. Consequently, the Group continues to qualify as a High and New Technology Enterprise (“HNTe”) in The People’s Republic of China (the “PRC”).

In FY2024, the Group invested HK\$37,931,000 (compared with HK\$40,505,000 in FY2023) to purchase new injection moulding machines, procure more high precision laboratory testing equipment to upgrade our R&D and operational capabilities, build new toolings for new products, hire consultants to work on finance digital transformation to enhance faster data processing and analysis, and to realize a paperless finance operation. Part of the above-mentioned capital expenditure was related to new R&D projects to fulfill the HNTe minimum annual investment requirement; and we expect the investment in these R&D projects will improve our operational efficiency, enabling the Group’s management to make better predictions and business decisions, and hopefully can generate more sales revenue in the near future from launch of new products. Qualifying for the HNTe status would enable the Group to continue to enjoy lower profit tax rate and to receive tax incentives from the PRC Government; and increase our competitiveness among our peers.

To achieve AIoT (Artificial Intelligence and Internet of Things) compatibility, the Group continued to invest in the information systems and automated production processes to convert the operations to a MES system that analyze manufacturing data real time and management can observe the important information such as manufacturing process bottleneck and equipment failure to take immediate action to remedy the situation. Our MES system can also utilize big data and mobile surveillance data to improve quality systems. With more digital transformation tools available, the Group's management can update strategies and react to changes quickly in this highly competitive global markets. The Group successfully obtained ISO27001 certification last year, certifying that the Group's information technology (“IT”) system has adopted satisfactory cybersecurity measures to protect data privacy and the Group has passed the ISO 27001 audit again in FY2024. Furthermore, the Group's enterprise resource planning (“ERP”) and IT system can achieve safe and secure data management, and safeguard important digital and intangible assets to give our stakeholders confidence in our ability to protect our data integrity.

The Group experienced serious flooding inside our Nansha factory in 2023 as a result of severe weather of “Black Rain” due to extreme climate change that led to damages and financial losses. Since then the Group adopted crisis risk management protocols and improved our climate-related crisis measures, and we did not incur damages and losses in 2024. The Group will continue to review our risk management protocols under severe climate change and further optimize our crisis management procedures to better manage similar situation in the future.

In April 2024, the Group successfully shipped the first container of “Made in Indonesia” products for one of our major customers from the Batam, Indonesia factory of our manufacturing partner. To alleviate potential geopolitical risk, and to mitigate the uncertainty surrounding the trade war, it is important that the Group has an overseas manufacturing facility where we can produce key products outside China for our customers in case Sino-US relationship deteriorates.

In April 2024, the Group also rented out 38% of the office/warehouse (“**investment property**”) at the Hong Kong headquarters to generate rental income. The investment property has been revalued and booked as gain in the other comprehensive income.

In June 2024, the Group was nominated as one of the 3 finalists, among approximately 500 suppliers, as one of our most important customers' procurement partnership award. This kind of recognition would drive our management to strive for improvement and excellence in our future cooperation with strategic partners, both customers and key suppliers.

In November 2024, in celebration of the Group's 60th anniversary, the Group adopted a share option scheme to provide incentive and rewards to eligible participants for their contribution to the Group.

2024 marks the year that the Group celebrates her 60th anniversary. Over the past few years, the Group had made investment to renovate and upgrade the manufacturing facilities with digitally transformed data processing systems and AI enabled manufacturing processes and equipment. With the state-of-the-art rejuvenated factory, enthusiastic management and workers, the Group's management strives to achieve greater results and to attain excellence in both operational and financial performance in the coming years.

FINAL AND SPECIAL DIVIDENDS

The board of directors (the “**Board**”) of the Company has proposed a final dividend of 2 Hong Kong cents per ordinary share (the “**Final Dividend**”) (2023: 4 Hong Kong cents per ordinary share) and a special dividend of 6 Hong Kong cents per ordinary share (the “**Special Dividend**”) (2023: 6 Hong Kong cents per ordinary share) for the year ended 31 December 2024. The Final Dividend and the Special Dividend, if approved by the shareholders at the forthcoming annual general meeting, will be paid on Monday, 9 June 2025 to the shareholders whose names appear on the register of members of the Company on Wednesday, 28 May 2025.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed for the following periods:

- (1) For the purpose of determining shareholders who are entitled to attend and vote at the forthcoming annual general meeting to be held on Tuesday, 20 May 2025 (the “**2025 AGM**”), the register of members of the Company will be closed from Thursday, 15 May 2025 to Tuesday, 20 May 2025, both days inclusive. In order to be qualified for attending and voting at the 2025 AGM, all transfer documents, accompanied by the relevant share certificates, should be lodged for registration with the Company’s share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F., Hopewell Centre, 183 Queen’s Road East, Hong Kong no later than 4:30 p.m. on Wednesday, 14 May 2025.
- (2) For the purpose of determining shareholders who are entitled to the Final Dividend and the Special Dividend, the register of members of the Company will be closed from Monday, 26 May 2025 to Wednesday, 28 May 2025, both days inclusive. In order to be qualified for the Final Dividend and the Special Dividend, all transfer documents, accompanied by the relevant share certificates, should be lodged for registration with the Company’s share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F., Hopewell Centre, 183 Queen’s Road East, Hong Kong no later than 4:30 p.m. on Friday, 23 May 2025.

FINANCIAL POSITION

The liquidity position of the Group was satisfactory. The current ratio of the Group was 3.49 as of 31 December 2024, compared with 3.51 as of 31 December 2023. The quick ratio of the Group was 2.83 as of 31 December 2024 (31 December 2023: 2.84). The gearing ratio of the Group was 0.30 as of 31 December 2024 (31 December 2023: 0.32), which was computed by the trade and other payables over total equity.

During FY2024, the Group’s trade receivables turnover stood at 69 days, compared with 60 days in FY2023. The inventory turnover in FY2024 was 53 days, compared with 45 days in FY2023.

Bank balances and cash were HK\$349,130,000 as of 31 December 2024 (2023: HK\$367,415,000), representing a decrease of HK\$18,285,000 as compared to the figures in the same period in FY2023 which was mainly due to more dividends were paid out in FY2024.

There were no bank borrowings as of 31 December 2024 (2023: Nil).

The Group had no contingent liabilities as of 31 December 2024 (2023: Nil).

CHARGES ON ASSETS

The Group had no charges on assets as of 31 December 2024 (2023: Nil).

FOREIGN EXCHANGE EXPOSURE

Most of the Group's transactions were conducted in the United States dollars, British Pound, Hong Kong dollars and Renminbi. The Group does not foresee any substantial exposure to foreign currency fluctuations and thus use of financial instruments for exchange rate hedging purpose is not considered.

FUTURE PROSPECTS

The Group's management faced strong challenges during the second half of 2024 due to continuous geopolitical tensions and economic uncertainties. The Group's management expects in 2025 the toxic culture of "involution" in China will continue to increase domestic factories cost cutting competition resulting in diminishing returns if we do not innovate and carve out a niche market to develop new differentiated novel products. Furthermore, the Group's management needs to react quickly to formulate a new and effective strategy to counter the disruptive market forces emerging from the business ecosystem in which the Group operates. The Group's investment in R&D enables us to maintain the HNTE status for the eighth consecutive year, and allows the Group to use new knowledge, patents and innovations to grow our business despite a punctuated equilibrium in the business ecosystem. The Group's management will remain resilient to tackle any immediate market downturns and form stronger partnership with our strategic customers to adapt to the new business ecosystem.

In the year 2025, the Group will continue to invest and promote computerization of manufacturing. The Group has integrated our ERP system with new financial analytic software such as Microsoft Power BI to enable detailed financial analytics to help the Group's management team make wise decisions on important strategic tasks quickly and to unlock the Group's full operational potential. By analyzing the profit margins of different product lines, the cash and inventory real time positions, and the latest accounts receivables and payables status, the Group's management can address the entire value chain to open up new business opportunities, make more efficient use of working capital and better manage discretionary spending.

As more and more European countries propose "Carbon Border Adjustment Mechanism ("CBAM")", to comply with carbon emission and other environmental, social and governance ("ESG") targets, the Group's management is vigilant about this potential new requirement and gets ready to obtain the CBAM certificates based on Greenhouse Gases ("GHG") emissions embedded in the products to be imported in the European Union. The need for supply chain decarbonization will inevitably increase total product costs and our R&D team will take this new requirement into consideration when we develop new innovative products. Furthermore, the new measures proposed by the International Sustainability Standards Board will also enforce more climate change risk management and new ESG requirements. The Board and the Group's management will keep up-to-date on all the new ESG and decarbonization requirements so that we can be the market forerunner to introduce environmentally friendly new innovative products that suit this new globally sustainability trend.

STAFF

The Group currently employs approximately 19 Hong Kong staff members and provides them with the Mandatory Provident Fund Scheme. Our factory in the PRC employs approximately 531 to 569 staff members, and workers employed directly or indirectly approximately ranged from 1,596 to 2,058 during the year ended 31 December 2024. Remuneration is determined by reference to their qualifications, experiences and performances.

On behalf of the Board, I would like to extend the Board's appreciation to all our staff for their hard work and dedication throughout the year ended 31 December 2024.

PURCHASE, SALE OR REDEMPTION OF OUR SHARES

During the year ended 31 December 2024, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

MATERIAL ACQUISITIONS AND DISPOSALS

During the year ended 31 December 2024, the Group made no material acquisitions or material disposals of subsidiaries and associated companies.

CORPORATE GOVERNANCE

Throughout the year ended 31 December 2024, the Company was in compliance with the applicable code provisions as set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Rules Governing the List of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

MODEL CODE

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 of the Listing Rules as its own code of conduct regarding securities transactions by its directors. Having made specific enquiries to the directors of the Company, all the directors confirmed that they had complied with the required standards as set out in the Model Code throughout the year ended 31 December 2024.

REMUNERATION COMMITTEE

A remuneration committee of the Company (the "**Remuneration Committee**") has been established in accordance with the requirements of the Listing Rules. The Remuneration Committee comprises two executive directors, namely Mr. WONG, Ying Man John and Dr. WONG, Man Hin Raymond, and three independent non-executive directors ("**INED**"), namely Mr. LO, Kwong Shun Wilson (chairman), Ms. LING, Kit Sum Imma and Dr. KO, Siu Fung Stephen. The Remuneration Committee held two meetings during FY2024.

AUDIT COMMITTEE

The written terms of reference which describes the authority and duties of the audit committee of the Company (the “**Audit Committee**”) was prepared and adopted with reference to the requirements of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules.

The Audit Committee provides an important link between the Board and the Company’s auditors in matters coming within the scope of the Group’s audit. It reviews the effectiveness of both external and internal audit, internal controls and risk evaluation. The Audit Committee comprises all INEDs, namely Ms. LING, Kit Sum Imma (chairlady), Mr. LO, Kwong Shun Wilson and Dr. KO, Siu Fung Stephen. The Audit Committee held two meetings during FY2024.

The Audit Committee has reviewed the accounting principles and practices adopted by the Group and discussed auditing, financial reporting process and internal control matters. The annual results of the Group for the year ended 31 December 2024 have been reviewed by the Audit Committee.

NOMINATION COMMITTEE

A nomination committee of the Company (the “**Nomination Committee**”) has been established in accordance with the requirements of the CG Code. The Nomination Committee comprises three INEDs, namely Mr. LO, Kwong Shun Wilson (chairman), Ms. LING, Kit Sum Imma and Dr. KO, Siu Fung Stephen. The Nomination Committee held two meetings during FY2024.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This results announcement is published on the websites of The Stock Exchange of Hong Kong Limited (<http://www.hkexnews.hk>) and the Company (<http://www.raymondfinance.com>). The annual report of the Company for the year ended 31 December 2024 will be despatched to shareholders of the Company and available on the above websites in due course.

ANNUAL GENERAL MEETING

The annual general meeting of the Company will be held at InterContinental Grand Stanford Hong Kong, No. 70 Mody Road, Tsimshatsui East, Kowloon, Hong Kong at 2:00 p.m. on Tuesday, 20 May 2025. The notice of the annual general meeting will be published and despatched to the shareholders of the Company in the manner as required by the Listing Rules in due course.

Hong Kong, 28 March 2025

By Order of the Board
WONG, Man Hin Raymond
Chairman

As at the date of this announcement, the Board comprises the following directors:

Executive Directors:

Dr. WONG, Man Hin Raymond

Mr. WONG, Ying Man John

Mr. MOK, Kin Hing

Dr. WONG, Yin Wai

Non-Executive Directors:

Dr. WONG, Kin Lae Wilson

Mr. WONG, Ying Kit David

Independent Non-Executive Directors:

Ms. LING, Kit Sum Imma

Mr. LO, Kwong Shun Wilson

Dr. KO, Siu Fung Stephen