Silver Tide Holdings Limited
銀濤控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1943)

ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2023

The board (the "**Board**") of directors (the "**Director(s)**") of Silver Tide Holdings Limited (the "**Company**") announces the consolidated results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the year ended 31 March 2023, together with comparative figures for the previous year as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March

	Notes	**2023** *HK$'000*	2022 *HK$'000*
Revenue	*6*	**372,086**	340,084
Cost of services		**(330,636)**	(360,927)
Gross profit/(loss)		**41,450**	(20,843)
Other income and gains	*6*	**12,976**	3,052
Administrative and other operating expenses		**(27,718)**	(18,065)
Other losses	*7*	**(15,011)**	(3,200)
Finance costs	*8*	**(121)**	(163)
Profit/(loss) before income tax	*9*	**11,576**	(39,219)
Income tax (expense)/credit	*10*	**(6,609)**	5,375
PROFIT/(LOSS) AND TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		**4,967**	(33,844)
Profit/(loss) and total comprehensive income/(loss) attributable to owners of the parent		**4,967**	(33,844)
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted	*12*	**HK$0.5 cents**	HK$(3.4) cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March

	Notes	2023 HK$'000	2022 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment	13	**13,132**	20,005
Trading right		**500**	500
Prepayments, other receivables and other assets		**57**	210
Deferred tax assets		**–**	5,045
Statutory deposits		**205**	205
Total non-current assets		**13,894**	25,965
CURRENT ASSETS			
Contract assets	14	**149,057**	109,205
Trade receivables	15	**32,743**	24,761
Amount due from the ultimate holding company		**–**	298
Amount due from a related party		**–**	124
Prepayments, other receivables and other assets		**8,170**	11,209
Financial assets at fair value through profit or loss ("**FVTPL**")		**22,393**	35,213
Trust bank balances held on behalf of customers		**29,387**	44,676
Cash and cash equivalents		**52,219**	30,973
Tax recoverable		**–**	300
Total current assets		**293,969**	256,759
CURRENT LIABILITIES			
Trade payables	16	**79,234**	61,229
Other payables and accruals		**4,876**	4,728
Amount due to the immediate holding company		**5,328**	–
Lease liabilities		**432**	2,451
Tax payable		**1,367**	–
Total current liabilities		**91,237**	68,408
NET CURRENT ASSETS		**202,732**	188,351
TOTAL ASSETS LESS CURRENT LIABILITIES		**216,626**	214,316
NON-CURRENT LIABILITIES			
Lease liabilities		**329**	3,174
Deferred tax liabilities		**188**	–
Total non-current liabilities		**517**	3,174
NET ASSETS		**216,109**	211,142
EQUITY			
Equity attributable to owners of the parent			
Share capital	17	**10,000**	10,000
Reserves		**206,109**	201,142
TOTAL EQUITY		**216,109**	211,142

NOTES

1. CORPORATE AND GROUP INFORMATION

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

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

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

Information about subsidiaries

Particulars of the Company's subsidiaries at 31 March 2023 and 2022 are as follows:

Name	Place of incorporation/ registration and business	Issued ordinary share capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
Forest Honour Limited	BVI	US$1	100	–	Investment holding
Hop Fat Yuk Ying Engineering Limited	Hong Kong	HK$2,000,000	–	100	Construction services
Titan Hwaks Limited	BVI	US$1	100	–	Investment holding
Sun Range International Limited	BVI	US$1	100	–	Not yet commenced business
Yellow River Securities Limited	Hong Kong	HK$11,000,000	–	100	Securities dealing and broking

None of the subsidiaries has issued any debt securities at the end of the year.

2. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("**HKASs**") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and include applicable disclosure required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared under the historical cost convention except for certain financial instruments that are measured at fair values at the end of reporting period. The consolidated financial statements are presented in Hong Kong dollars ("**HK$**") and all values are rounded to the nearest thousand ("**HK$'000**") except when otherwise indicated.

Basis for consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 March 2023. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

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

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

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

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

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

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

Amendments to HKFRS 3	Reference to the Conceptual Framework
Amendments to HKAS 16	Property, Plant and Equipment – Proceeds before Intended Use
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract
Amendments to HKFRSs	Annual Improvements to HKFRSs 2018-2020

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

4. ISSUED BUT NOT YET EFFECTIVE HKFRSs

The Group has not applied the following new and revised HKFRSs that have been issued and potentially relevant to the Group but are not yet effective, in these financial statements.

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback[2]
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) [2]
Amendments to HKAS 1	Non-current liabilities with covenants[2]
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies[1]
Amendments to HKAS 8	Definition of Accounting Estimates[1]
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction[1]

1 Effective for annual periods beginning on or after 1 January 2023

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

Amendments to HKFRS 16 Lease Liability in a Sale and Leaseback

The amendments add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements of HKFRS 15 to be accounted for as a sale. The amendments require a seller-lessee to determine "lease payments" or "revised lease payments" such that the seller-lessee would not recognise a gain or loss that relates to the right of use retained by the seller-lessee. The amendments also clarify that applying the requirements does not prevent the seller-lessee from recognising in profit or loss any gain or loss relating to subsequent partial or full termination of a lease.

As part of the amendments, Illustrative Example 25 accompanying HKFRS 16 is added to illustrate the application of the requirements in a sale and leaseback transaction with variable lease payments that do not depend on an index or rate.

The application of the amendments is not expected to have significant impact on the Group's consolidated financial statements.

Amendments to HKAS 1 and HKFRS Practice Statement 2 Disclosure of Accounting Policies

HKAS 1 is amended to replace all instances of the term "significant accounting policies" with "material accounting policy information". Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The amendments also clarify that accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. If an entity chooses to disclose immaterial accounting policy information, such information must not obscure material accounting policy information.

HKFRS Practice Statement 2 Making Materiality Judgements (the "Practice Statement") is also amended to illustrate how an entity applies the "four-step materiality process" to accounting policy disclosures and to judge whether information about an accounting policy is material to its financial statements. Guidance and examples are added to the Practice Statement.

The application of the amendments is not expected to have significant impact on the financial position or performance of the Group but may affect the disclosures of the Group's significant accounting policies. The impacts of application, if any, will be disclosed in the Group's future consolidated financial statements.

Amendments to HKAS 8, Definition of Accounting Estimates

The amendments define accounting estimates as "monetary amounts in financial statements that are subject to measurement uncertainty". An accounting policy may require items in financial statements to be measured in a way that involves measurement uncertainty — that is, the accounting policy may require such items to be measured at monetary amounts that cannot be observed directly and must instead be estimated. In such a case, an entity develops an accounting estimate to achieve the objective set out by the accounting policy. Developing accounting estimates involves the use of judgements or assumptions based on the latest available, reliable information.

In addition, the concept of changes in accounting estimates in HKAS 8 is retained with additional clarifications.

The application of the amendments is not expected to have significant impact on the Group's consolidated financial statements.

Amendments to HKAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Amendments to HKAS 12 require entity to recognise deferred tax on particular transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. The proposed amendments will typically apply to transactions such as leases for the lessee and decommissioning obligations. According to the amended guidance, a temporary difference that arises on initial recognition of an asset or liability is not subject to the initial recognition exemption if that transaction gave rise to equal amounts of taxable and deductible temporary differences.

The application of the amendments is not expected to have significant impact on the Group's consolidated financial statements.

5. OPERATING SEGMENT INFORMATION

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 contain discrete operating segment financial information and the directors review the financial results of these components' performance. During the year ended 31 March 2022, the Group diversified its business to dealing and broking service. The Group has identified two reportable segments. The Group's reportable segments are i) Construction services and ii) Dealing and broking. The segments are managed separately as each business offers different services and requires different business strategies.

(a) Segment revenue and results

For the year ended 31 March 2023

	Construction service	**Dealing and broking**	**Unallocated**	**Total**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Revenue to external customers	**370,321**	**1,765**	**–**	**372,086**
Profit/(loss) before income tax expenses	**32,966**	**(1,233)**	**(20,157)**	**11,576**

For the year ended 31 March 2022

	Construction service	Dealing and broking	Unallocated	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Revenue to external customers	339,378	706	–	340,084
Loss before income tax expenses	(33,226)	(856)	(5,137)	(39,219)

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments without allocation of central administrative expenses. Unrealised loss arising from change in fair value of financial assets of FVTPL and realised loss arising from financial assets at FVTPL.

The measure used for reporting segment profit is profit/(loss) before tax.

In addition to receiving segment information concerning profit/(loss) before tax, management is provided with segment information concerning interest income and expense from cash balances and borrowings managed directly by the segments, depreciation, amortisation and impairment losses and additions to non-current segment assets used by the segments in their operations.

(b) Segment assets and liabilities

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

	2023	2022
	HK$'000	*HK$'000*
Assets		
Construction services	**243,487**	188,322
Dealing and broking	**37,199**	55,965
Segment assets	**280,686**	244,287
Unallocated	**27,177**	38,437
Total assets	**307,863**	282,724

	2023	2022
	HK$'000	*HK$'000*
Liabilities		
Construction services	**54,388**	25,419
Dealing and broking	**29,982**	46,032
Segment liabilities	**84,370**	71,451
Unallocated	**7,384**	131
Total liabilities	**91,754**	71,582

For the purposes of assessing segment performance and allocating resources between segments, the group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following bases: Segment assets include all tangible, intangible assets and current assets except financial assets at fair value through profit or loss. Segment liabilities include trade payables, other payables and accruals, deferred tax liabilities and tax payable attributable to the construction and dealing and broking services activities of the individual segments.

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

For the year ended 31 March 2023

	Construction service *HK$'000*	**Dealing and broking** *HK$'000*	**Unallocated** *HK$'000*	**Total** *HK$'000*
Interest income	**(26)**	**(74)**	**–**	**(100)**
Government grants	**(10,948)**	**(132)**	**(96)**	**(11,176)**
Finance costs	**97**	**–**	**24**	**121**
Income tax expense	**6,609**	**–**	**–**	**6,609**
Depreciation of property, plant and equipment	**8,644**	**18**	**–**	**8,662**
Depreciation of right-of-use assets	**1,579**	**–**	**143**	**1,722**
Impairment loss on trade receivables	**687**	**–**	**–**	**687**
Impairment loss on retention receivables	**208**	**–**	**–**	**208**
Additions to property, plant and equipment	**6,962**	**–**	**–**	**6,962**
Additions to right-of-use assets	**–**	**–**	**897**	**897**
Rental income	**1,319**	**–**	**–**	**1,319**
Unrealised loss arising from change in fair value of financial assets at FVTPL	**–**	**–**	**9,650**	**9,650**
Realised loss arising from financial assets at FVTPL	**–**	**–**	**4,273**	**4,273**
Gain on disposal of property, plant and equipment	**(239)**	**–**	**–**	**(239)**
Written off of property, plant and equipment	**323**	**–**	**–**	**323**

For the year ended 31 March 2022

	Construction service *HK$'000*	Dealing and broking *HK$'000*	Unallocated *HK$'000*	Total *HK$'000*
Interest income	(14)	–	(271)	(285)
Government grants	(561)	–	–	(561)
Finance costs	160	–	3	163
Income tax credit	(5,375)	–	–	(5,375)
Depreciation of property, plant and equipment	10,614	27	–	10,641
Depreciation of right-of-use assets	2,428	–	–	2,428
Additions to property, plant and equipment	2,804	53	–	2,857
Additions to right-of-use assets	7,414	–	–	7,414
Rental income	706	–	–	706
Unrealised loss arising from change in fair value of financial assets at FVTPL	–	–	1,831	1,831
Realised loss arising from financial assets at FVTPL	–	–	1,246	1,246
Gain on disposal of property, plant and equipment	(6)	–	–	(6)
Written off of property, plant and equipment	351	–	–	351

Geographical information

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

Information about major customers

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

	2023 ***HK$'000***	2022 *HK$'000*
Customer I	**254,848**	163,068
Customer II	**87,777**	136,106

Except for the aforesaid, no revenue from other single external customer accounted for 10% or more of the Group's revenue.

6. REVENUE, OTHER INCOME AND GAINS

Revenue represents the net invoiced value of goods sold or services rendered and earned by the Group. All the Group's revenue (other than interest income) is derived from contracts with customers under HKFRS 15. The geographical regions of the sales to external customers are based on the locations where the services are rendered. All the Group's services are rendered in Hong Kong.

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

	2023	2022
	HK$'000	*HK$'000*
Revenue		
Construction services		
Private sector	**346,440**	315,487
Public sector	**23,881**	23,891
	370,321	339,378
Dealing and broking services		
Brokerage commission	**1,657**	617
Interest income	**108**	89
	1,765	706
	372,086	340,084
Other income and gains		
Bank interest income	**100**	285
Rental income	**1,319**	706
Government grants*	**11,176**	561
Exchange gains, net	**–**	701
Gain on disposal of items of property, plant and equipment	**239**	6
Others	**142**	793
	12,976	3,052

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

Performance obligations for contracts with customers

Construction services

The performance obligation is satisfied over time as services are rendered and payment is generally due within 30 days from the date of issuance of payment certificate. A certain percentage of payment is retained by customers until the end of the retention period as the Group's entitlement to the final payment is conditional on the satisfaction of the service quality by the customers over a certain period as stipulated in the contracts.

Dealings in securities

The Group provides dealing and broking services for securities. Commission income is recognised at a point in time on the execution date of the trades at a certain percentage of the transaction value of the trades executed.

Unsatisfied performance obligations related to construction contracts:

	2023	2022
	HK$'000	*HK$'000*
Amount expected to be recognised as revenue:		
Within one year	**239,943**	389,027
After one year	**95,915**	174,547
	335,858	563,574

The amount of transaction prices allocated to the remaining performance obligations which are expected to be recognised after one year relate to construction services, of which the performance obligations are to be satisfied within two years. All the other amount of transaction prices allocated to the remaining performance obligations are expected to be recognised as revenue within one year. The amount disclosed above do not include variable consideration which is constrained.

7. OTHER LOSSES

An analysis of other losses is as follows:

	2023	2022
	HK$'000	*HK$'000*
Unrealised loss arising from change in fair value of financial assets at FVTPL	**9,650**	1,831
Realised loss arising from financial assets at FVTPL	**4,273**	1,246
Impairment loss on trade receivables	**687**	–
Impairment loss on retention receivables	**208**	–
Others	**193**	123
	15,011	3,200

8. FINANCE COSTS

An analysis of finance costs is as follows:

	2023	2022
	HK$'000	*HK$'000*
Interest on bank loans and overdrafts	**–**	3
Interest on lease liabilities	**121**	160
	121	163

9. PROFIT/(LOSS) BEFORE INCOME TAX

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

	2023	2022
	HK$'000	*HK$'000*
Costs of inventories recognised as expenses*	**78,214**	57,987
Contract costs	**330,390**	360,691
Depreciation of owned assets	**8,662**	10,641
Depreciation of right-of-use assets	**1,722**	2,428
Total depreciation*	**10,384**	13,069
Expenses related to short-term leases*	**2,097**	3,384
Auditors' remuneration	**1,050**	1,250
Employee benefit expense (including directors' and chief executive's remuneration):		
Wages and salaries*	**17,601**	16,504
Pension scheme contributions*	**596**	588
	18,197	17,092
Gain on termination of lease	**(136)**	(118)
Written-off of items of property, plant and equipment*	**323**	351

* During the year, costs of inventories recognised as expenses of HK$78,214,000 (2022: HK$57,987,000), wages and salaries of HK$5,312,000 (2022: HK$6,050,000), pension scheme contributions of HK$215,000 (2022: HK$257,000), depreciation of HK$9,499,000 (2022: HK$12,133,000), expenses related to short-term leases of HK$2,097,000 (2022: HK$2,671,000) and written-off of items of property, plant and equipment of HK$323,000 (2022: HK$351,000) are included in contract costs disclosed above.

10. INCOME TAX

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

Hong Kong profits tax has been provided at the rate of 16.5% (2022: 16.5%) on the estimated assessable profits arising in Hong Kong during the year, except for a subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime effective from the year of assessment 2018/2019. The first HK$2 million of assessable profits of this subsidiary is taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

	2023	2022
	HK$'000	*HK$'000*
Current – Hong Kong		
Charge for the year	**1,376**	–
Deferred tax	**5,233**	(5,375)
Total tax charge/(credit) for the year	**6,609**	(5,375)

A reconciliation of the tax charge/(credit) applicable to profit/(loss) before income tax at the statutory rate for the jurisdiction in which the Group's major subsidiary is domiciled to the tax charge/(credit) at the effective tax rate is as follows:

	2023	2022
	HK$'000	*HK$'000*
Profit/(loss) before income tax	**11,576**	(39,219)
Tax at the statutory tax rate of 16.5%	**1,910**	(6,471)
Income not subject to tax	**(17)**	(163)
Expenses not deductible for tax purpose	**4,881**	1,259
Tax effect of two-tiered profits tax rates regime	**(165)**	–
Tax charge/(credit) at the Group's effective rate	**6,609**	(5,375)

11. DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company during the years ended 31 March 2023 and 2022, nor has any dividend been proposed since the end of the reporting period.

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

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

	2023	2022
	HK$'000	*HK$'000*
Profit/(loss) attributable to ordinary equity holders of the Company for the purpose of calculating earnings/(loss) per share	**4,967**	(33,844)

	Number of shares	
	2023	2022
	'000	*'000*
Weighted average number of ordinary shares for the purpose of calculating basic earnings/(loss) per share	**1,000,000**	1,000,000

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 March 2023 and 2022.

13. PROPERTY, PLANT AND EQUIPMENT

During the year ended 31 March 2023, the Group acquired property, plant and equipment with a cost of HK$6,962,000 (2022: HK$2,804,000) and acquired property, plant and equipment with a net book value of Nil (2022: HK$53,000) through business combinations, and recognised additions to right-of-use assets of HK$897,000 (2022: HK$7,414,000).

14. CONTRACT ASSETS

	2023	2022
	HK$'000	*HK$'000*
Contract assets		
Unbilled revenue	**50,915**	30,075
Retention receivables	**98,350**	79,130
Less: Impairment loss on retention receivables	**(208)**	–
	149,057	109,205

Movements in contract assets:

	2023	2022
	HK$'000	*HK$'000*
At the beginning of the year	**109,205**	144,710
Addition in contract assets	**68,677**	36,261
Transfer to trade receivables	**(28,617)**	(71,766)
Less: impairment loss on retention receivables	**(208)**	–
At the end of the year	**149,057**	109,205

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

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

The increase in contract assets as at 31 March 2023 was the result of the increase in the provision of construction services during this year.

Among the above contract assets, HK$45,754,000 as at 31 March 2023 (2022: HK$51,493,000) are expected to be recovered after twelve months from the end of the reporting period.

15. TRADE RECEIVABLES

	Notes	**2023**	2022
		HK$'000	*HK$'000*
Construction service	*(a)*	**32,717**	23,359
Arising from securities brokerage of cash customers	*(b)*	**713**	1,402
Less: Impairment loss on trade receivables	*(c)*	**(687)**	–
		32,743	24,761

Trade receivables related to construction service and arising from securities of cash customers as at 1 April 2021 are HK$28 million and HK$Nil respectively.

Notes:

(a) The amount represented receivables for contract works. Management generally submit interim payment applications to customers on a monthly basis containing a statement setting out management's estimation of the valuation of the works completed in the preceding month. Upon receiving the interim payment application, the architect or the consultant of the customer will verify such valuation of works completed and issue an interim payment certificate within 30 days. Within 30 days after the issuance of the interim payment certificate, the customer will make payment to the Group based on the certified amount stipulated in such certificate, deducting any retention money in accordance with the contract. Trade receivables are non-interest-bearing.

(b) Amounts due from cash customers for securities brokerage is required to be settled on the settlement dates of their respective transactions (normally one to two business days after the respective trade dates). After the settlement dates, it bears interest at commercial rates (normally ranging from 8.375% to 14% per annum) and the Group is entitled to sell the securities held in their accounts and use the sales proceeds to discharge their obligations to the Group when the customers failed to deposit the amount after settlement date.

An ageing analysis of trade receivables based on the invoice date or progress payment certificate date is as follows:

	2023	2022
	HK$'000	*HK$'000*
Within 30 days	**27,972**	22,530
31 to 60 days	**–**	1,526
61 to 90 days	**189**	1
Over 90 days	**4,582**	704
	32,743	24,761

(c) Movements in the impairment loss are as follows:

	2023	2022
	HK$'000	*HK$'000*
Balance at beginning of the year	**–**	–
Impairment loss recognised on trade receivables	**687**	–
	687	–

16. TRADE PAYABLES

	Notes	**2023**	2022
		HK$'000	*HK$'000*
Construction service		**49,321**	15,319
Arising from securities brokerage of cash customers	*(a)*	**29,378**	44,676
Arising from securities of HKSCC	*(a)*	**535**	1,234
		79,234	61,229

Note:

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

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

	2023	2022
	HK$'000	*HK$'000*
Within 30 days	**72,974**	61,002
31 to 60 days	**6,260**	227
61 to 90 days	**–**	–
Over 90 days	**–**	–
	79,234	61,229

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

17. SHARE CAPITAL

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

	Number of ordinary shares of HK$0.01 each	Nominal value of ordinary shares *HK$'000*
Authorised:		
At 31 March 2022, 1 April 2022 and 31 March 2023	2,000,000,000	20,000

	Number of shares in issue	Amount *HK$'000*
Issued and fully paid:		
At 31 March 2022, 1 April 2022 and 31 March 2023	1,000,000,000	10,000

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

FINANCIAL HIGHLIGHTS

- Revenue was approximately HK$372.1 million for FY2022/23, representing an increase of approximately 9.4% as compared with the revenue of approximately HK$340.1 million for FY2021/22.

- Gross profit was approximately HK$41.5 million for FY2022/23, as compared with the gross loss of approximately HK$20.8 million for FY2021/22.

- Profit attributable to owners of the parent was approximately HK$5.0 million for FY2022/23, whereas loss attributable to owners of the parent was approximately HK$33.8 million for FY2021/22.

- Basic earnings per share was approximately HK$0.5 cents for FY2022/23, and basic loss per share was approximately HK3.4 cents for FY2021/22.

- The Board does not recommend the payment of any final dividend for the FY2022/23.

BUSINESS REVIEW

The Group is a Hong Kong-based subcontractor engaged in the provision of formwork work services and dealing and broking service in Hong Kong. The revenue from (i) provision of formwork work services and (ii) provision of dealing and broking services in Hong Kong for the year ended 31 March 2023 ("**FY2022/23**") amounted to approximately HK$372.1 million, representing an increase of approximately HK$32.0 million or 9.4% as compared to approximately HK$340.1 million for the year ended 31 March 2022 ("**FY2021/22**"). Such increase was primarily attributable to the increase in revenue generated from two major projects commence in November 2021 and May 2022, which achieved significant progress during FY2022/23. The revenue from provision of dealing and broking services contributed HK$1.8 million for FY2022/23.

The gross profit of approximately HK$41.5 million reported for FY2022/23 while the gross loss of approximately HK$20.8 million for FY2021/22 primarily due to (i) the decrease in subcontracting costs incurred due to the improvement on efficiency of work flow in certain construction projects (ii) the receipt of certifications and deferred recognition of revenue during FY2022/2023 in respect of the work done which involved several variation orders of two construction projects undertaken by the Group at Tai Wai and Taikoo Place due to the delay in issue of such certifications by the relevant main contractors in FY2021/22 while the relevant cost was recognised in FY2021/22.

BUSINESS PROSPECT

During the year, the Group was principally engaged in the provision of formwork work services and dealing and broking service in Hong Kong. Looking ahead, the Directors are of the view that the general outlook of the formwork industry and the business environment in which the Group operates remains good. The Directors believe that the increase in land supply in the medium to long term and the continuous effort in developing land resources (as supported by the Government's 2020 Policy Address) offers emerging opportunities to the Group for its business development. The Directors are confident that the Group is well-positioned to grasp such emerging opportunities by taking up new projects in coming years.

The Group will continue implementing tight cost control measures on existing projects, improving the efficiency of work flow throughout the construction process, and strengthening the effectiveness of project management. The Group will also be exploring other business opportunities to enhance its future development as well as to strengthen the revenue bases of the Group. The Directors believe that such exploration would be worthy so that the Group will be well-prepared to grasp such opportunities as they arise. The Directors expect that diversification of the Group's businesses would provide a better return to the Shareholders.

As at 31 March 2023, the Group had 8 projects but yet to be completed, and the original contract value of such projects amounted to approximately HK$666.4 million.

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

FINANCIAL REVIEW

Analysis of key items of results of operations

Revenue

Our revenue was approximately HK$372.1 million for FY2022/23, representing an increase of approximately 9.4% as compared with the revenue of approximately HK$340.1 million for FY2021/22.

Gross profit/(loss) and gross profit/(loss) margin

Our gross profit/(loss) and gross profit/(loss) margin for FY2021/22 and FY2022/23 respectively were as follows:

	FY2022/23	FY2021/22
Revenue (HK$'000)	**372,086**	340,084
Gross profit/(loss) (HK$'000)	**41,450**	(20,843)
Gross profit/(loss) margin	**11.1%**	(6.1%)

The Group's gross profit of approximately HK$41.5 million reported for FY2022/23 while the gross loss of approximately HK$20.8 million for FY2021/22 primarily due to (i) the decrease in subcontracting costs incurred due to the improvement on the efficiency of work flow in certain construction projects (ii) the receipt of certifications and deferred recognition of revenue during FY2022/2023 in respect of the work done which involved several variation orders of two construction projects undertaken by the Group at Tai Wai and Taikoo Place due to the delay in issue of such certifications by the relevant main contractors in FY2021/22 while the relevant cost was recognised in FY2021/22.

Other income and gains

Other income and gains increased by approximately HK$9.9 million from approximately HK$3.1 million for FY2021/22 to approximately HK$13.0 million for FY2022/23, representing an increase of approximately 325.2%. Such increase was mainly attributable to the increase in government subsidies from approximately HK$0.6 million for FY2021/22 to approximately HK$11.2 million for FY2022/23.

Administrative expenses

Administrative expenses increased by approximately HK$9.6 million from approximately HK$18.1 million for FY2021/22 to approximately HK$27.7 million for FY2022/23, representing an increase of approximately 53.4%. Such increase was mainly attributable to the increase in a one-off bonus of HK$5 million to a project manager including salary increment to a number of administrative staffs.

Other losses

The Group recorded other losses of approximately HK$15.0 million for FY2022/23 (for FY2021/22: HK$3.2 million), which was mainly attributable to the increase in other expenses derived from unrealised loss arising from change in fair value of financial assets at fair value through profit or loss ("**FVTPL**") and realised loss arising from financial assets at FVTPL. The unrealised losses recorded were approximately HK$9.6 million for FY2022/23 (for FY2021/22: HK$1.8 million). The realised losses recorded were approximately HK$4.3 million for FY2022/23 (for FY2021/22: HK$1.2 million). Increase in other losses of approximately HK$11.8 million was mainly due to unrealised losses and realised losses arising from the purchase and sales of shares of companies listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") during FY2022/23.

Finance costs

Finance costs remained relatively stable at approximately HK$0.2 million for FY2021/22 and approximately HK$0.1 million for FY2022/23.

Income tax

For FY2022/23, the Group's income tax expense amounted to approximately HK$6.6 million, as compared with approximately HK$5.4 million of income tax credit amount for FY2021/22. Such change was mainly due to the increase in assessable profit and utilization of tax loss of the Group during FY2022/23.

Profit/(Loss) attributable to owners of the parent

As a result of the foregoing, the profit attributable to owners of the parent amounted to approximately HK$5.0 million for FY2022/23 as compared to the loss attributable to owners of the parent of approximately HK$33.8 million for FY2021/22.

Final dividend

The Board has resolved not to recommend the declaration of any final dividend for FY2022/23 (FY2021/22: nil).

Liquidity and financial resources

Our primary uses of capital are to satisfy our working capital needs and to fund our construction projects. We financed our working capital primarily from (i) cash generated from operating activities, which primarily comprised cash payments we received from our revenue from the provision of formwork works and other construction works and (ii) bank borrowings. In managing our liquidity, our management monitors and maintains a reasonable level of cash and cash equivalents which are deemed adequate by our management to finance our operations and to mitigate the impacts of fluctuations in cash flows. We rely on cash and cash equivalents on hand and the cash generated from operating activities as the main sources of liquidity. As at 31 March 2023, the cash and cash equivalents, net current assets and total assets less current liabilities were approximately HK$52.2 million (as at 31 March 2022: approximately HK$31.0 million), approximately HK$202.7 million (as at 31 March 2022: approximately HK$188.4 million) and approximately HK$216.6 million (as at 31 March 2022: approximately HK$214.3 million), respectively.

Contingent liabilities

As at 31 March 2023, the Group did not have any material contingent liabilities (as at 31 March 2022: nil).

Capital commitments

As at 31 March 2023, the Group had no capital commitment in respect of the acquisitions of property, plant and equipment (as at 31 March 2022: approximately HK$4.7 million) contracted for but not provided in the consolidated financial statements of the Group.

Funding and treasury policy

The Group maintains a prudent funding and treasury policy. Surplus funds are maintained in the form of cash deposits with licensed banks. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

Foreign currency risk

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

Gearing ratio

As at 31 March 2023, the Group's gearing ratio was nil (as at 31 March 2022: nil), representing total bank and other borrowings as a percentage of total equity.

Segment information

Save as disclosed in note 5 to the consolidated financial statements in this announcement, the Group's business was regarded as two operating segments after the Group diversified the business to dealing and broking service and the Group had no geographical segment information presented as at 31 March 2023 and 2022.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES

During FY2022/23, the Group did not have any material acquisitions or disposals of subsidiaries or associated companies.

SIGNIFICANT INVESTMENT HELD

During FY2022/23, the Group had not held any significant investment.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

During FY2022/23, the Group did not have any plans for material investments and capital assets.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2023, the Group has 48 employees in Hong Kong (31 March 2022: 42 employees). The remuneration package that our Group offers to employees includes salary, bonuses and other cash subsidies. In general, our Group determines employee salaries based on each employee's qualifications, position and seniority. As required by Hong Kong laws, we have enrolled all of our full-time staff in the Mandatory Provident Fund Scheme. We intend to maintain our remuneration package competitive in order to attract and retain talented labour, and we regularly carry out staff evaluation to assess their performance.

COMPETITION INTERESTS

During FY2022/23, none of the Directors nor the controlling shareholders of the Company and their respective associates (as defined under Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**")) had any interests in a business, apart from the business of the Group, which competes or may compete with the business of the Group or has any other conflict of interest with the Group which would be required to be disclosed under Rule 8.10 of the Listing Rules.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as the code of conduct regarding securities transactions by the Directors. The Company has also set guidelines, at least as strict as the Model Code, on transactions of the Company's securities for relevant employees who are likely to be in possession of unpublished inside information of the Company.

Having made specific enquiry with all the Directors, all the Directors confirmed that they have complied with the required standard of dealings as set out in the Model Code during FY2022/23 and up to the date of this announcement.

CHANGE OF CONTROLLING SHAREHOLDER

The Company was informed by Silver Tide Enterprises Limited (銀濤企業有限公司) (the "**Vendor**") that, on 10 August 2022 after trading hours, the Vendor, Mr. Ip Chi Ming, Central Force Premium Group Limited ("**Central Force**") and Mr. Wang Jianfeng entered into a sale and purchase agreement pursuant to which the Vendor conditionally agreed to sell and Central Force conditionally agreed to acquire a total of 750,000,000 shares (the "**Sale Shares**"), representing approximately 75.00% of the entire issued share capital of the Company as at the date of the joint announcement published by the Company and Central Force dated 19 August 2022, for a consideration of HK$225,000,000 (equivalent to HK$0.34 per Sale Share) (the "**Share Purchase**"). The consideration for the Sale Shares was agreed the Vendor and Central Force after arm's length negotiations. The Share Purchase was completed on 15 August 2022. Immediately following the completion of the Share Purchase, Central Force, its ultimate beneficial owner and parties acting in concert with any of them were interested in 750,000,000 shares, representing approximately 75.00% of the total issued share capital of the Company.

Pursuant to Rule 26.1 of the Hong Kong Code on Takeovers and Mergers, Central Force made a mandatory unconditional cash offer (the "**Offer**") for all the issued shares of the Company not already owned or agreed to be acquired by Central Force and parties acting in concert with it. The Offer, as made, was unconditional in all respects and the principal terms were set out in the joint announcement published by Central Force and the Company dated 19 August 2022.

The Offer was closed at 4:00 p.m. on 20 October 2022 (the "**Offer Date**") and was not revised or extended by Central Force. As at 4:00 p.m. on the Offer Date, being the latest time and date for acceptance of the Offer, Central Force did not receive any valid acceptances in respect of the offer shares under the Offer. Immediately after the close of the Offer, Central Force and the parties acting in concert with it was interested in 750,000,000 shares, representing approximately 75.00% of the entire issued share capital of the Company.

Details of, among others, the change of controlling shareholder of the Company and Central Force were set out in the joint announcement issued by Central Force and the Company dated 19 August 2022, the composite offer and response document jointly issued by Central Force and the Company dated 29 September 2022 and the joint announcement issued by Central Force and the Company dated 20 October 2022.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the best knowledge of the Directors, the Directors confirm that the Company has maintained a sufficient amount of public float for the shares of the Company as required under the Listing Rules during FY2022/23 and up to the date of this announcement.

CORPORATE GOVERNANCE PRACTICES

The Company and the Board are devoted to achieve and maintain high standards of corporate governance, as the Board believes that good and effective corporate governance practices are fundamental to obtain and maintain the trust and safeguarding interest of the shareholders and other stakeholders of the Company. The Company has adopted the principles and code provisions set out in the Corporate Governance Code (the "**CG Code**") as set out in Appendix 14 of the Listing Rules.

To the best knowledge of the Board, except for the deviation from the code provision C.2.1 of the CG Code, the Company has complied with the code provisions in the CG Code throughout FY2022/23 and up to the date of this announcement.

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

AUDIT COMMITTEE

The Audit Committee of the Company was established on 8 June 2019. The Company has established the Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph D.3 of the CG Code. The Audit Committee consists of three independent non-executive Directors namely Mr. Cai Huihui (appointed on 20 October 2022), Ms. Florence Ng (appointed on 20 October 2022) and Mr. Wang Wenxing (appointed on 20 October 2022), (being the chairman of the Audit Committee who possesses the appropriate professional qualifications).

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

The Audit Committee has approved and reviewed with the external auditor of the Company and the management of the Group, the consolidated financial results of the Group for FY2022/23 and agreed to the accounting principles and policies adopted by the Group.

During FY2022/23, the Audit Committee held two meetings. The members of Audit Committee reviewed and discussed with the external auditors of the Company on the Group's audited consolidated financial statements for FY2021/22 and the unaudited interim consolidated financial statements for the six months ended 30 September 2022. They were of the opinion that these statements had complied with the applicable accounting standards, the Listing Rules and legal requirements, and that adequate disclosures had been made. Additional meeting may also be held by the Audit Committee from time to time to discuss special projects or other issues which it considers necessary. The external auditors of the Group may request a meeting of the Audit Committee to be convened if they consider that is necessary.

SCOPE OF WORK OF BDO LIMITED ("BDO")

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit and loss and other comprehensive income, and the related notes thereto for the year ended 31 March 2023 as set out in this announcement have been agreed by BDO to be the same amounts set out in the Group's audited consolidated financial statements for FY2022/23. The work performed by BDO in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by BDO on this announcement.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during FY2022/23.

SHARE OPTION SCHEME

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

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

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

CLOSURE OF REGISTER OF MEMBERS FOR ANNUAL GENERAL MEETING

The annual general meeting of the Company (the "**AGM**") is scheduled to be held on Wednesday, 23 August 2023 (the "**2023 AGM**"). For determining the entitlement to attend and vote at the 2023 AGM, the register of members of the Company will be closed from Sunday, 20 August 2023 to Wednesday, 23 August 2023 (both days inclusive) during which period no share transfer will be registered. In order to be eligible to attend and vote at the 2023 AGM, all transfers forms accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Boardroom Share Registrars (HK) Limited at Room 2103B, 21st Floor, 148 Electric Road, North Point, Hong Kong, for registration no later than 4:30 p.m. on Saturday, 19 August 2023.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement will be published on the respective websites of the Stock Exchange (www.hkexnews.hk) and the Company's website (www.silvertide.hk). The annual report for the year ended 31 March 2023 containing all the information required by the Listing Rules will be available on the above websites and despatched to the Shareholders in due course.

EVENTS AFTER THE REPORTING PERIOD

There have been no significant event occurred after 31 March 2023 and up to the date of this announcement.

APPRECIATION

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

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

Hong Kong, 20 June 2023

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