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## **ORIENTAL WATCH HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 398)**

Website: <http://www.orientalwatch.com>

### **FINAL RESULTS FOR THE YEAR ENDED 31 MARCH 2024**

#### **FINANCIAL HIGHLIGHTS**

- Turnover decreased 1.8% to HK\$3,639 million
- Profit attributable to owners of the Company was HK\$250 million
- Earnings per share was 51.40 HK cents
- Final dividend of 5.8 HK cents per share
- Special dividend of 17.2 HK cents per share

The Board of Directors of Oriental Watch Holdings Limited (the “Company”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 March 2024 together with the comparative figures for the corresponding year in 2023 as follows:

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

*FOR THE YEAR ENDED 31 MARCH 2024*

	<i>NOTES</i>	<b>2024</b> <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Revenue	3	<b>3,638,758</b>	3,704,677
Cost of goods sold		<b>(2,488,028)</b>	(2,515,967)
Gross profit		<b>1,150,730</b>	1,188,710
Other income	4	<b>49,223</b>	30,538
Other gains and losses	5	<b>(3,854)</b>	4,367
Impairment losses recognised under expected credit loss (“ECL”) model net — trade and other receivables		<b>(3,559)</b>	(1,834)
Distribution and selling expenses			
— Expenses related to leases		<b>(189,552)</b>	(203,629)
— Other distribution and selling expenses		<b>(353,950)</b>	(323,461)
Administrative expenses		<b>(253,206)</b>	(252,912)
Finance costs	6	<b>(13,663)</b>	(14,612)
Share of results of associates		<b>16,578</b>	13,116
Share of result of a joint venture		<b>(2,273)</b>	(225)
Profit before taxation	7	<b>396,474</b>	440,058
Income tax expense	8	<b>(145,324)</b>	(144,534)
Profit for the year		<b>251,150</b>	295,524
Other comprehensive (expense) income			
<i>Item that will not be reclassified to profit or loss:</i>			
Change in fair value of equity instruments at fair value through other comprehensive income (“FVTOCI”)		<b>(4,565)</b>	(77)
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange difference arising on translation of foreign operations		<b>(64,378)</b>	(85,700)
Reclassification of cumulative translation reserve upon deregistration of a foreign operation		<b>497</b>	—
Change in fair value of debt instruments at FVTOCI		<b>—</b>	(44)
Release on redemption of debt instruments at FVTOCI		<b>—</b>	(16)
Other comprehensive expense for the year		<b>(68,446)</b>	(85,837)
Total comprehensive income for the year		<b>182,704</b>	209,687

		2024	2023
	<i>NOTE</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Profit for the year attributable to:			
Owners of the Company		<b>250,488</b>	295,432
Non-controlling interests		<b>662</b>	92
		<u>251,150</u>	<u>295,524</u>
Total comprehensive income attributable to:			
Owners of the Company		<b>182,093</b>	209,661
Non-controlling interests		<b>611</b>	26
		<u>182,704</u>	<u>209,687</u>
Earnings per share			
Basic and diluted	<i>10</i>	<u><b>51.40 HK cents</b></u>	<u>60.62 HK cents</u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*AT 31 MARCH 2024*

	<i>NOTES</i>	<b>2024</b> <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<b>Non-current assets</b>			
Property, plant and equipment		<b>248,761</b>	246,635
Right-of-use assets	<i>11</i>	<b>238,132</b>	314,213
Investment properties		<b>35,155</b>	8,261
Deposits for acquisition of property, plant and equipment		<b>360</b>	2,400
Interests in associates	<i>12</i>	<b>64,873</b>	81,552
Interest in a joint venture		<b>21,831</b>	24,430
Equity instruments at FVTOCI	<i>13</i>	<b>27,835</b>	13,359
Financial assets at fair value through profit or loss (“FVTPL”)	<i>17</i>	<b>18,695</b>	15,007
Loan receivables	<i>15</i>	<b>54,260</b>	20,038
Deferred tax assets		<b>6,864</b>	4,503
Property rental deposits		<b>34,023</b>	32,169
		<hr/> <b>750,789</b> <hr/>	<hr/> 762,567 <hr/>
<b>Current assets</b>			
Inventories	<i>14</i>	<b>442,997</b>	422,202
Loan receivables	<i>15</i>	<b>21,988</b>	41,364
Trade and other receivables	<i>16</i>	<b>254,065</b>	295,359
Financial assets at FVTPL	<i>17</i>	<b>12,226</b>	14,664
Taxation recoverable		<b>6,776</b>	4,319
Cash and cash equivalents		<b>898,634</b>	1,078,783
		<hr/> <b>1,636,686</b> <hr/>	<hr/> 1,856,691 <hr/>
<b>Current liabilities</b>			
Trade and other payables	<i>18</i>	<b>253,132</b>	277,713
Contract liabilities	<i>18</i>	<b>6,868</b>	20,677
Lease liabilities	<i>19</i>	<b>132,560</b>	121,724
Taxation payable		<b>36,390</b>	46,654
		<hr/> <b>428,950</b> <hr/>	<hr/> 466,768 <hr/>
Net current assets		<hr/> <b>1,207,736</b> <hr/>	<hr/> 1,389,923 <hr/>
Total assets less current liabilities		<hr/> <b>1,958,525</b> <hr/>	<hr/> 2,152,490 <hr/>

	<i>NOTES</i>	<b>2024</b> <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Non-current liabilities			
Deferred tax liabilities		<b>28,693</b>	26,162
Lease liabilities	<i>19</i>	<b>133,865</b>	230,397
		<u><b>162,558</b></u>	<u>256,559</u>
Net assets		<u><b>1,795,967</b></u>	<u>1,895,931</u>
Capital and reserves			
Share capital	<i>20</i>	<b>48,736</b>	48,736
Reserves		<b>1,745,434</b>	1,846,009
Equity attributable to owners of the Company		<b>1,794,170</b>	1,894,745
Non-controlling interests		<b>1,797</b>	1,186
Total equity		<u><b>1,795,967</b></u>	<u>1,895,931</u>

Notes:

## 1. GENERAL INFORMATION

Oriental Watch Holdings Limited (the “Company”) is incorporated in Bermuda as an exempted company with limited liability and acts as an investment holding company as well as engaged in watch trading. The shares of the Company are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The address of the registered office and principal place of business of the Company is detailed in the corporate information section of the annual report.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”) which is also the functional currency of the Company.

## 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

### **New and amendments to HKFRSs that are mandatorily effective for the current year**

In the current year, the Group has applied the following new and amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 April 2023 for the preparation of the consolidated financial statements:

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

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

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

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

In accordance with the transition provision:

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

The application of the amendments has had no material impact on the Group’s financial position and performance, except that the Group discloses the related deferred tax assets and deferred tax liabilities of HK\$8,316,000 as at 1 April 2022 on a gross basis but it has no impact on the retained profits at the earliest period presented.

### **Amendments to HKFRSs in issue but not yet effective**

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

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

<sup>1</sup> Effective for annual periods beginning on or after a date to be determined.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2024.

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2025.

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

### **3. REVENUE AND SEGMENT INFORMATION**

The Group's operation is principally sales of watches. The Group's revenue represents consideration received or receivable from sales of watches.

Information reported to the executive directors of the Company, being the chief operating decision maker ("CODM"), for the purpose of resource allocation and assessment of segment performance is analysed based on the geographical markets of the goods sold, which is consistent with the basis of the Group's organisation for managing the business operations.

Specifically, the Group had three operating segments, being (a) Hong Kong, (b) the PRC and (c) Macau. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

#### **Sales of watches (revenue recognised at a point in time)**

For sales of watches, revenue is recognised when control of the goods has transferred, being at the point the customer purchases the goods at the retail shop, including those sales through department stores. Payment of the transaction price is due immediately at the point the customer purchases the goods. A credit period of not more than 30 days is granted to department stores who receive the payment on behalf of the Group at the point the customer purchases the goods.

All sales contracts are for periods of one year or less. As permitted under HKFRS 15 "Revenue from Contracts with Customers", the transaction price allocated to these unsatisfied contracts is not disclosed.



The following is an analysis of the Group's segment revenue and results by operating segments:

	Segment revenue —		Segment profit (loss)	
	recognised at			
	2024	2023	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Hong Kong	<b>943,518</b>	1,008,210	<b>35,644</b>	80,030
The PRC	<b>2,570,663</b>	2,559,988	<b>471,223</b>	475,505
Macau	<b>124,577</b>	136,479	<b>17,327</b>	24,673
	<b><u>3,638,758</u></b>	<b><u>3,704,677</u></b>	<b>524,194</b>	580,208
Unallocated other income			<b>29,439</b>	14,060
Unallocated corporate expenses			<b>(166,301)</b>	(169,378)
Unallocated other gains and losses			<b>(5,163)</b>	2,379
Interest on bank loan			—	(102)
Share of results of associates			<b>16,578</b>	13,116
Share of result of a joint venture			<b>(2,273)</b>	(225)
Profit before taxation			<b><u>396,474</u></b>	<b><u>440,058</u></b>

Segment profit represents the profit before taxation earned by each segment without allocation of interest on bank loan, share of results of associates and a joint venture, unallocated other income, unallocated other gains and losses, and unallocated corporate expenses. Unallocated corporate expenses include auditor's remuneration, directors' emoluments, expenses of the Group's headquarter which are unallocated between the operating segments and operating expenses of inactive companies. This is the measure reported to the CODM of the Group for the purposes of resources allocation and performance assessment.

The Group has no customer who contributed over 10% of the total revenue of the Group for any of the years ended 31 March 2024 and 2023.

All segment revenue is generated from external customers for both years.

The following is an analysis of the Group's assets and liabilities by operating segments.

	Segment assets		Segment liabilities	
	2024	2023	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Hong Kong	<b>552,601</b>	661,075	<b>242,313</b>	354,847
The PRC	<b>592,454</b>	565,555	<b>155,920</b>	129,931
Macau	<b>72,698</b>	86,072	<b>48,339</b>	64,896
	<hr/>	<hr/>	<hr/>	<hr/>
Segment total	<b>1,217,753</b>	1,312,702	<b>446,572</b>	549,674
Unallocated	<b>1,169,722</b>	1,306,556	<b>144,936</b>	173,653
	<hr/>	<hr/>	<hr/>	<hr/>
Group's total	<b><u>2,387,475</u></b>	<b><u>2,619,258</u></b>	<b><u>591,508</u></b>	<b><u>723,327</u></b>

The segment assets by location of assets are the same as by location of markets of the goods sold.

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than investment properties, interests in associates, interest in a joint venture, equity instruments at FVTOCI, financial assets at FVTPL, loan receivables, deferred tax assets, taxation recoverable, cash and cash equivalents, and other unallocated corporate assets; and
- all liabilities are allocated to operating segments other than taxation payable, deferred tax liabilities, and other unallocated corporate liabilities.

## Other segment information

Amounts included in the measure of segment results or segment assets:

	Additions of property, plant and equipment		Additions of right-of-use assets		Gain on leases termination		Depreciation of property, plant and equipment		Depreciation of right-of-use assets		(Loss) gain on disposal/written off of property, plant and equipment		Impairment recognised under ECL model		(Allowance) reversal of allowance for inventories	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Hong Kong	24,096	26,449	36,021	14,235	—	—	(34,185)	(33,751)	(80,270)	(99,495)	(636)	(755)	—	—	(3,879)	17,635
The PRC	31,368	22,591	71,125	—	2,696	—	(16,217)	(9,760)	(26,780)	(14,890)	240	2,371	(3,559)	(1,834)	(1,011)	1,029
Macau	59	—	—	25,708	—	—	(87)	(100)	(14,964)	(22,277)	—	—	—	—	1,485	5,730
Segment and Group's total	<u>55,523</u>	<u>49,040</u>	<u>107,146</u>	<u>39,943</u>	<u>2,696</u>	<u>—</u>	<u>(50,489)</u>	<u>(43,611)</u>	<u>(122,014)</u>	<u>(136,662)</u>	<u>(396)</u>	<u>1,616</u>	<u>(3,559)</u>	<u>(1,834)</u>	<u>(3,405)</u>	<u>24,394</u>

*Note:* The amounts of interest in associates and share of results of associates, and the interest in a joint venture and share of result of a joint venture, are presented to the CODM as a whole but not included in the measure of segment profit or loss or segment assets.

Information about the Group's non-current assets (excluding equity instruments at FVTOCI, financial assets at FVTPL, loan receivables, deferred tax assets, interests in associates and interest in a joint venture) by geographical location of the assets is detailed below:

	Carrying amount of non-current assets	
	2024	2023
	HK\$'000	HK\$'000
Hong Kong	349,450	455,369
The PRC	124,899	76,103
Macau	46,927	63,945
Other	35,155	8,261
	<u>556,431</u>	<u>603,678</u>

#### 4. OTHER INCOME

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Interest income from bank	20,793	12,452
Interest income from loan receivables at amortised cost	9,528	1,608
Interest income from rental deposits	1,096	888
Government subsidies ( <i>note</i> )	9,487	9,644
Rental income	1,179	100
Others	7,140	5,846
	<u>49,223</u>	<u>30,538</u>

*Note:*

During the year ended 31 March 2023, the Group recognised government grants in respect of COVID-19-related subsidies, including subsidies from the Employment Support Scheme provided by the Hong Kong Government of HK\$4,440,000 (2024: Nil). The remaining government subsidies for both years mainly comprised of unconditional subsidies received for subsidising the Group's business in the PRC.

#### 5. OTHER GAINS AND LOSSES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Changes in fair value of loan receivables at FVTPL	3,442	3,384
Changes in fair value of financial assets at FVTPL	(2,038)	(1,710)
Change in fair value of investment properties	259	65
Loss on deregistration of a subsidiary	(497)	—
Loss on disposal of partial interest in associates	(7,554)	—
Gain on leases termination	2,696	—
(Loss) gain on disposal/written off of property, plant and equipment	(396)	1,616
Gain on redemption of debt instruments at FVTOCI	—	16
Net exchange gains	282	996
Others	(48)	—
	<u>(3,854)</u>	<u>4,367</u>

## 6. FINANCE COSTS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Interest on bank loan	—	102
Interest on lease liabilities	<u>13,663</u>	<u>14,510</u>
	<u><b>13,663</b></u>	<u><b>14,612</b></u>

## 7. PROFIT BEFORE TAXATION

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Profit before taxation has been arrived at after charging:		
Directors' remuneration	111,787	121,548
Other staff costs	169,648	163,180
Other staff's retirement benefits scheme contributions	<u>4,547</u>	<u>4,255</u>
Total staff costs	<u>285,982</u>	<u>288,983</u>
Auditor's remuneration	3,600	3,500
Cost of inventories recognised as expense (including allowance for inventories of HK\$3,405,000 (2023: reversal of allowance for inventories of HK\$24,394,000))	2,488,028	2,515,967
Depreciation of property, plant and equipment	50,489	43,611
Depreciation of right-of-use assets	<u>122,014</u>	<u>136,662</u>

## 8. INCOME TAX EXPENSE

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Current tax:		
Hong Kong	1,788	512
PRC Enterprise Income Tax	119,864	120,626
Other jurisdictions	2,556	2,347
Withholding tax on dividend income from associates	2,337	2,554
Withholding tax on dividend income from subsidiaries	15,017	20,779
	<u>141,562</u>	<u>146,818</u>
Under(over) provision in prior years:		
Hong Kong	2,475	2,857
Other jurisdictions	1,211	(615)
	<u>3,686</u>	<u>2,242</u>
Deferred taxation charge (credit)	<u>76</u>	<u>(4,526)</u>
	<u><u>145,324</u></u>	<u><u>144,534</u></u>

Hong Kong Profits Tax for both years is calculated at 16.5% of the estimated assessable profits for the year, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered profits tax rates regime. For this subsidiary, the first HK\$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years, after setting off of tax losses brought forward, if any.

Taxation in other jurisdictions mainly represent Macau SAR Complementary Tax, which is calculated at the rate of 12% on the estimated assessable profits for both years.

## 9. DIVIDENDS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Dividends recognised as distribution during the year:		
Interim dividend for financial year ended 31 March 2024 of 7.0 HK cents (2023: 7.8 HK cents) per share on 487,358,224 (2023: 487,358,224) shares	34,115	38,014
Interim special dividend for financial year ended 31 March 2024 of 21.5 HK cents (2023: 23.5 HK cents) per share on 487,358,224 (2023: 487,358,224) shares	104,782	114,529
Final dividend for financial year ended 31 March 2023 of 7.5 HK cents (2022: 10.0 HK cents) per share on 487,358,224 (2022: 487,358,224) shares	36,552	48,736
Special dividend for financial year ended 31 March 2023 of 22.0 HK cents (2022: 30.5 HK cents) per share on 487,358,224 (2022: 487,358,224) shares	107,219	148,644
	<u>282,668</u>	<u>349,923</u>
Dividends proposed after year end ( <i>note</i> ):		
Proposed final dividend for financial year ended 31 March 2024 of 5.8 HK cents (2023: 7.5 HK cents) per share on 487,358,224 (2023: 487,358,224) shares	28,267	36,552
Proposed special dividend for financial year ended 31 March 2024 of 17.2 HK cents (2023: 22.0 HK cents) per share on 487,358,224 (2023: 487,358,224) shares	83,826	107,219
	<u>112,093</u>	<u>143,771</u>

*Note:* Subsequent to the end of the reporting period, a final dividend and a special dividend for the year ended 31 March 2024 have been proposed by the directors of the Company and are subject to approval by the shareholders in the forthcoming annual general meeting.

## 10. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

	<b>2024</b> <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<u>Earnings</u>		
Earnings for the purposes of basic and diluted earnings per share (profit for the year attributable to owners of the Company)	<b>250,488</b>	295,432
	<b>2024</b> <i>'000</i>	2023 <i>'000</i>
<u>Number of shares</u>		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	<b>487,358</b>	487,358

## 11. RIGHT-OF-USE ASSETS

	<b>Leased properties</b> <i>HK\$'000</i>
<b>As at 31 March 2024</b>	
Carrying amount	238,132
<b>As at 31 March 2023</b>	
Carrying amount	314,213



	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<b>Expenses related to leases</b>		
Expenses relating to short-term leases	20,329	21,354
Variable lease payments not included in the measurement of lease liabilities	59,400	56,420
Depreciation for the year	<u>122,014</u>	<u>136,662</u>
	<b><u>201,743</u></b>	<b><u>214,436</u></b>
Analysed as:		
Distribution and selling expenses	189,552	203,629
Administrative expenses	<u>12,191</u>	<u>10,807</u>
	<b><u>201,743</u></b>	<b><u>214,436</u></b>

For both years, the Group leases various retail shops and offices for its operations. Lease contracts are entered into for fixed terms of 1 year to 7 years (2023: 1 year to 8 years), but may have extension options. 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.

## 12. INTERESTS IN ASSOCIATES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Cost of investments in unlisted associates	46,157	59,192
Exchange adjustments	(3,900)	904
Share of post-acquisition profits, net of dividends received	<u>22,616</u>	<u>21,456</u>
	<b><u>64,873</u></b>	<b><u>81,552</u></b>

Included in the interests of investments are goodwill of HK\$19,270,000 (2023: HK\$25,842,000) arising on acquisition of associates.

**13. EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME**

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Unlisted investments	<u>27,835</u>	<u>13,359</u>

*Note:*

The directors of the Company have elected to designate these investments as at FVTOCI as they believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes and realising their performance in the long run.

The amount of the Group's financial assets at FVTOCI denominated in currencies other than functional currencies of the relevant group's entities is set out below:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Swiss Fran ("CHF")	<u>24,588</u>	<u>—</u>

**14. INVENTORIES**

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Watches	438,663	411,148
Accessories and parts	<u>4,334</u>	<u>11,054</u>
	<u>442,997</u>	<u>422,202</u>

**15. LOAN RECEIVABLES**

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Loan receivables at FVTPL	21,988	61,402
Loan receivables at amortised cost	<u>54,260</u>	<u>—</u>
	<u>76,248</u>	<u>61,402</u>

The following is the maturity profile of the loan receivables at the end of the reporting period:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Repayable after one year	54,260	20,038
Repayable within one year	<u>21,988</u>	<u>41,364</u>
	<u><u>76,248</u></u>	<u><u>61,402</u></u>

## 16. TRADE AND OTHER RECEIVABLES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade receivables	227,114	267,161
<i>Less: Allowance for credit losses</i>	<u>(7,872)</u>	<u>(4,653)</u>
	219,242	262,508
Property rental and other deposits	21,869	21,198
Advances to suppliers	5,433	6,772
Others	<u>7,521</u>	<u>4,881</u>
	<u><u>254,065</u></u>	<u><u>295,359</u></u>

As at 1 April 2022, trade receivables from contract with customers, net of allowance for credit losses, amounted to HK\$179,615,000.

The Group maintains a general credit policy of not more than 30 days for its retail sales in department stores. Sales made to retail customers are mainly made on a cash basis. The following is an aged analysis of trade receivables net of allowance for credit losses based on the invoice date at the end of the reporting period:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<u>Age</u>		
0 to 30 days	136,433	217,860
31 to 60 days	14,920	20,246
61 to 90 days	19,012	17,708
Over 90 days	<u>48,877</u>	<u>6,694</u>
	<u><u>219,242</u></u>	<u><u>262,508</u></u>

As at 31 March 2024, included in the Group's trade receivables balance are debtors with aggregate carrying amount of HK\$82,809,000 (2023: HK\$44,648,000) which are past due as at the reporting date. Out of the past due balances, HK\$48,877,000 (2023: HK\$6,694,000) has been past due 90 days or more. These balances are not considered as in default because historical experience indicated that such receivables could be recoverable from the relevant debtors. The Group does not hold any collateral over these balances.

## 17. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Listed investments		
Equity securities listed in Hong Kong	10,915	13,436
Equity securities listed in overseas	<u>1,311</u>	<u>1,228</u>
	12,226	14,664
Unlisted investments	<u>18,695</u>	<u>15,007</u>
	<b><u>30,921</u></b>	<b><u>29,671</u></b>
Analysed as:		
Current portion	12,226	14,664
Non-current portion	<u>18,695</u>	<u>15,007</u>
	<b><u>30,921</u></b>	<b><u>29,671</u></b>

The amount of the Group's financial assets at FVTPL denominated in currencies other than functional currencies of the relevant group's entities is set out below:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
US\$	<b><u>20,006</u></b>	<b><u>16,235</u></b>

## 18. TRADE AND OTHER PAYABLES AND CONTRACT LIABILITIES

### Trade and other payables

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade payables	34,927	38,184
Payroll and welfare payables	110,957	120,174
Commission payables	53,639	42,330
Renovation work payables	6,237	5,610
PRC value added tax and other taxes payables	24,142	43,886
Property rental fee payables	11,339	13,130
Others	11,891	14,399
	<u>253,132</u>	<u>277,713</u>

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<u>Age</u>		
0 to 60 days	32,626	35,557
61 to 90 days	39	—
Over 90 days	2,262	2,627
	<u>34,927</u>	<u>38,184</u>

The average credit period on purchases of goods is 30 days.

### Contract liabilities

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Contract liabilities on sales of watches	<u>6,868</u>	<u>20,677</u>

## 19. LEASE LIABILITIES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Lease liabilities payable:		
Within one year	132,560	121,724
Within a period of more than one year but not more than two years	67,501	113,966
Within a period of more than two years but not more than five years	<u>66,364</u>	<u>116,431</u>
	266,425	352,121
<i>Less: Amount due for settlement with 12 months shown under current liabilities</i>	<u>(132,560)</u>	<u>(121,724)</u>
Amount due for settlement after 12 months shown under non-current liabilities	<u><u>133,865</u></u>	<u><u>230,397</u></u>

## 20. SHARE CAPITAL

	Number of shares	Amount <i>HK\$'000</i>
Ordinary shares of HK\$0.10 each		
Authorised:		
At 1 April 2022, 31 March 2023 and 31 March 2024	<u><u>1,000,000,000</u></u>	<u><u>100,000</u></u>
Issued and fully paid:		
At 1 April 2022, 31 March 2023 and 31 March 2024	<u><u>487,358,224</u></u>	<u><u>48,736</u></u>

## 21. SHARE-BASED PAYMENT TRANSACTION

### (a) 2013 Share Option Scheme

Pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 13 August 2013, a new share option scheme was adopted with effect on 3 November 2013 (the “2013 Share Option Scheme”) after the expiry of the 2003 Share Option Scheme.

Under the 2013 Share Option Scheme, options might be granted to (i) any director, employee or consultant of the Group or a company in which the Company held an equity interest or a subsidiary of such company (“Affiliate”); or (ii) any discretionary trust whose discretionary objects included any director, employee or consultant of the Group or an Affiliate; or (iii) a company beneficially owned by any director, employee or consultant of the Group or an Affiliate; or (iv) any customer, supplier or adviser whose service to the Group or business with the Group contributed or was expected to contribute to the business or operation of the Group. The purpose of the 2013 Share Option Scheme was to attract and retain quality personnel and other persons to provide incentive to them to contribute to the business and operation of the Group. The total number of shares available for issue under the 2013 Share Option Scheme as at 2 November 2023, the expiry date of such scheme, was 57,061,022 shares representing about 11.7% of the issued share capital of the Company on such date. No eligible persons should be granted an option in any 12-month period for such number of shares (issued and to be issued) which in aggregate would exceed 1% of the share capital of the Company in issue on the last day of such 12-month period unless approval of the shareholders of the Company had been obtained in accordance with the Listing Rules. The exercisable period was determined by the directors of the Company, which should not be more than ten years from the date of grant, and might include a minimum period for which the options must be held before it could be exercised. The exercise price per share payable on the exercise of an option equal to the highest of:

- (a) the nominal value of one share;
- (b) the closing price per share as stated in the Stock Exchange’s daily quotations sheet on the date of grant; and
- (c) the average closing price per share as quoted in the Stock Exchange’s daily quotations sheet for the five business days immediately preceding the date of grant.

The 2013 Share Option Scheme expired on 2 November 2023.

No option was granted, exercised, lapsed or forfeited under the 2013 Share Option Scheme since its effective date on 3 November 2013 and there was no outstanding share option as at 31 March 2024 and 31 March 2023.

**(b) 2022 Share Award Scheme**

On 27 June 2022 (the “Adoption Date”), the Company adopted the employees’ share award scheme (the “2022 Share Award Scheme”). Pursuant to the 2022 Share Award Scheme, it shall be valid and effective for a term of 10 years commencing from the Adoption Date. Under the 2022 Share Award Scheme, any employee, executive, officer, or directors of the Company or of any subsidiary are eligible for participation in the scheme. The purposes and objectives of the 2022 Share Award Scheme are to recognise and motivate the contributions by certain eligible persons and to provide them with incentives in order to retain them for the continual operation and development of the Group and to help the Group in attracting and recruiting suitable personnel as additional employees to further the operation and development of the Group, and to provide the eligible persons with a direct economic interest in attaining the long-term business objectives of the Group. The board of directors shall not make any further award which will result in: (i) the number of shares awarded by the board under the scheme exceeding 10% of the issued share capital of the Company as at the Adoption Date; or (ii) the number of the shares held by public shareholders falls below the minimum percentage as prescribed under the Listing Rules. The maximum number of shares which may be awarded to each selected person under the scheme shall not exceed 1% of the issued share capital of the Company as at the Adoption Date.

For further details of the principal terms of the 2022 Share Award Scheme, please refer to the Company’s announcement on 27 June 2022. No share award was granted under the 2022 Share Award Scheme since the Adoption Date.

The total number of awards available for grant under the 2022 Share Award Scheme was 48,735,822 shares both as at 1 April 2023 and 26 June 2024. Under such scheme, there is no provision on (a) the vesting period of awards to be granted; and (b) the amount payable on application or acceptance of the award and the period within which payments or calls must or may be made or loans for such purposes must be repaid. All these are subject to the discretion of the board of directors of the Company on the granting of an award under such scheme.

During the year ended 31 March 2024 and 2023, no share-based payment expense was recognised in relation to share option scheme and share award scheme mentioned above.

**22. CAPITAL COMMITMENTS**

	<b>2024</b>	2023
	<b><i>HK\$’000</i></b>	<i>HK\$’000</i>
Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements	<b><u>3,045</u></b>	<u>2,215</u>



## **DIVIDENDS**

The directors proposed to pay a final dividend of 5.8 Hong Kong cents per share for the year ended 31 March 2024 (2023: 7.5 Hong Kong cents) and a special dividend of 17.2 Hong Kong cents per share (2023: 22.0 Hong Kong cents) to the shareholders whose names appear on the register of members of the Company on 14 October 2024. Subject to approval at the forthcoming annual general meeting, dividend warrants will be sent to shareholders on or before 30 October 2024.

## **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from 8 October 2024 to 14 October 2024 (both days inclusive) during which period no transfer of shares will be effected. In order to qualify for the proposed final dividend and special dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrars, Tricor Secretaries Limited, at 17th Floor, Far East Finance Centre, No. 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on 7 October 2024.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **Group Results**

On behalf of the Board of Directors (the "Board") of Oriental Watch Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group"), I hereby present you the audited consolidated results of the Group for the year ended 31 March 2024 (the "Year").

The Greater China region experienced a slow recovery from the impact of the Covid-19 pandemic. Initially, the easing of restrictions and reopening of borders instilled optimism for a better consumer market. However, the anticipated recovery did not materialize as expected. While industrial output and fixed asset investment showed some acceleration, the retail sales performance remained stagnant. Moreover, the troubled real estate industry in Mainland China, along with worsening investment returns and growing macro uncertainties such as high youth unemployment rate, have heightened consumers' financial uncertainty. This, in turn, has resulted in a more conservative consumer sentiment especially towards high-end products, including luxury watches. Consequently, the Group faced notable operating pressure during the Year.

Despite the challenging market conditions, the Group’s established brand profile and network, coupled with stringent cost control measures, enabled it to maintain its revenue at a similar level, with a slight decrease of 1.8% year-on-year (“yoy”) to HK\$3,639 million (2023: HK\$3,705 million). The gross profit slightly decreased by 3.2% yoy to HK\$1,151 million (2023: HK\$1,189 million), with gross profit margin largely remained stable at 31.6% (2023: 32.1%). It is worth noting that the revenue mix underwent a significant change due to the Covid-19 pandemic, with the Mainland China surpassing Hong Kong as the Group’s major revenue contributor. This led to a corresponding change in the Group’s cost structure, ultimately leading to a 15.3% yoy drop in profit attributable to owners of the Company to HK\$250 million (2023: HK\$295 million).

To show our appreciation for shareholders’ continuous support and taking into consideration the financial results, the Board has resolved to recommend a final dividend of 5.8 HK cents per share (2023: 7.5 HK cents) and a special dividend of 17.2 HK cents per share (2023: 22.0 HK cents) for the year ended 31 March 2024. This decision reflects the Board’s confidence in the Group’s long-term prospects and its commitment to rewarding shareholders.

## Business Review

As at 31 March 2024, the Group operated 44 retail points (including associate retail stores) in the Greater China region, along with 1 online store in each of Mainland China and Hong Kong respectively. Breakdown of retail points by geographic region is as follows:

	<b>As at 31 March 2024</b>
Hong Kong	12
Macau	1
Mainland China	29
Taiwan	<u>2</u>
Total	<u><u>44</u></u>

Despite the slower-than-expected market recovery, the Group demonstrated its resilience and adaptability by maintaining its business and revenue scale in the Mainland China market, reaching HK\$2,571 million (2023: HK\$2,560 million). This achievement highlights the Group’s ability to navigate challenging economic conditions. Throughout the Year, the Group strategically established several boutique stores in Mainland China, aiming to improve relationships with brand owners and expand its network with lower capital commitment. These initiatives position the Group for future growth and reinforce its presence in the region.

In Hong Kong, the economic challenges were even more profound, with the 2023 gross domestic product (GDP) growth falling short of the initially projected 3.4% guidance, even after a downward revision earlier in 2023. The general retail market experienced fluctuations. Despite a rebound in Hong Kong retail market in the first half of 2023, there was an increase in tourism outbound by the Hong Kong citizens together with a lower-than-expected number of tourists visiting the city, resulted in lower local consumption. Furthermore, there has been a shift in tourists' visiting behaviour towards seeking more in-depth experiences rather than traditional shopping tours, posing additional challenges for the Group. As a result, the Group's sales in Hong Kong reported a decrease of 6.3% yoy to HK\$944 million (2023: HK\$1,008 million). However, the Group proactively responded to the difficult retail environment by focusing on network enhancement and cost control measures to streamline operations.

One notable strategic move was the comprehensive revamping and expansion of the shop network in prime shopping areas across Hong Kong, Macau and Mainland China. For example, we have strategically relocated the Group's Causeway Bay store to a more bustling area favoured by younger generation, further diversifying the target customer demographic. This strategic decision aligns with the Group's objective of optimizing its retail presence by capitalizing on changing consumer preferences and capturing new market segments. By establishing a presence in more dynamic and youthful areas, the Group aims to attract a broader customer base and enhance its competitive position in the Greater China region.

Managing operating costs is a critical aspect of the Group's efficient operation strategy, particularly on rental costs which constitute a significant portion of its overall expenses. The Group monitors closely on store performance and close down high-rent yet non-performing stores. During the Year, the Group made concerted efforts to minimize these costs through renegotiations. In Hong Kong, the Group leveraged its close relationships with landlords to secure favourable rent rates for both its new and existing stores. These negotiations resulted in cost savings, enabling the Group to optimize its operating expenses while maintaining its presence in key locations. Conversely, in Mainland China, the Group experienced an increase in base rent for the year due to the backdrop of previous strong sales performance. The decrease in rent in Hong Kong helped offset the increase, resulting in a decrease of 5.6% in aggregate expenses related to lease, amounting to HK\$202 million (2023: HK\$214 million), accounting for 24.9% of the overall operating expenses (2023: 26.9%).

In addition to managing rental costs, the Group implemented a stringent inventory policy to ensure a healthy financial position. The Group closely monitors the inventory level of high-ticket products and replenished them only when they reach safety stock levels. This approach helps optimize inventory management, reduce carrying costs, and mitigate the risk of excess stock. Yet, following the reopening of border and the relaxation of Covid-19 policy, various brand owners expressed more optimistic views of the Mainland China market. As a distributor, the Group had to adjust the inventory level accordingly, resulted in a slight increase of 5.0% yoy in inventory to HK\$443 million (2023: HK\$422 million). Nevertheless, this inventory level still represents a significant improvement compared to that of mid-2022, indicating the Group's proactive measures to align its inventory with market demand.

## **Prospects**

Stepping into the second half of 2024, it is expected that the challenging conditions in the luxury watch industry may persist. According to the Federation of the Swiss Watch Industry FH, there have been a significant drop of 22.7% yoy and 25.6% yoy in the amount of Swiss watch exports to Mainland China and Hong Kong, respectively, during the first quarter of 2024. This decline indicates a general slowdown in inventory turnover among distributors and a prevailing reservation towards inventory replenishment. On the backdrop of weak 2023 China economy, this may point towards a challenging luxury retail market in 2024.

In light of the evolving market dynamics, the Group maintains an unwavering commitment to prudent financial management, operational efficiency and cost control measures. The Group will constantly review and refine its operational strategies by carefully monitoring inventory and optimizing lease agreements. This allows it to adapt swiftly to the changing market conditions and make informed decisions regarding the opening of new boutique stores to further expand its network with limited capital input. The Group will also remain steadfast in enhancing its service quality through strategic collaboration with more branded partners to diversify product mix and leveraging digital platforms for customer engagement. These efforts aim to drive better customer acquisition and foster loyalty among existing customers and sustain its competitive edge in the industry. By combining these initiatives, the Group strives to generate even greater value for all its stakeholders while to provide stable returns to its valued shareholders.

## **FINANCIAL REVIEW**

### **Liquidity and financial resources**

At 31 March 2024, the Group's total equity reached HK\$1,796 million, compared with HK\$1,896 million as at 31 March 2023. The Group had net current assets of HK\$1,208 million, including bank and cash balances of HK\$899 million as at 31 March 2024, as compared with balances of HK\$1,390 million and HK\$1,079 million respectively as at 31 March 2023. At 31 March 2024 and 2023, the Group had no bank loan and the gearing ratio (defined as total bank loan on total equity) was nil.

Management considers that the financial position of the Group is healthy with adequate funds and unused banking facilities.

### **Foreign exchange exposure**

The Group's sales and purchase transactions are primarily denominated in Hong Kong dollars and Renminbi. The Group does not face any significant risk from exposure to foreign exchange fluctuations.

## **HUMAN RESOURCES**

As at 31 March 2024, our Group employed approximately 596 employees in Hong Kong, Macau and Mainland China, of whom approximately 62% were located on Mainland China.

Our employees' compensation packages include basic salary, commission, annual bonus, medical insurance and other common benefits. They are structured by reference to the nature of their posts, experiences and performance, and are reviewed annually based on the Group's objective performance appraisal system.

The Group has allocated significant resources to provide training programmes to employees to improve their services to customers. The management team has used results of a "Mystery Shoppers Programme" conducted by an independent consultancy firm to tailor-made training programmes for specific shop and at individual level.

The Group has also developed a series of training programmes for senior executives with diverse topics ranging from leadership, personal development and effectiveness, task and team management. These programmes enable our senior executives to improve their management skills and bring in innovative ideas to the Group.

The Company has adopted (i) a share option scheme relating to the grant of options to subscribe for shares of the Company which expired on 2 November 2023; and (ii) a share award scheme relating to award of shares of the Company purchased by the trustee or the administration committee of such scheme out of fund paid by the Company to eligible persons including directors and employees of the Group. These schemes enable the Group to offer valuable incentive to attract and retain quality personnel and other persons to work to increase the value of the shares of the Company.

## **REVIEW OF CONSOLIDATED FINANCIAL STATEMENTS**

The Audit Committee of the Company has reviewed the consolidated financial statements of the Group for the year ended 31 March 2024.

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

During the year, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

## **CORPORATE GOVERNANCE**

The Company is committed to the establishment of good governance practices and procedures. The Company has met the code provisions of the Corporate Governance Code ("CG Code") set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the year ended 31 March 2024, except the following deviations:

1. Under Code Provision C.2.1, the roles of the chairman and chief executive should be separated and should not be performed by the same individual. However, such roles have been taken up by Mr. Yeung Him Kit, Dennis since 10 February 2021 after Dr. Yeung Ming Bui, the Company's former chairman, passed away as the Board considers that he is the most suitable person with the necessary experience to provide leadership to the Board as well as to manage the day-to-day operations of the Group.
2. For Code provision F.1.1 which relates to disclosure of dividend policy, the Company does not have a dividend policy and the Board will decide on the declaration/recommendation of any future dividends after taking into consideration a number of factors, including the prevailing market conditions, the Group's operating results, business plans and prospects, financial position and working capital requirements, and other factors that the Board considers relevant.

3. Upon the passing away of Dr. Li Sau Hung, Eddy on 25 March 2024, the Company did not have (i) at least three independent non-executive directors as required under Rule 3.10(1) of the Listing Rules; (ii) a minimum of three members in its audit committee as required under Rule 3.21 of the Listing Rules; (iii) an independent non-executive director as the chairman of its remuneration committee and a majority of such committee's members being non-executive directors as required under Rule 3.25 of the Listing Rules; and (iv) a majority of independent non-executive directors in its nomination committee as required under Rule 3.27A of the Listing Rules. The requirements of such rules have been complied with upon the appointment of Mr. Sin Nga Yan, Benedict as an independent non-executive director of the Company and changes in membership of the above-mentioned committees on 12 June 2024 as announced on the same date.

## **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code set out in Appendix C3 to the Listing Rules as its own code of conduct regarding directors' securities transactions. Enquiry has been made with all directors as at 31 March 2024 and all such directors have confirmed that they had complied with the required standard set out in the Model Code throughout the year ended 31 March 2024.

## **AUDIT COMMITTEE**

The Audit Committee, together with the management of the Company, has reviewed the accounting principles and practices adopted by the Group and discussed internal control and financial reporting matters including the review of audited consolidated financial statements for the year ended 31 March 2024.

## **REVIEW OF PRELIMINARY ANNOUNCEMENT**

The figures in respect of the Group's consolidated statement of comprehensive income, consolidated statement of financial position and the related notes thereto for the year ended 31 March 2024 have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

## **ANNUAL GENERAL MEETING**

It is proposed that the Annual General Meeting will be held on 28 August 2024. Notice of the Annual General Meeting will be published and dispatched to the shareholders in due course.

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

The final results announcement is published on the websites of The Stock Exchange of Hong Kong Limited at ([www.hkex.com.hk](http://www.hkex.com.hk)) and the Company at ([www.orientalwatch.com](http://www.orientalwatch.com)). The 2024 annual report containing all information required by the Listing Rules will be dispatched to the Company's shareholders and available on the above websites in due course in accordance with the Listing Rules.

## **MEMBERS OF THE BOARD OF DIRECTORS**

As at the date of this announcement, the Board comprises Mr. Yeung Him Kit, Dennis (Chairman), Madam Yeung Man Yee, Shirley and Mr. Lam Hing Lun, Alain as executive directors and Mr. Choi Man Chau, Michael, Mr. Sun Dai Hoe, Harold and Mr. Sin Nga Yan, Benedict as independent non-executive directors.

By order of the Board  
**Yeung Him Kit, Dennis**  
*Chairman*

Hong Kong, 26 June 2024