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WINOX

WINOX HOLDINGS LIMITED

盈利時控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 6838)

2024 ANNUAL RESULTS

FINANCIAL HIGHLIGHTS

- The Group's revenue amounted to HK\$681,678,000, representing a corresponding decrease of 12.0%.
- The Group's gross profit amounted to HK\$109,444,000, representing a corresponding decrease of 51.2%.
- The Group's loss for the year amounted to HK\$20,329,000.
- Basic loss per share amounted to HK3.4 cents.
- The Board does not recommend the payment of a final dividend for the year ended 31 December 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The principal focus of Winox Holdings Limited (the "Company", together with its subsidiaries, the "Group") remains on the development and manufacture of premium stainless steel products, and our major business segments are, namely, watch bracelets, mobile phone cases and parts, smart wearable cases and parts, and fashion accessories.

For the year ended 31 December 2024, the world's major economies have been facing different challenges, the US economy has been facing the impact arising from the high interest rate, the Euro zone has been adversely affected by the prolonged military conflict between Russia and Ukraine, and the slow recovery of the China's economy. Under this backdrop, the world's demand for luxury personal goods has become sluggish and the sales of the Group's products were inevitably affected.

The revenue of our watch bracelets and fashion accessories for the year ended 31 December 2024 decreased by 28.9% and 30.7% respectively as compared to last year. The revenue of our smart wearable cases and parts decreased by 13.0% as compared to last year.

The revenue of our mobile phone cases and parts for the year ended 31 December 2024 increased by 7.3% as compared to last year.

FINANCIAL REVIEW

Revenue

For the year ended 31 December 2024, the Group's revenue decreased by 12.0% to HK\$681,678,000 (2023: HK\$774,727,000) as compared to last year. Revenue attributable to watch bracelets, mobile phone cases and parts, smart wearable cases and parts, and fashion accessories were 28.0%, 44.7%, 23.0% and 4.3% respectively (2023: 34.6%, 36.6%, 23.3% and 5.5%).

During the year, the Group's revenue of watch bracelets reported a decrease of 28.9% to HK\$190,626,000 (2023: HK\$267,940,000) as compared to last year.

During the year, revenue of mobile phone cases and parts was HK\$304,378,000 (2023: HK\$283,570,000), representing an increase of 7.3% as compared to last year.

Revenue of smart wearable cases and parts for the year recorded a decrease of 13.0% to HK\$157,130,000 (2023: HK\$180,613,000).

Revenue of fashion accessories for the year recorded a decrease of 30.7% to HK\$29,544,000 (2023: HK\$42,604,000).

Gross Profit

Gross profit for the year decreased by 51.2% to HK\$109,444,000 (2023: HK\$224,288,000) as compared to last year. Gross profit margin for the year decreased by 12.9 percentage points to 16.1% (2023: 29.0%) which was mainly due to the decrease in sales and severe market competition in terms of price cutting amongst domestic manufacturers.

Loss for the Year

Loss for the year was HK\$20,329,000 (2023: profit of HK\$63,726,000) and basic loss per share for the year was HK3.4 cents (2023: basic earnings per share of HK10.6 cents).

Cost of Sales

Cost of sales included costs of production materials and labour, and manufacturing overhead and other costs. The following table sets forth the breakdown of the cost of sales for the year ended 31 December 2024:

	2024	2023
	HK\$'000	HK\$'000
Direct materials costs	278,148	247,737
Direct labour costs	204,247	209,092
Manufacturing overhead and other costs	89,839	93,610
	572,234	550,439

For the year ended 31 December 2024, direct materials costs accounted for about 48.6% (2023: 45.0%) of the total cost of sales.

Direct labour costs, and manufacturing overhead and other costs accounted for about 35.7% and 15.7% (2023: 38.0% and 17.0%) of the total cost of sales respectively.

Other Income

Other income for the year amounted to HK\$16,474,000 (2023: HK\$9,916,000), representing an increase of 66.1% as compared to last year which were mainly due to the increase in time deposit interest.

Other Gains and Losses

Other gains for the year amounted to HK\$384,000 (2023: losses of HK\$201,000).

Expenses

Selling and distribution costs decreased by 19.3% to HK\$13,752,000 for the year as compared to HK\$17,041,000 for last year.

Administrative and other expenses decreased by 12.2% to HK\$98,956,000 (2023: HK\$112,291,000) for the year as compared to last year.

Research and development expenses decreased by 6.2% to HK\$27,834,000 (2023: HK\$29,670,000) as compared to last year.

During the year, finance costs amounted to HK\$2,866,000 (2023: HK\$4,271,000), representing a decrease of 32.9% as compared to last year which was mainly due to the decrease in average balance of bank borrowings.

Taxation

Hong Kong Profits Tax

Under the two-tiered profits tax rates regime, the first HK\$2 million of assessable profits of a qualifying group entity will be taxed at 8.25%, and assessable profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profit for both years.

PRC Enterprise Income Tax (the “EIT”)

Under the Law of the PRC on EIT (“EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of group entities in the PRC is 25%. Certain PRC subsidiaries of the Group were awarded the High and New Technology Enterprise (“HNTE”) certificate in current year to be eligible to a tax rate of 15% for three years until 31 December 2025. The recognition as a HNTE is subject to review every three years by the relevant government bodies.

According to relevant laws and regulations promulgated by the State Administration of Tax of the PRC, enterprises engaging in research and development activities are entitled to claim 200% (2023: 200%) of their qualified research and development expenses so incurred as tax deductible expenses when determining their assessable profits for the year (“Super Deduction”).

The Group has made its best estimate for the Super Deduction to be claimed for the subsidiaries in ascertaining their assessable profits for the year.

Inventories

	2024	2023
	HK\$'000	HK\$'000
Raw materials	8,656	9,227
Work in progress	41,101	39,601
Finished goods	14,487	11,530
	64,244	60,358

As at 31 December 2024, the Group recorded an inventory balance of HK\$64,244,000 (31 December 2023: HK\$60,358,000), representing an increase of 6.4%. The inventory turnover of the Group for year ended 31 December 2024 was 39.8 days as compared to 50.6 days for the year ended 31 December 2023.

Trade Receivables

As at 31 December 2024, the trade receivables of the Group amounted to HK\$166,055,000 (31 December 2023: HK\$141,884,000). The credit periods granted to our customers were considered on individual basis ranging from 30 days to 90 days. Generally, no credit would be granted to customers which are new, short-term and placing orders in immaterial scale. As most of our customers were internationally renowned brand owners, we considered we were exposed to relatively minimal default risk. As at 21 March 2025, approximately HK\$148,014,000 of the gross carrying amount of trade receivables as at 31 December 2024 has been received. The trade receivables turnover of the Group for the year ended 31 December 2024 was 82.7 days (for the year ended 31 December 2023: 77.5 days).

Trade Payables

As at 31 December 2024, the trade payables of the Group amounted to HK\$116,514,000 (31 December 2023: HK\$85,776,000). The trade payables were primarily related to the purchase of raw materials from suppliers with credit periods ranging from 30 days to 90 days. The trade payables turnover of the Group for the year ended 31 December 2024 was 64.7 days (for the year ended 31 December 2023: 65.1 days).

Liquidity, Indebtedness and Charges on Assets

During the year, the Group maintained a satisfactory liquidity level. As at 31 December 2024, net current assets of the Group was HK\$297,079,000 (31 December 2023: HK\$381,265,000). Besides, the Group had cash and bank balances of HK\$222,249,000 (31 December 2023: HK\$317,161,000), of which 20.9% was in Hong Kong dollars, 19.9% was in Renminbi, 59.1% was in United States dollars, and 0.1% was in Swiss Franc and other currencies

As at 31 December 2024, the Group's outstanding bank borrowings totalled HK\$67,783,000 (31 December 2023: HK\$50,033,000), of which 34.5% was in Hong Kong dollars and 65.5% was in Renminbi. According to Hong Kong Accounting Standards, the Group classified the bank borrowings contained repayment on demand clause as current liabilities in the consolidated statement of financial position as at 31 December 2024. All bank borrowings as at 31 December 2024 were classified under current liabilities. According to the repayment schedule, HK\$57,783,000 was repayable within one year and the balance of HK\$10,000,000 was repayable after one year.

Part of the bank borrowings was secured by certain of the Group's assets with an aggregate carrying value of HK\$61,663,000 as at 31 December 2024. The charged assets included a piece of land in Dongguan where our factory situated and certain properties constructed thereon, the deposits for one keyman life insurance policy and the bills receivables. The banking facilities to the Company's wholly-owned subsidiaries were also secured by corporate guarantees in favour of the bank from the Company.

As at 31 December 2024, the total unutilised banking facilities available to the Group amounted to HK\$51,242,000 (2023: HK\$201,452,000).

As at 31 December 2024, the Group's gearing ratio was 0.06 (31 December 2023: 0.04), which was calculated on the basis of total borrowings over total assets of the Group.

Treasury

The Group adopted conservative treasury policies in cash and financial management for the year. Cash was generally placed in short-term deposits. The Group's liquidity and financing requirements were reviewed regularly.

For the year ended 31 December 2024, the Group's revenue was denominated in Hong Kong dollars, Renminbi and United States dollars, contributing to 30.9%, 24.8% and 44.3% of the total revenue respectively (2023: 31.3%, 27.1% and 41.6%).

The expenses of the Group for the year were mainly denominated in Renminbi, as the Group's production plants were located in the PRC and the labour costs and manufacturing overhead were mainly denominated in Renminbi. The appreciation and depreciation of Renminbi might affect the overall production costs of the Group.

Hong Kong dollars was pegged with United States dollars, the board (the "Board") of directors (the "Director(s)") of the Company considered the Group was exposed to limited risk in this aspect.

The Group did not use any financial instruments for hedging purposes during the year and the Group did not have any hedging instruments as at 31 December 2024. We would continue to monitor closely the exchange rate risk arising from the Group's existing operations and new investments in future. We would implement the necessary hedging arrangement to mitigate any significant foreign exchange risk when and if appropriate.

Capital Commitments

Capital expenditure contracted for but not yet provided by the Group as at 31 December 2024 was HK\$46,935,000 (31 December 2023: HK\$23,731,000), which was mainly related to the construction in progress, acquisition of property, plant and equipment, and land use rights.

Contingent Liabilities

As at 31 December 2024, save for the granting of corporate guarantees by the Company to its wholly-owned subsidiaries as described above, the Group did not have any other significant contingent liabilities.

Employment and Remuneration Policy

As at 31 December 2024, the total number of employees of the Group was 2,455 (2023: 2,495). During the year, staff costs (including Directors' emoluments) amounted to HK\$273,309,000 (2023: HK\$295,377,000). Remuneration of the employees which included salary and discretionary bonus was based on the Group's results and individual performance. Medical and retirement benefits schemes were made available to all levels of personnel. The Remuneration Committee of the Company is responsible for making recommendations to the Board on the remuneration packages of Directors and senior management, with reference to their duties, responsibilities and performance, and the results of the Group. No Director will be involved in deciding his/her own remuneration.

OUTLOOK

As we enter 2025, the global economy continues to face significant challenges. These include the ongoing U.S.-China tariff war and escalating trade sanctions imposed by the U.S., which risk further destabilizing global trade; the prolonged military conflict between Russia and Ukraine; heightened geopolitical tensions in other regions; China's persistent slow economic recovery; and intense domestic competition within the manufacturing sector, creating survival challenges for businesses. In response, we will continue implementing strategic measures to navigate these uncertainties. While the Group remains focused on revenue growth, our top priority is ensuring consistent and sustainable profitability over the long term. To achieve this, we are committed to enhancing operational efficiency, optimizing resource allocation, and strengthening profitability — are all critical steps toward securing the Group's sustainable growth.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

	Notes	2024 HK\$'000	2023 HK\$'000
Revenue	3	681,678	774,727
Cost of sales		(572,234)	(550,439)
Gross profit		109,444	224,288
Other income		16,474	9,916
Other gains and losses		384	(201)
(Impairment losses) reversal of impairment losses on financial assets under expected credit loss model, net		(2,196)	201
Selling and distribution costs		(13,752)	(17,041)
Administrative and other expenses		(98,596)	(112,291)
Research and development expenses		(27,834)	(29,670)
Finance costs	4	(2,866)	(4,271)
(Loss) profit before taxation	5	(18,942)	70,931
Taxation	6	(1,387)	(7,205)
(Loss) profit for the year		(20,329)	63,726
Other comprehensive expenses for the year			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
– Exchange differences arising on translation of foreign operations		(30,646)	(27,940)
Total comprehensive (expense) income for the year		(50,975)	35,786
(Loss) earnings per share – Basic	7	(HK3.4 cents)	HK10.6 cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2024

	Notes	2024 HK\$'000	2023 HK\$'000
Non-current assets			
Property, plant and equipment		553,631	509,392
Right-of-use assets		56,236	61,429
Deposits paid for non-current assets		29,388	50,457
Deposit and prepayment for a life insurance policy		8,850	9,404
		648,105	630,682
Current assets			
Inventories		64,244	60,358
Trade and other receivables	9	231,926	181,219
Taxation recoverable		3,221	3,387
Short-term bank deposits		97,637	85,896
Bank and cash balances		124,612	231,265
		521,640	562,125
Current liabilities			
Trade and other payables	10	154,823	126,942
Taxation payable		1,096	1,794
Bank borrowings		67,783	50,033
Lease liabilities		859	2,091
		224,561	180,860
Net current assets		297,079	381,265
Total assets less current liabilities		945,184	1,011,947
Non-current liability			
Lease liabilities		2,449	3,237
Net assets		942,735	1,008,710
Capital and reserves			
Share capital		60,000	60,000
Reserves		882,735	948,710
Total equity		942,735	1,008,710

NOTES

1. General Information

The Company is a public limited company incorporated in the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Its immediate holding company and ultimate holding company are Ming Fung Investment Limited and Ming Fung Holdings (Hong Kong) Limited respectively, companies with limited liabilities incorporated in the British Virgin Islands. Its ultimate controlling shareholder is Mr. Yiu Hon Ming, who is also the chairman and an executive director of the Company. The Company is an investment holding company and the principal activities of its principal subsidiaries are manufacture and trading of stainless steel products.

The consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is the same as the functional currency of the Company.

2. Application of New and Amendments to Hong Kong Financial Reporting Standards ("HKFRSs")

Amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following 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 January 2024 for the preparation of the consolidated financial statements:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

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.

New and amendments to HKFRSs in issue but not yet effective

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

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ³
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity ³
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKFRSs	Annual Improvements to HKFRS Accounting Standards - Volume 11 ³
Amendments to HKAS 21 HKFRS 18	Lack of Exchangeability ²
HKFRS 19	Presentation and Disclosure in Financial Statements ⁴
	Subsidiaries without Public Accountability: Disclosure ⁴

¹ Effective for annual periods beginning on or after a date to be determined.

² Effective for annual periods beginning on or after 1 January 2025.

³ Effective for annual periods beginning on or after 1 January 2026.

⁴ Effective for annual periods beginning on or after 1 January 2027.

Except for the new HKFRS mentioned below, the directors of the Company anticipate that the application of all the amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 18 "Presentation and Disclosure in Financial Statements"

HKFRS 18 "Presentation and Disclosure" in Financial Statements, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 "Presentation of Financial Statements". This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 and HKFRS 7. Minor amendments to HKAS 7 "Statement of Cash Flows" and HKAS 33 "Earnings per Share" are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

3. Revenue and Segment Information

The Group is engaged in manufacture and trading of stainless steel products. Information reported to the members of executive directors of the Company, being the chief operating decision makers (the "CODM"), for the purposes of resources allocation and assessment of performance focuses on revenue analysis by products, including mobile phone cases and parts, watch bracelets, smart wearable cases and parts, and fashion accessories, and by geographic locations of customers, including PRC, Switzerland, Hong Kong, Liechtenstein and other European countries, Taiwan, Vietnam and other countries. However, other than revenue analysis, no operating results and other discrete financial information is regularly reviewed by the CODM. In addition, the CODM reviews the results of the Group as a whole to make decisions. Accordingly, only entity-wide disclosures, major customers and geographic information are presented.

The revenue of the Group from manufacture and trading of stainless steel products is recognised at a point in time when the control of the goods is transferred to the customers, being the time at which the goods are delivered to the locations specified by the customers.

The Group applies the practical expedient in HKFRS 15 and does not disclose information about transaction price allocated to remaining performance obligation as the performance obligation is part of a contract that has an original expected duration of one year or less. The Group also applies the practical expedient in HKFRS 15 of expensing all incremental costs to obtain a contract (sales commissions) if these costs would otherwise have been fully amortised to profit or loss within one year.

Revenue from major products

Revenue by products are as follows:

	2024	2023
	HK\$'000	HK\$'000
Mobile phone cases and parts	304,378	283,570
Watch bracelets	190,626	267,940
Smart wearable cases and parts	157,130	180,613
Fashion accessories	29,544	42,604
	681,678	774,727

Geographical information

Revenue from external customers based on locations of customers attributed to the Group by geographical areas is as follows:

	2024	2023
	HK\$'000	HK\$'000
PRC	319,033	335,253
Switzerland	177,555	253,505
Hong Kong	91,158	102,815
Liechtenstein and other European countries	27,946	41,960
Taiwan	20,391	23,072
Vietnam	40,389	7,764
Other countries	5,206	10,358
	681,678	774,727

4. Finance Costs

	2024	2023
	HK\$'000	HK\$'000
Interests on:		
- bank borrowings	2,498	3,769
- loans related to bills discounted with recourse	142	228
- lease liabilities	226	274
	2,866	4,271

5. (Loss) Profit Before Taxation

	2024	2023
	HK\$'000	HK\$'000
(Loss) profit before taxation has been arrived at after charging:		
Directors' remuneration	5,384	6,015
Other staff costs	242,658	260,256
Other staff's retirement benefits schemes contributions	25,267	29,106
Total staff costs	273,309	295,377
Less: Capitalised in inventories	(204,247)	(209,092)
	69,062	86,285
Auditor's remuneration		
- audit services	1,400	1,618
- non-audit services	340	340
	1,740	1,958
Cost of inventories recognised as expenses (including staff costs and depreciation capitalised in inventories)	565,912	541,246
Depreciation of right-of-use assets	4,171	4,443
Depreciation of property, plant and equipment	52,315	55,336
Less: Capitalised in inventories	(35,750)	(40,399)
	20,736	19,380
Premium charges on life insurance policies	760	760

Note: Staff costs of HK\$12,579,000 (2023: HK\$16,989,000) were included in research and development expenses.

6. Taxation

	2024 HK\$'000	2023 HK\$'000
The charge (credit) comprises:		
Hong Kong Profits Tax		
Current year	1,247	4,997
Overprovision in prior years	(9)	(18)
	<hr/> 1,238	<hr/> 4,979
PRC EIT		
Current year	228	1,979
(Over) Underprovision in prior years	(79)	247
	<hr/> 149	<hr/> 2,226
	<hr/> 1,387	<hr/> 7,205

Hong Kong Profits Tax

Under the two-tiered profits tax rates regime, the first HK\$2 million of assessable profits of a qualifying group entity will be taxed at 8.25%, and assessable profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profit for both years.

PRC EIT

Under the Law of the PRC on EIT ("EIT Law") and Implementation Regulation of the EIT Law, the tax rate of group entities in the PRC is 25%. Certain PRC subsidiaries of the Group were awarded the High and New Technology Enterprise ("HNTE") certificate in current year to be eligible to a tax rate of 15% for 3 years until 31 December 2025. The recognition as a HNTE is subject to review every three years by the relevant government bodies.

According to relevant laws and regulations promulgated by the State Administration of Tax of the PRC, enterprises engaging in research and development activities are entitled to claim 200% (2023: 200%) of their qualified research and development expenses so incurred as tax deductible expenses when determining their assessable profits for the year ("Super Deduction"). The Group has made its best estimate for the Super Deduction to be claimed for the subsidiaries in ascertaining their assessable profits for the year.

7. (Loss) Earnings Per Share

The calculation of the basic (loss) earnings per share attributable to owners of the Company is based on the following data:

	2024 HK\$'000	2023 HK\$'000
(Loss) earnings for the purposes of calculating basic (loss) earnings per share ((loss) profit for the year attributable to owners of the Company)	(20,329)	63,726
	<u>Number of shares</u>	
	'000	'000
Weighted average number of shares for the purpose of calculating basic (loss) earnings per share	600,000	600,000

No diluted (loss) earnings per share for both years were presented as there were no potential ordinary shares in issue for both years.

8. Dividends

	2024 HK\$'000	2023 HK\$'000
Dividends recognised as distribution during the year:		
2024 interim dividend – HK0.5 cent per ordinary share	3,000	–
2023 final dividend – HK2.0 cents per ordinary share	12,000	–
2023 interim dividend – HK1.5 cents per ordinary share	–	9,000
2022 final dividend – HK5.0 cents per ordinary share	–	30,000
	15,000	39,000

The Board does not recommend the payment of a final dividend (2023: HK2.0 cents per ordinary share) in respect of the year ended 31 December 2024.

9. Trade and Other Receivables

	2024	2023
	HK\$'000	HK\$'000
Trade receivables	169,004	142,768
Less: Allowance for expected credit loss ("ECL")	(2,949)	(884)
	166,055	141,884
Bills receivables	41,180	15,513
Less: Allowance for ECL	(162)	(31)
	41,018	15,482
Prepayments and deposits	4,165	4,577
Value added tax recoverable	18,094	17,061
Refundable rental deposits	330	340
Others	2,264	1,875
Total trade and other receivables	231,926	181,219

The trade receivables and bills receivables are from contracts with customers. As at 1 January 2024, trade receivables and bills receivables arising from contracts with customers amounted to HK\$274,577,000.

Payment terms with customers are mainly on credit. Invoices are normally payable within 30 to 90 days by the customers from date of issuance. A longer credit period may be granted to large or long-established customers with good payment history.

The following is an aging analysis of trade receivables at the end of each reporting period based on the date of delivery, which approximated the respective revenue recognition dates.

	2024	2023
	HK\$'000	HK\$'000
0 to 30 days	56,788	62,943
31 to 60 days	50,620	57,075
61 to 90 days	32,238	15,913
Over 90 days	26,409	5,953
	166,055	141,884

As at 31 December 2024, total bills received amounting to HK\$41,018,000 (2023: HK\$15,482,000) are held by the Group for future settlement of trade receivables, of which certain bills amounting to HK\$25,019,000 (2023: nil) were discounted by the Group. The Group continues to recognise their full carrying amounts at the end of the reporting period. All bills received by the Group are with a maturity period of 6 months or less.

At 31 December 2024, included in the Group's trade receivable balances are trade receivables of HK\$79,016,000 (2023: HK\$54,037,000) which are past due at the end of the reporting period. Out of the past due balances, HK\$523,000 (2023: HK\$28,000) has been past due 90 days or more and is not considered as in default since the directors of the Company are of the opinion that the balances are still considered recoverable due to the management's historical experience on the settlement pattern or record from these debtors.

Other than bills receivables amounting to HK\$25,019,000 (2023: nil), the Group does not hold any collateral over these balances.

10. Trade and Other Payables

	2024	2023
	HK\$'000	HK\$'000
Trade payables	116,514	85,776
Payroll and welfare payables	19,029	21,034
Value added tax payable	355	822
Payables for acquisition of property, plant and equipment	5,729	5,228
Commissions and other payables to intermediary agents	3,977	7,194
Other tax payables	748	864
Accrued expenses	6,552	4,341
Interest payable	91	80
Others	1,828	1,603
	154,823	126,942

The Group normally receives credit terms of 30 to 90 days from its suppliers. The following is an aging analysis of trade payables at the end of each reporting period based on invoice date:

	2024	2023
	HK\$'000	HK\$'000
0 to 30 days	27,961	24,571
31 to 60 days	29,130	29,798
61 to 90 days	31,342	17,753
Over 90 days	28,081	13,654
	116,514	85,776

CORPORATE GOVERNANCE

The Company is committed to establishing and maintaining high standard of corporate governance and believes that good corporate governance system provides a sustainable and solid foundation for the Company to manage business risks, enhance transparency, advance accountability and maximise shareholders' interests.

The Company has applied the principles of the Corporate Governance Code ("CG Code") as set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") and complied with all the applicable code provisions of the CG Code throughout the year, save and except for the deviation from code provision C.1.6.

Under code provision C.1.6, generally independent non-executive directors and other non-executive directors should also attend general meetings to gain and develop a balanced understanding of the views of shareholders. An Independent Non-executive Director was unable to attend the Company's annual general meeting held on 27 May 2024 due to his other business engagement.

The audit committee of the Company (the "Audit Committee") comprises wholly Independent Non-executive Directors. The Audit Committee has reviewed with the Company's management and external auditor, Messrs. Deloitte Touche Tohmatsu, the accounting principles and practices adopted by the Group and also discussed auditing, internal controls and financial reporting matters including the review of the Group's audited consolidated financial statements for the year ended 31 December 2024.

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

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

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules as its own code of conduct for dealing in securities of the Company by the Directors. Having made specific enquiry, all Directors confirmed that they have complied with the required standard of dealings as set out in the Model Code for the year ended 31 December 2024 and up to the date of this announcement.

PRELIMINARY ANNOUNCEMENT OF THE GROUP'S RESULTS

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in the preliminary announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the board of directors of the Company on 27 March 2025. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

DIVIDEND

The Board does not recommend the payment of a final dividend (2023: HK2.0 cents) for the year ended 31 December 2024. An interim dividend of HK0.5 cent (2023: HK1.5 cents) per ordinary share was paid in October 2024, hence the total dividends for the year ended 31 December 2024 is HK0.5 cent per ordinary share (2023: HK3.5 cents).

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This preliminary annual results announcement is published on the websites of the Company (www.winox.com) and the Stock Exchange (www.hkexnews.hk). The annual report of the Company for the year ended 31 December 2024 will be despatched to the shareholders of the Company and made available on the abovementioned websites by the end of April 2025.

By Order of the Board
Yiu Hon Ming
Chairman

Hong Kong • 27 March 2025

As at the date of this announcement, the Board comprises (a) six Executive Directors, namely, Mr. Yiu Hon Ming, Mr. Yiu Tat Sing, Mr. Li Chin Keung, Ms. Law Wai Ping, Mr. Chau Kam Wing Donald and Ms. Yiu Ho Ting; and (b) four Independent Non-executive Directors, namely, Mr. Hou Bojian, Mr. Carson Wen, Professor Wong Lung Tak Patrick and Mr. Wu Ming Lam.