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Analogue Holdings Limited
安樂工程集團有限公司

(Incorporated in Bermuda with limited liability)
(Stock Code: 1977)

PROFIT WARNING

This announcement is made by Analogue Holdings Limited (the “**Company**” and, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and the potential investors that, based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the financial year ended 31 December 2024 (“**FY2024**”), the Board estimates that the Group is expected to record a consolidated profit attributable to owners of the Company between HK\$130 million and HK\$140 million, which represents a decrease of approximately 48% to 44% when compared with the consolidated profit attributable to owners of the Company of HK\$251.5 million recorded for the financial year ended 31 December 2023 (“**FY2023**”). Nevertheless, after adjusting for one-off gains, provisions and expenses recognised in each of FY2023 and FY2024 as detailed below, the adjusted consolidated profit attributable to owners of the Company for FY2024 would be between HK\$201 million and HK\$204 million, which in fact represents an increase of approximately 7.5% to 9.4% when compared to the adjusted consolidated profit attributable to owners of the Company for FY2023.

FY2024 saw various re-organisations in the construction sector, re-financing of projects, novation of contracts, and news of alleged unpaid wages to the labour force. In view thereof, upon discussing with and obtaining professional advice from the Company’s independent valuer, the Company recognised a provision for expected credit loss of approximately HK\$80 million to HK\$89 million before tax (the “**Expected Credit Loss Provision**”) to reflect the associated risks with the recoverability of certain receivables and contract assets held by the Group as at 31 December 2024. Nevertheless, the Group is using its best endeavours to work with all parties concerned to recover the value of the impaired receivables and contract assets associated with the Expected Credit Loss Provision. In addition, the Group incurred a one-off expense of approximately HK\$23 million before tax (the “**Relocation Expenses**”) during FY2024 in relation to the Group’s relocation to the new consolidated headquarters to enhance synergy and collaboration across business units of the Group. If the Expected Credit Loss Provision for the relevant receivables and contract assets and the one-off Relocation Expenses were excluded, the Board estimates that the adjusted consolidated profit attributable to owners of the Company for FY2024 would be between HK\$201 million and HK\$204 million (after tax).

For FY2023, as disclosed in the Company's annual report for FY2023, the Group recognised a one-off dilution gain of approximately HK\$124 million (the "**Dilution Gain**") upon completion of a private placement by an associate of the Company (the "**Associate**") despite the fact that no cash was received by the Group, in addition to a gain on disposal of interest in an associate of approximately HK\$43 million (the "**Gain on Disposal**") recognised upon completion of the Company's disposal of certain shares in the Associate. On the other hand, the Group made provision in FY2023 for estimated loss of approximately HK\$122 million before tax (the "**Estimated Contract Loss Provision**") against certain healthcare sector contracts. If the Dilution Gain, the Gain on Disposal and the Estimated Contract Loss Provision were excluded, the adjusted consolidated profit attributable to owners of the Company for FY2023 would have been approximately HK\$187 million (after tax).

The unaudited adjusted consolidated profit attributable to owners of the Company is for illustrative purpose and should be considered in addition to, not as a substitute for, measures of the Group's financial performance prepared in accordance with Hong Kong Financial Reporting Standards. In addition, it may be defined differently from similar terms used by other companies.

The Group is still in the process of preparing and finalising the Group's annual results for FY2024. The information contained in this announcement is based on the Board's preliminary assessment of the unaudited management accounts of the Group and the information available for the time being. Such information has not been audited or reviewed by the auditors of the Company or the audit committee of the Board and may be subject to change. Shareholders and potential investors are advised to refer to the audited financial results of the Company for FY2024 which are expected to be published around end of March 2025 in accordance with the Listing Rules.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

On behalf of the Board
ANALOGUE HOLDINGS LIMITED
Dr. Mak Kin Wah
Chairman

Hong Kong, 21 February 2025

As at the date of this announcement, the executive directors of the Company are Dr. Poon Lok To, Otto, Dr. Mak Kin Wah, Mr. Chan Hoi Ming, Mr. Cheng Wai Lung and Mr. Cheng Wai Keung, Peter; the non-executive director of the Company is Ms. Or Siu Ching, Rerina; and the independent non-executive directors of the Company are Mr. Chan Fu Keung, Mr. Lam Kin Fung, Jeffrey and Ms. Shing Mo Han, Yvonne.