



Vico International Holdings Limited

域高國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

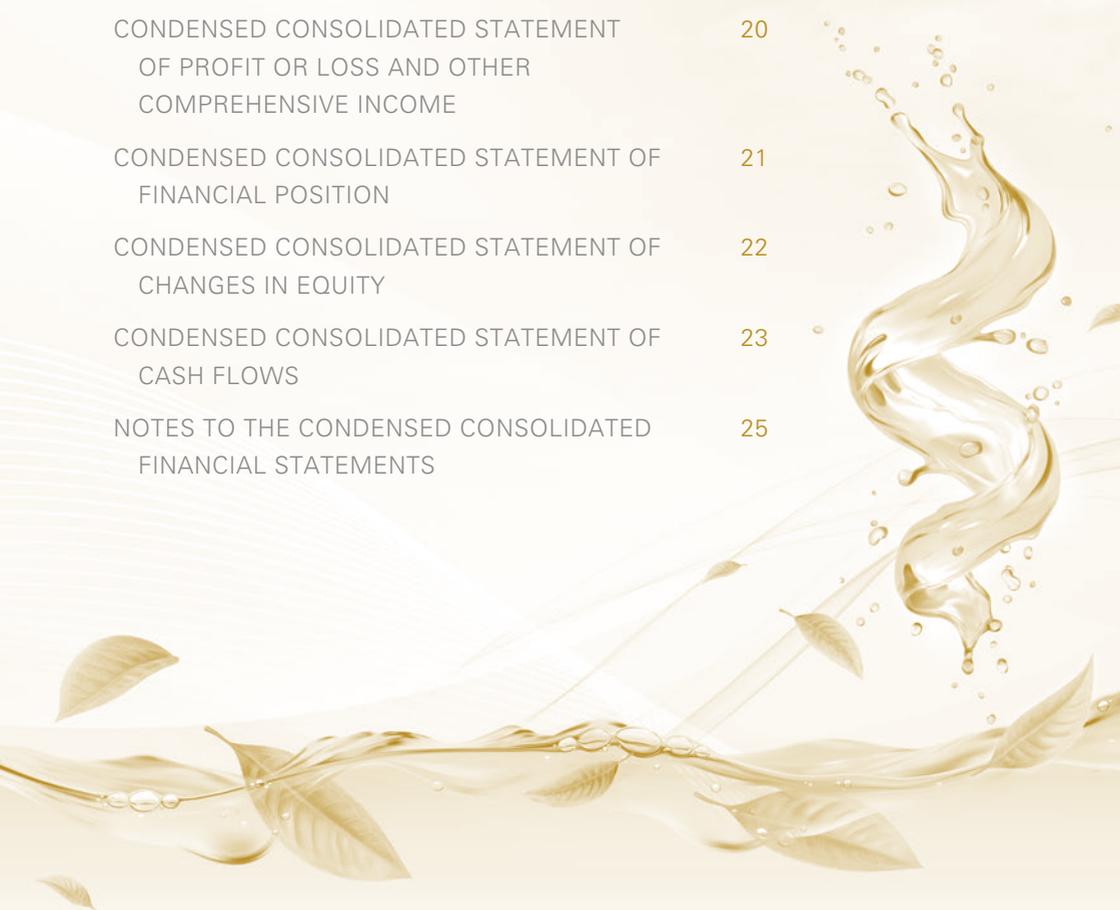
Stock code : 1621



2024
INTERIM REPORT

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. HUI Pui Sing (*Chairman*)
Ms. TONG Man Wah
Mr. HUI Yip Ho Eric
(*Chief Executive Officer*)
Mr. KONG Man Ho

Non-executive Director

Mr. WONG Chun Man

Independent Non-Executive Directors

Mr. LEUNG Ho Chi
Mr. CHAN Ching Sum
Ms. NG Wing Sze Vince

AUDIT COMMITTEE

Mr. LEUNG Ho Chi (*Chairman*)
Mr. CHAN Ching Sum
Ms. NG Wing Sze Vince

REMUNERATION COMMITTEE

Mr. LEUNG Ho Chi (*Chairman*)
Mr. HUI Yip Ho Eric
Ms. NG Wing Sze Vince

NOMINATION COMMITTEE

Mr. HUI Pui Sing (*Chairman*)
Mr. LEUNG Ho Chi
Mr. CHAN Ching Sum

AUTHORISED REPRESENTATIVES

Mr. HUI Yip Ho Eric
Mr. KONG Man Ho

COMPANY SECRETARY

Ms. CHAN Sze Ting (*FCG, HKFCG*)

REGISTERED OFFICE

Third Floor, Century Yard
Cricket Square
P.O. Box 902
Grand Cayman KY1-1103
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit D, 11/F, Billion Plaza II
No. 10 Cheung Yue Street
Cheung Sha Wan
Hong Kong

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Services (Cayman Islands) Limited
Third Floor, Century Yard
Cricket Square
P.O. Box 902
Grand Cayman KY1-1103
Cayman Islands

**HONG KONG BRANCH SHARE
REGISTRAR AND TRANSFER
OFFICE**

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

AUDITORS

Prism Hong Kong Limited
Certified Public Accountants
Registered Public Interest Entity Auditor
Units 1903A-1905, 8 Observatory Road
Tsim Sha Tsui, Kowloon
Hong Kong

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
Chong Hing Bank Limited

STOCK CODE

1621

COMPANY WEBSITE

www.vicointernational.hk



MANAGEMENT DISCUSSION AND ANALYSIS

The board (the “**Board**”) of directors (the “**Directors**”) of Vico International Holdings Limited (the “**Company**”) hereby presents the interim report of the Company and its subsidiaries (collectively referred to as the “**Group**” or “**we**”) for the six months ended 30 September 2024 (the “**Current Period**”).

BUSINESS REVIEW

The Group is principally engaged in the distribution of third-party branded petrochemicals, the sales of the self-branded lubricant oil and provides fleet card services in Hong Kong. The petrochemical products of the Group include (i) diesel; (ii) lubricant oil (including self-branded lubricant oil and third-party branded lubricant oil); and (iii) other petrochemicals such as bitumen.

The Group sourced semi-finished lubricant oil in bulk volume and finished lubricant oil from overseas suppliers for the in-house blending and repackaging into wholesale and retail packs for sales in Hong Kong.

The Group is also an authorized reseller of fleet cards. As at 30 September 2024, the Group operated a total number of 50,392 fleet card accounts (2023: 54,897 fleet card accounts).

Leveraging the Group’s experience and competitive strengths, the Group’s revenue, gross profit, and net profit for the Current Period were approximately HK\$810.0 million, HK\$24.4 million, and HK\$9.6 million, respectively. This represents an increase of 11.5% in revenue, a decrease of 16.7% in gross profit, and a decrease of 22.0% in net profit compared with the Corresponding Period. The decline in profit for the Current Period was primarily due to the increase in costs of sales and the decrease in other income.

BUSINESS PROSPECTS

The local economic landscape remains tough in 2024, with slow growth, cautious consumer spending, and challenges across key sectors like construction and logistics. Adding to the uncertainty, the government's growing budget deficit raises concerns about its ability to support major public infrastructure projects. Despite these headwinds, the Company sees opportunities to grow both locally and abroad through strategic planning and adaptability.

In construction, private projects have stalled as developers grapple with high costs and uncertain returns. While public infrastructure initiatives like Route 11 and new housing developments could drive demand for fuels, fiscal constraints might lead to delays or scaled-back projects. To mitigate this risk, the Company will diversify its focus by targeting smaller private projects while closely monitoring public works.

The logistics sector continues to face rising operational costs and fluctuating trade volumes. However, the essential nature of this industry means demand for fuel remains stable. The Company plans to strengthen its position by offering tailored fleet card solutions that help logistics businesses manage costs. Loyalty programs and strategic partnerships will support both customer acquisition and retention.

Sustainability is another key focus. As demand grows for cleaner, more efficient fuels, the Company is promoting products like ultra-low-sulfur diesel and exploring emissions-reducing technologies. These efforts align with global trends and enhance the Company's reputation as a forward-thinking leader in the energy market.

To reduce reliance on the volatile economy of the domestic market, the Company is also actively exploring overseas markets, particularly in Southeast Asia and other emerging regions. By understanding local market needs and building partnerships, the Company aims to expand its footprint and diversify revenue streams.



MANAGEMENT DISCUSSION AND ANALYSIS

At the same time, improving operational efficiency remains critical. Streamlining supply chains, renegotiating supplier contracts, and leveraging data-driven insights will help the Company stay agile and cost-effective.

While challenges persist, the Company is confident in its ability to adapt. By staying responsive to market needs, prioritizing sustainability, and expanding beyond Hong Kong, the Company is well-positioned to overcome uncertainties and achieve sustainable growth.

FINANCIAL REVIEW

Revenue

During the Current Period, the Group's revenue amounted to approximately HK\$810.0 million, which increased by 11.5% as compared to that of approximately HK\$726.7 million during the Corresponding Period. The increase in revenue was driven by heightened demand for diesel, supported by the steady recovery and improvement in cross-boundary land cargo logistics, as well as the ongoing development of public infrastructure projects.

Sales of diesel

Our revenue from sales of diesel represents the sales of our diesel products, which mainly include automotive diesel and industrial diesel. For the Current Period and the Corresponding Period, our revenue generated from the sales of diesel amounted to approximately HK\$768.3 million and HK\$685.3 million respectively, representing 94.9% and 94.3% of the total revenue respectively.

Sales of lubricant oil

Our revenue from sales of lubricant oil mainly include (i) the sales of our self-branded lubricant oil, namely "AMERICO", "Dr. Lubricant" and "U-LUBRICANT"; and (ii) the sales of third party branded lubricant oil.

For the Current Period and the Corresponding Period, our revenue from the sales of lubricant oil amounted to approximately HK\$20.5 million and HK\$22.1 million respectively, representing 2.5% and 3.0% of the total revenue respectively.

Provision of fleet cards service

Our income from our provision of fleet cards service increased by approximately HK\$2.9 million or 18.8% from approximately HK\$15.4 million for the Corresponding Period to approximately HK\$18.3 million for the Current Period. The increase was mainly a result of the carried-out marketing campaigns which stimulated the consumption of customers.

Sales of other products

Our revenue from sales of other products mainly represents the sales of bitumen, kerosene and diesel exhaust fluid. For the Current Period and the Corresponding Period, our revenue from the sales of other products amounted to approximately HK\$2.9 million and HK\$3.8 million respectively, representing 0.4% and 0.5% of the total revenue respectively.

Cost of sales

Our cost of sales primarily consists of diesel costs, lubricant oil costs, other petrochemicals costs and sales commissions. Our purchase cost for diesel and third-party lubricant oil depends on the domestic purchase price offered by our oil suppliers, with reference to the price index such as Europe Brent spot crude price.

For the Current Period and the Corresponding Period, our cost of sales amounted to approximately HK\$785.6 million and HK\$697.3 million respectively, increased by 12.7%. The trend of movement of our cost of sales for the Current Period was generally in line with the revenue.

Gross profit and gross profit margin

The gross profit represented the Group's revenue less cost of sales. The Group recorded an decrease in gross profit by approximately HK\$4.9 million or approximately 16.7% from approximately HK\$29.3 million for the Corresponding Period to approximately HK\$24.4 million for the Current Period.



MANAGEMENT DISCUSSION AND ANALYSIS

Selling and distribution expenses

Our selling and distribution expenses mainly consist of truck drivers' costs, packing and commission paid. Selling and distribution expenses increased by approximately HK\$0.5 million or 62.5% to approximately HK\$1.3 million for the Current Period from approximately HK\$0.8 million for the Corresponding Period. The increase is mainly attributed to the higher consumption of oil containers and the incentives provided to salesman.

Administrative and other operating expenses

Administrative and other operating expenses slightly decreased by approximately HK\$0.7 million or 5.5%, from approximately HK\$12.8 million for the Corresponding Period to approximately HK\$12.1 million for the Current Period.

Finance costs

Our finance costs mainly consist of the interest on our interest-bearing bank borrowings and lease liabilities. Finance costs slightly decreased by approximately HK\$35 thousand or 4.9% to approximately HK\$684 thousand for the Current Period from approximately HK\$719 thousand for the Corresponding Period, primarily due to the rate-cut decision in by the Federal Reserve in the US during Current Period.

Income tax expenses

Income tax expenses decreased by approximately HK\$3.0 million or 65.2%, from approximately HK\$4.6 million for the Corresponding Period to approximately HK\$1.6 million for the Current Period, primarily due to the profitable companies resulted in lower profit comparing with the Corresponding Period.

Profit for the Current Period

Profit for the Current Period decreased by approximately HK\$2.7 million or 22.0% from approximately HK\$12.3 million for the Corresponding Period to approximately HK\$9.6 million for the Current Period, and the Group's net profit margin was approximately 1.2% and 1.7% for the Current Period and the Corresponding Period respectively.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 September 2024, the Group employed a total of 29 full-time employees (as at 31 March 2024: 31 full-time employees). The Group remunerates its employees based on their performance, experience and prevailing industry practice. The remuneration packages are subject to review on a regular basis.

PURCHASE, SALE AND REDEMPTION OF LISTED SECURITIES

During the Current Period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sales of treasury shares (the "**Treasury Shares**") within the meaning under the Listing Rules). As at 30 September 2024, the Company did not hold any Treasury Shares.

INTERIM DIVIDEND

The Board does not recommend the payment of interim dividend for the six months ended 30 September 2024 (for the six months ended 30 September 2023: nil).

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES

The Group had no material acquisitions or disposals of subsidiaries, associates and joint ventures during the Current Period.



MANAGEMENT DISCUSSION AND ANALYSIS

LIQUIDITY AND CAPITAL RESOURCES

Financial resources and liquidity

The Group finances its operations primarily through cash generated from operating activities and interest-bearing bank borrowings. The Group recorded net current assets of approximately HK\$104.0 million as at 30 September 2024, compared to approximately HK\$92.2 million as at 31 March 2024.

As at 30 September 2024, the Group's current assets amounted to approximately HK\$161.2 million (as at 31 March 2024: HK\$142.0 million) of which approximately HK\$56.1 million (as at 31 March 2024: HK\$34.2 million) was bank balances and cash, approximately HK\$72.3 million (as at 31 March 2024: HK\$90.3 million) was trade and other receivables. The Group's current liabilities amounted to approximately HK\$57.2 million (as at 31 March 2024: HK\$49.8 million), including trade and other payables in the amount of approximately HK\$14.0 million (as at 31 March 2024: HK\$10.4 million), bank borrowings in the amount of approximately HK\$36.9 million (as at 31 March 2024: HK\$34.4 million) and income tax payable in the amount of approximately HK\$5.6 million (as at 31 March 2024: HK\$4.2 million). The current ratio (which was calculated by dividing current assets by current liabilities) was 2.8 as at 30 September 2024 (as at 31 March 2024: 2.9).

The gearing ratio (which was calculated based on the total debt (including bank borrowings and lease liabilities) divided by total equity multiplied by 100%) was 26.7% as at 30 September 2024 (as at 31 March 2024: 24.2%).

Capital structure

For the Current Period, the capital structure of the Group consisted of equity attributable to owners of the Company of approximately HK\$230.0 million. There has been no change in the capital structure of the Group during the Current Period.

CAPITAL COMMITMENTS

As at 30 September 2024, the Group had no material off-balance sheet capital commitments.

PLEDGE OF ASSETS

As at 30 September 2024, the Group pledged its leasehold land and building of HK\$118,397,000 and investment property of HK\$7,036,000 respectively (as at 31 March 2024: HK\$119,008,000 and HK\$7,197,000 respectively) to secure its bank borrowings.

FOREIGN CURRENCY RISK

The Group is not exposed to foreign currency risk in respect of HKD against USD as long as these currencies are pegged. The transactions and monetary assets denominated in USD are minimal, the Group considers there is no significant foreign exchange risk in respect of USD.

As at 30 September 2024, the Group had not entered into any arrangements to hedge its foreign currency risk. The Group's operating cash flow is not exposed to foreign exchange fluctuation risks.

MATERIAL CHANGES SINCE 31 MARCH 2024

Save for those disclosed in this report, there were no other material changes in the Group's financial position since the publication of the 2023/24 annual report of the Company.



OTHER INFORMATION

CORPORATE GOVERNANCE

The Company has applied the principles as set out in the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

The Board is of the view that during the Current Period, the Company has complied with all the code provisions as set out in the CG Code.

MODEL CODE FOR DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules (the “**Securities Dealing Code**”).

The Company has made specific enquiry of all the Directors and all the Directors have confirmed that they complied with the required standard set out in the Securities Dealing Code during the Current Period and up to the date of this report.

DIRECTORS’ AND CHIEF EXECUTIVE’S INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 September 2024, the interests and short positions of the Directors and chief executive of the Company in the shares of the Company (the “**Shares**”), underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “**SFO**”), as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

Long positions in the shares and underlying shares of the Company

Name of Director	Nature of interest	Number of Shares ⁽¹⁾	Approximate shareholding percentage in the issued share capital of the Company
Mr. Hui Pui Sing ("Mr. Hui")	Interest in a controlled corporation ⁽²⁾ and interest of spouse ⁽³⁾	730,000,000 (L)	73%
Ms. Tong Man Wah ("Ms. Tong")	Interest in a controlled corporation ⁽²⁾ and interest of spouse ⁽³⁾	730,000,000 (L)	73%
Mr. Hui Yip Ho Eric ("Mr. Eric Hui")	Interest in a controlled corporation ⁽²⁾	730,000,000 (L)	73%

Notes:

- The letter (L) denotes the person's long position in such Shares.
- Max Fortune Holdings Limited ("Max Fortune") was owned by Mr. Hui, Ms. Tong and Mr. Eric Hui as to 35%, 35% and 30%, respectively. Under the SFO, each of Mr. Hui, Ms. Tong and Mr. Eric Hui was deemed to be interested in all of the 730,000,000 Shares held by Max Fortune.
- Mr. Hui is the spouse of Ms. Tong. Ms. Tong and Mr. Hui were deemed under the SFO to be interested in the Shares held, directly or indirectly, by Mr. Hui and Ms. Tong, respectively.

OTHER INFORMATION

Long positions in the shares of the associated corporation (as defined in the SFO)

Name of Director	Name of associated corporation	Nature of interest	Number of shares	Class of shares	Approximate shareholding percentage of the associated corporation's issued share capital
Mr. Hui ⁽¹⁾	Max Fortune ⁽²⁾	Beneficial interest and interest of spouse ⁽¹⁾	700	Ordinary shares	35%
Ms. Tong ⁽¹⁾	Max Fortune ⁽²⁾	Beneficial interest and interest of spouse ⁽¹⁾	700	Ordinary shares	35%
Mr. Eric Hui	Max Fortune ⁽²⁾	Beneficial interest	600	Ordinary shares	30%

Notes:

1. Mr. Hui is the spouse of Ms. Tong. Ms. Tong and Mr. Hui were deemed under the SFO to be interested in the shares of Max Fortune held, directly or indirectly, by Mr. Hui and Ms. Tong, respectively.
2. Max Fortune was interested in 730,000,000 Shares, representing 73% of the issued share capital of the Company. Max Fortune was therefore a holding company and an associated corporation of the Company for the purpose of the SFO.

Save for each of Mr. Hui and Mr. Eric Hui being a director of Max Fortune, as at 30 September 2024, none of the other Directors were directors or employees of a company which had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Save as disclosed above, none of the Directors or the chief executive of the Company had an interest and/or short position (as applicable) in the shares, underlying shares or debentures of the Company or any interests and/or short positions (as applicable) in the shares, underlying shares or debentures of the Company's associated corporations (within the meaning of Part XV of the SFO) which (i) will have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), (ii) will be required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein or (iii) will be required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDER'S INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 September 2024, the following persons (other than the Directors and chief executives of the Company whose interests are disclosed above) and corporations had or were deemed or taken to have an interest and/or a short position in the Shares or the underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO:

Name of shareholder	Nature of interest	Number of Shares⁽¹⁾	Approximate shareholding percentage in the Company's issued share capital
Max Fortune ⁽²⁾	Beneficial owner	730,000,000 (L)	73%

Notes:

- (1) The Letter (L) denotes the person's long position in the Shares.
- (2) Max Fortune was owned by Mr. Hui, Ms. Tong and Mr. Eric Hui as to 35%, 35% and 30%, respectively.



OTHER INFORMATION

Save as disclosed above and those disclosed under the section headed “Directors’ and Chief Executive’s Interests and Short Positions in the Shares and Underlying Shares of the Company”, the Directors are not aware of any other person or corporation who has any interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

AUDIT COMMITTEE

The Audit Committee comprises three members, all of whom are independent non-executive Directors, namely Mr. Leung Ho Chi, Mr. Chan Ching Sum and Ms. Ng Wing Sze Vince. Mr. Leung Ho Chi is the chairman of the Audit Committee. The Audit Committee has written terms of reference in compliance with the Listing Rules and the CG Code.

The Audit Committee has in conjunction with the management reviewed the accounting principles and practices adopted by the Group and discussed risk management, internal controls and financial reporting matters of the Group. The Audit Committee has no disagreement with the accounting treatment adopted by the Company. The consolidated interim results of the Group for the Current Period have been reviewed by the Audit Committee.

CHANGE OF DIRECTOR’S INFORMATION SINCE THE DATE OF LAST ANNUAL REPORT

After making specific enquiries by the Company and confirmed by the Directors, no other changes in the information of any Directors after the date of the Annual Report 2023/2024 that are required to be disclosed pursuant to paragraphs (a) to (e) and paragraph (g) of Rule 13.51(2) of the Listing Rules have to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

SHARE OPTION SCHEME

The share option scheme (the “**Share Option Scheme**”) was conditionally adopted by the written resolutions of the shareholders of the Company on 16 January 2018.

The following is a summary of the terms of the Share Option Scheme:

1. Purpose

The purpose of the Share Option Scheme is to reward Eligible Participants (as defined in paragraph (2) below) who have contributed to the Group and to encourage Eligible Participants to work towards enhancing the value of the Company and the Shares for the benefit of the Company and the shareholders as a whole.

2. Participants

The Board may, at its absolute discretion, offer to grant an option to the following persons (collectively the “**Eligible Participants**”) to subscribe for such number of Shares as the Board may determine at an exercise price determined in accordance with paragraph (7) below:

- (A) any full-time or part-time employees, executives or officers of the Company or any of its subsidiaries;
- (B) any directors (including independent non-executive directors) of the Company or any of its subsidiaries; and
- (C) any advisers, consultants, agents, suppliers, customers, distributors and such other persons who, in the sole opinion of the Board, will contribute or have contributed to our Company and/or any of its subsidiaries.



OTHER INFORMATION

3. Maximum number of Shares

The maximum number of Shares which may be allotted and issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company must not, in aggregate, exceed 30% of the total number of Shares in issue from time to time.

The maximum number of Shares in respect of which options may be granted under the Share Option Scheme and any other share option schemes of the Company must not, in aggregate, exceed 10% of the total number of Shares in issue as at the date of listing of the Shares. The maximum number of Shares that may be granted under the Share Option Scheme was 100 million Shares, representing 10% of the total number of issued Shares as at the listing date, i.e. 5 March 2018. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting. As at the date of this interim report, no share options have been granted since adoption of the Share Option Scheme and there were no outstanding share options.

4. Maximum entitlement of each Eligible Participant

The total number of Shares issued and which may fall to be issued upon exercise of the options granted under the Share Option Scheme and any other share option schemes of our Company (including both exercised, cancelled and outstanding options) to each Eligible Participant in any 12-month period up to and including the date of grant must not exceed 1% of the total number of Shares in issue as at the date of grant. Any further grant of options in excess of this 1% limit must be separately approved by the shareholders in general meeting of the Company with such Eligible Participant and his/her associates (or his/her associates if the Eligible Participant is a core connected person) abstaining from voting.

5. Period within which the Shares must be taken up under an option

An option must be exercised within 10 years from the date on which it is granted or such shorter period as the Board may specify at the time of grant.

6. Minimum period, if any, for which an option must be held

No minimum period for which the option has to be held before it can be exercised is specified in the Share Option Scheme.

7. Basis of determining the exercise price of an option

The exercise price shall be such price as the Board in its absolute discretion shall determine, save that such price must be at least the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheet on the date of grant; (ii) the average closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five trading days immediately preceding the date of grant; and (iii) the nominal value of a Share.

8. Validity of the Share Option Scheme

The Share Option Scheme has a life of 10 years and will expire on 5 March 2028 unless otherwise terminated in accordance with the terms of the Share Option Scheme. As at the date of this interim report, the Share Option Scheme had a remaining life of approximately 4 years.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2024

	Notes	Six months ended 30 September	
		2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Revenue	3	809,982	726,658
Cost of sales		(785,568)	(697,335)
Gross profit		24,414	29,323
Other income	5	816	1,820
Selling and distribution expenses		(1,257)	(757)
Administrative and operating expenses		(12,107)	(12,759)
Finance costs	6	(684)	(719)
Profit before tax		11,182	16,908
Income tax expense	7	(1,566)	(4,607)
Profit and total comprehensive income for the period	8	9,616	12,301
Earnings per share (HK cents)			
Basic and diluted	10	0.96	1.23

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2024

	Notes	30 September 2024 HK\$'000 (Unaudited)	31 March 2024 HK\$'000 (Audited)
Non-current assets			
Property, plant and equipment	11	121,354	123,332
Investment properties	12	7,036	7,197
Right-of-use assets	13	1,345	664
		129,735	131,193
Current assets			
Inventories		9,577	11,602
Trade and other receivables	14	72,312	90,348
Amount due from ultimate holding company		72	72
Income tax recoverable		4	4
Time deposit		23,111	5,791
Cash and cash equivalents		56,128	34,160
		161,204	141,977
Current liabilities			
Trade and other payables	15	14,030	10,382
Lease liabilities	13	591	790
Bank borrowings	16	36,882	34,369
Income tax payables		5,647	4,231
		57,150	49,772
Net current assets		104,054	92,205
Total assets less current liabilities		233,789	223,398
Non-current liabilities			
Lease liabilities		733	–
Provision for long service payments		242	242
Deferred tax liabilities		3,175	3,133
		4,150	3,375
Net assets		229,639	220,023
Capital and reserves			
Share capital	17	10,000	10,000
Reserves		219,639	210,023
Total equity		229,639	220,023

Hui Pui Sing
Director

Tong Man Wah
Director

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2024

	Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000 (Note)	Retained profits HK\$'000	Total HK\$'000
At 1 April 2023 (Audited)	10,000	62,978	28,272	101,840	203,090
Profit and total comprehensive income for the period (Unaudited)	–	–	–	12,301	12,301
At 30 September 2023 (Unaudited)	10,000	62,978	28,272	114,141	215,391
At 1 April 2024 (Audited)	10,000	62,978	28,272	118,773	220,023
Profit and total comprehensive income for the period (Unaudited)	–	–	–	9,616	9,616
At 30 September 2024 (Unaudited)	10,000	62,978	28,272	128,389	229,639

Note: Capital reserve includes (i) the difference of approximately HK\$596,000 between the nominal value of the share capital issued by the Company for the acquisition of the entire interests in Billion Harvest Ventures Limited (“**Billion Harvest**”) and the nominal value of share capital of Billion Harvest during the year ended 31 March 2018 and (ii) capitalisation of the amount due to Mr. Hui Pui Sing (“**Mr. Hui**”) of approximately HK\$27,676,000 which the Company allotted and issued 250 shares, credited as fully paid, to Mr. Hui during the year ended 31 March 2018.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2024

	Six months ended 30 September	
	2024	2023
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
OPERATING ACTIVITIES		
Profit before tax	11,182	16,908
Adjustments for:		
Depreciation of property, plant and equipment	2,662	2,343
Depreciation of investment properties	161	305
Depreciation of right-of-use assets	902	742
(Reversal of)/allowance for impairment loss on trade receivables, net	(190)	1,274
Impairment loss on other receivables	21	–
Finance costs	684	719
Gain on disposal of property, plant and equipment	(230)	(523)
Bank interest income	(299)	(293)
Operating cash flows before movements in working capital	14,893	21,475
Decrease (Increase) in inventories	2,025	(233)
Decrease (Increase) in trade and other receivables	18,205	(10,983)
Increase in trade and other payables	3,648	3,746
Cash generated from operations activities	38,771	14,005
Income tax paid	(108)	–
NET CASH GENERATED FROM OPERATING ACTIVITIES	38,663	14,005

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2024

	Six months ended 30 September	
	2024	2023
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(879)	(275)
Placements of time deposit	(23,111)	(2,301)
Withdrawal of time deposit	5,791	9,421
Proceeds from disposal of property, plant and equipment	425	523
Bank interest income received	299	293
NET CASH (USED IN) GENERATED FROM INVESTING ACTIVITIES	(17,475)	7,661
FINANCING ACTIVITIES		
Bank borrowings raised	4,000	7,000
Repayment of bank borrowings	(1,487)	(7,895)
Repayment of lease liabilities	(1,049)	(875)
Interest paid	(684)	(719)
NET CASH GENERATED FROM (USED IN) FINANCING ACTIVITIES	780	(2,489)
NET INCREASE IN CASH AND CASH EQUIVALENTS	21,968	19,177
CASH AND CASH EQUIVALENTS AT 1 APRIL	34,160	32,734
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	56,128	51,911

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

1. GENERAL INFORMATION AND BASIS OF PREPARATION

Vico International Holdings Limited (the “**Company**”) was incorporated in the Cayman Island as an exempted company with limited liability on 24 March 2017 under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 5 March 2018. The Company’s immediate and ultimate holding company is Max Fortune Holdings Limited (“**Max Fortune**”), a company incorporated in the British Virgin Islands (the “**BVI**”) with limited liability. The ultimate controlling parties are Mr. Hui, Ms. Tong Man Wah (“**Ms. Tong**”), spouse of Mr. Hui and Mr. Hui Yip Ho, Eric (“**Mr. Eric Hui**”), son of Mr. Hui and Ms. Tong (the “**Controlling Shareholders**”). The addresses of the Company’s registered office and the principal place of business are at Tricor Services (Cayman Islands) Limited, Third Floor, Century Yard, Cricket Square, P.O. Box 902, Grand Cayman, KY1-1103 Cayman Islands and Unit D, 11/F, Billion Plaza II, No. 10 Cheung Yue Street, Cheung Sha Wan, Hong Kong, respectively.

The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the “**Group**”) are principally engaged in sales of diesel, lubricant oil and others and provision of fleet cards service.

The condensed consolidated financial statements for the six months ended 30 September 2024 have been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and the applicable disclosure requirements of Appendix D2 (formerly known as Appendix 16) to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2024 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 March 2024.

Application of amendments to HKFRSs

In the current interim period, the Group has applied, the following amendments to Hong Kong Financial Reporting Standards ("HKFRSs") issued by the HKICPA for the first time, which are mandatorily effective for the Group's annual period beginning on 1 April 2024 for the preparation of the Group's condensed consolidated financial statements.

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 interim period has had no material impact on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

3. REVENUE

	Six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Revenue from contracts with customers within the scope of HKFRS 15		
Disaggregated by major products		
Sales of diesel	768,280	685,333
Provision of fleet cards service	18,329	15,443
Sales of lubricant oil	20,465	22,090
Sales of others	2,908	3,792
	809,982	726,658
Disaggregated by timing of revenue recognition		
At a point in time	809,982	726,658



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

4. SEGMENT INFORMATION

Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker (the “**CODM**”), being the executive directors of the Company, for the purposes of allocating resources and assessing performance.

Specifically, the Group’s reportable and operating segments under HKFRS 8 Operating Segments are as follow:

- (i) Sales of diesel
- (ii) Provision of fleet cards service
- (iii) Sales of lubricant oil
- (iv) Sales of others

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

4. SEGMENT INFORMATION (CONTINUED)

Segment revenues and results

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

For the six months ended 30 September 2024

	Sales of diesel HK\$'000 (Unaudited)	Provision of fleet cards HK\$'000 (Unaudited)	Sales of lubricant oil HK\$'000 (Unaudited)	Sales of others HK\$'000 (Unaudited)	Total HK\$'000 (Unaudited)
Segment revenue	768,280	18,329	20,465	2,908	809,982
Segment results	1,277	8,449	9,666	501	19,893
Other income					816
Corporate expenses					(8,843)
Finance costs					(684)
Profit before tax					11,182

For the six months ended 30 September 2023

	Sales of diesel HK\$'000 (Unaudited)	Provision of fleet cards HK\$'000 (Unaudited)	Sales of lubricant oil HK\$'000 (Unaudited)	Sales of others HK\$'000 (Unaudited)	Total HK\$'000 (Unaudited)
Segment revenue	685,333	15,443	22,090	3,792	726,658
Segment results	2,307	5,697	13,139	2,448	23,591
Other income					1,820
Corporate expenses					(7,784)
Finance costs					(719)
Profit before tax					16,908

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

4. SEGMENT INFORMATION (CONTINUED)

Other segment information

For the six months ended 30 September 2024

	Provision of					Total HK\$'000 (Unaudited)
	Sales of diesel HK\$'000 (Unaudited)	fleet cards service HK\$'000 (Unaudited)	Sales of lubricant oil HK\$'000 (Unaudited)	Sales of others HK\$'000 (Unaudited)	Unallocated HK\$'000 (Unaudited)	
Amounts included in the measure of segment profit or segment assets						
Depreciation of right-of- use assets	-	-	-	-	902	902
Depreciation of property, plant and equipment	883	-	24	3	1,752	2,662
Depreciation of investment properties	-	-	-	-	161	161
(Reversal of)/allowance for impairment loss on trade receivables, net	(199)	8	1	-	-	(190)
Impairment loss on other receivables	-	-	-	-	21	21

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

4. SEGMENT INFORMATION (CONTINUED)

Other segment information (Restated) (Continued)

For the six months ended 30 September 2023

	Sales of diesel HK\$'000 (Unaudited)	Provision of fleet cards service HK\$'000 (Unaudited)	Sales of lubricant oil HK\$'000 (Unaudited)	Sales of others HK\$'000 (Unaudited)	Unallocated HK\$'000 (Unaudited)	Total HK\$'000 (Unaudited)
Amounts included in the measure of segment profit or segment assets						
Depreciation of right-of- use assets	-	-	-	-	742	742
Depreciation of property, plant and equipment	898	-	27	5	1,413	2,343
Depreciation of investment properties	-	-	-	-	305	305
Allowance for/(reversal of) impairment loss on trade receivables, net	1,361	68	(169)	14	-	1,274

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

4. SEGMENT INFORMATION (CONTINUED)

Geographical information

An analysis of the Group's revenue from external customers is presented based on the location of customers as below:

	Six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Hong Kong	808,590	725,504
Vietnam	1,046	203
Dubai	346	951
	809,982	726,658

The Group's property, plant and equipment and investment properties are solely located in Hong Kong.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

4. SEGMENT INFORMATION (CONTINUED)

Information about major customers

Details of the customers accounting for 10% or more of aggregate revenue of the Group are as follows:

	Six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Customer A ¹	194,064	138,809
Customer B ¹	108,893	120,163
Customer C ¹	110,523	92,267
Customer D ¹	91,117	N/A ²

¹ Revenue from sales of diesel and lubricant oil.

² The corresponding revenue does not contribute over 10% of total revenue of the Group.

5. OTHER INCOME

	Six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Bank interest income	299	293
Gain on disposal of property, plant and equipment	230	523
Government subsidy (<i>Note</i>)	214	–
Rental income from investment properties		
– Lease payments that are fixed	73	780
Others	–	224
	816	1,820

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

5. OTHER INCOME (CONTINUED)

Note: During the six months ended 30 September 2024, the Group recognised government subsidy of HK\$214,000 related to Technology Voucher Programme provided by the Innovation and Technology Commission under the Innovation and Technology Fund to support enterprises in using technological services and solutions to improve productivity, or upgrade or transform their business processes (six months ended 30 September 2023: Nil).

6. FINANCE COSTS

	Six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Interest expenses on:		
– Bank borrowings	669	705
– Lease liabilities	15	14
	684	719

7. INCOME TAX EXPENSE

	Six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Current income tax		
Hong Kong Profits Tax		
– Current period	1,524	4,664
Deferred taxation	42	(57)
	1,566	4,607

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

8. PROFIT FOR THE PERIOD

Profit for the period has been arrived at after charging (crediting) the following items:

	Six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Staff costs, including directors' emoluments:		
– Salaries and allowances	5,094	4,397
– Contributions to retirement benefit scheme	251	165
Total staff costs	5,345	4,562
Cost of inventories recognised as expenses (included in cost of sales)	776,094	687,852
(Reversal of)/allowance for impairment loss on trade receivables, net	(190)	1,274
Impairment loss on other receivables	21	–
Depreciation of property, plant and equipment	2,662	2,343
Depreciation of investment properties	161	305
Depreciation of right-of-use assets	902	742

9. DIVIDEND

No dividend was paid, declared or proposed during the six months ended 30 September 2024 and 2023, nor has any dividend been proposed since the end of the reporting period.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

10. EARNINGS PER SHARE

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

	Six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Earnings:		
Earnings for the purpose of basic and diluted earnings per share	9,616	12,301
Number of shares:		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	1,000,000,000	1,000,000,000

The diluted earnings per share is equal to the basic earnings per share as there were no dilutive potential ordinary shares outstanding during the periods.

11. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2024, the Group acquired certain property, plant and equipment of HK\$879,000 (year ended 31 March 2024: HK\$1,393,000).

As at 30 September 2024, the Group pledged its leasehold land and buildings with carrying values of HK\$118,397,000 (year ended 31 March 2024: HK\$119,008,000) to secure its bank borrowings.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

12. INVESTMENT PROPERTIES

As at 30 September 2024, the Group pledged its investment properties with carrying values of HK\$7,036,000 (year ended 31 March 2024: HK\$7,197,000) to secure its bank borrowings.

13. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(i) Right-of-use assets

	30 September 2024 HK\$'000 (Unaudited)	31 March 2024 HK\$'000 (Audited)
Buildings	1,345	664

During the six months ended 30 September 2024, the Group entered into several new lease agreements for the use of offices for 2 to 3 years. The Group is required to make fixed monthly payments during the contract period. For the six months ended 30 September 2024, the Group on lease commencement recognised approximately HK\$1,583,000 (six months ended 30 September 2023: Nil) of right-of-use assets.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

13. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONTINUED)

(ii) Lease liabilities

	30 September 2024 HK\$'000 (Unaudited)	31 March 2024 HK\$'000 (Audited)
Non-current	733	–
Current	591	790
	1,324	790
Amount payable under lease liabilities		
Within one year	591	790
After one year but within two years	733	–
	1,324	790
Less: Amount due for settlement within 12 months (shown under current liabilities)	(591)	(790)
Amount due for settlement after 12 months	733	–

During the six months ended 30 September 2024, the Group entered a number of lease agreements for offices and recognised lease liabilities of approximately HK\$1,583,000 (six months ended 30 September 2023: Nil).

(iii) Amounts recognised in profit or loss

	Six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Depreciation expense on right-of-use assets	902	742
Interest expense on lease liabilities	15	14

(iv) Others

During the six months ended 30 September 2024, the total cash outflow for leases amount to approximately HK\$1,049,000 (year ended 31 March 2024: HK\$1,762,000).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

14. TRADE AND OTHER RECEIVABLES

	30 September 2024 HK\$'000 (Unaudited)	31 March 2024 HK\$'000 (Audited)
Trade receivables	39,574	47,284
Less: allowance for impairment of trade receivables	(1,080)	(1,270)
	38,494	46,014
Trade deposits paid	29,925	41,343
Deposits and prepayments	428	438
Receivables due from suppliers	3,535	2,602
	33,888	44,383
Less: allowance for impairment of other receivables	(70)	(49)
	33,818	44,334
	72,312	90,348

The Group allows an average credit period of 15 to 30 days to its trade customers. The following is an aged analysis of trade receivables presented based on the invoice date, which approximates the respective revenue recognition dates, at the end of the reporting period.

	30 September 2024 HK\$'000 (Unaudited)	31 March 2024 HK\$'000 (Audited)
0 to 30 days	34,132	41,945
31 to 60 days	505	495
61 to 90 days	145	33
Over 90 days	3,712	3,541
	38,494	46,014

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

15. TRADE AND OTHER PAYABLES

	30 September 2024 HK\$'000 (Unaudited)	31 March 2024 HK\$'000 (Audited)
Trade payables	305	275
Trade deposits received	2,928	1,503
Accrued directors' emoluments	–	400
Other payables and accruals	10,797	8,204
	14,030	10,382

The average credit period on purchase of goods is from 30 days to 60 days.

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

	30 September 2024 HK\$'000 (Unaudited)	31 March 2024 HK\$'000 (Audited)
0 to 30 days	305	275

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

16. BANK BORROWINGS

	30 September 2024 HK\$'000 (Unaudited)	31 March 2024 HK\$'000 (Audited)
Variable-rate bank borrowings: Secured and guaranteed	36,882	34,369
Bank borrowings repayable (based on scheduled repayment dates set out in the loan agreements):		
Within one year	7,270	3,242
More than one year but not exceeding two years	3,327	3,298
More than two years but not exceeding five years	10,362	8,563
More than five years	15,923	19,266
	36,882	34,369
Less: Carrying amounts of bank borrowings that are not repayable within one year from the end of the reporting period but contain a repayment on demand clause (shown under current liabilities)	(7,270)	(3,242)
Less: Carrying amounts of bank borrowings that are repayable within one year from the end of the reporting period and contain a repayment on demand clause	(29,612)	(31,127)
Amount shown under current liabilities	(36,882)	(34,369)
Amount shown under non-current liabilities	-	-

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

16. BANK BORROWINGS (CONTINUED)

All bank borrowings were secured by charges over certain leasehold land and buildings and investment property of the Group as at 30 September 2024 and 31 March 2024.

As at 30 September 2024, the bank borrowings carry interests at Hong Kong Prime Rate less 2.5% to 2.8% per annum and 1 month Hong Kong Interbank Rate plus 2.5% (year ended 31 March 2024: Hong Kong Prime Rate less 2.5% to 2.8% per annum and 1 month Hong Kong Interbank Rate plus 2.5%). The effective interest rates of the bank borrowings as at 30 September 2024 ranged from 3.2% to 3.7% per annum (year ended 31 March 2024: 3.2% to 3.7% per annum).

17. SHARE CAPITAL

Details of movements of authorised and issued share capital of the Company are as follows:

	Number of shares		Share capital	
	30 September 2024 (Unaudited)	31 March 2024 (Audited)	30 September 2024 HK\$'000 (Unaudited)	31 March 2024 HK\$'000 (Audited)
Ordinary shares of HK\$0.01 each				
Authorised:				
At the beginning and end of period/year	10,000,000,000	10,000,000,000	100,000	100,000
Issued and fully paid:				
At the beginning and end of period/year	1,000,000,000	1,000,000,000	10,000	10,000

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

18. RELATED PARTY TRANSACTIONS AND BALANCES

In addition to the transactions and balances detailed elsewhere in the condensed consolidated financial statements, the Group has entered into the following significant transactions with related parties during the six months ended 30 September 2024.

(a) Compensation of key management personnel

The remuneration of directors of the Company and other members of key management personnel during the period was as follows:

	Six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Short-term employee benefits	2,288	1,869
Post-employment benefits	42	46
	2,330	1,915

The remuneration of the directors of the Company and key management personnel of the Group is determined by the board of directors of the Company having regard to the performance of individuals and market trends.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

18. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

- (b) During the period, the Group entered into the following significant transactions with related parties:

Related parties	Nature of transactions	Six months ended	
		30 September	
		2024	2023
		HK\$'000	HK\$'000
		(Unaudited)	(Unaudited)
Bright Ford Development Limited (<i>Note</i>)	Lease and interest payment	462	462
Sunny Gainer Investment Limited (<i>Note</i>)	Lease and interest payment	330	330

Note: Mr. Hui/Ms. Tong are the controlling shareholders of these companies.

19. CONTINGENT LIABILITIES

As at 30 September 2024, the Group had issued a letter of guarantee through the banking facilities granted, to a supplier amounting to HK\$4,000,000 (unaudited) (year ended 31 March 2024: HK\$4,000,000). The facilities are secured by corporate guarantee of the Company.