

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

The logo for SINGAMAS, featuring the word "SINGAMAS" in bold red capital letters, centered between two horizontal blue bars.

勝獅貨櫃企業有限公司
SINGAMAS CONTAINER HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)

Stock code: 716

Websites: <http://www.singamas.com> and <http://www.irasia.com/listco/hk/singamas>

2024 ANNUAL RESULTS ANNOUNCEMENT

ANNUAL RESULTS

The Board of Directors (the “Board”/ “Directors”) of Singamas Container Holdings Limited (the “Company”) would like to announce the consolidated results of the Company and its subsidiaries (collectively the “Group”) for the year ended 31 December 2024 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

		2024	2023
	<i>Notes</i>	US\$'000	US\$'000
Revenue	2	582,804	382,470
Cost of sales		(490,018)	(325,942)
Gross profit		92,786	56,528
Other income	4	17,370	20,608
Distribution expenses		(21,269)	(10,938)
Administrative expenses		(39,476)	(32,657)
Finance costs		(1,326)	(343)
Other gains and losses	5	2,959	(7,076)
Share of results of associates		1,691	1,316
Share of results of joint ventures		210	204
Profit before taxation	6	52,945	27,642
Income tax expense	7	(14,876)	(5,149)
Profit for the year		38,069	22,493
Profit for the year attributable to:			
Owners of the Company		34,135	19,438
Non-controlling interests		3,934	3,055
		38,069	22,493

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Continued)

For the year ended 31 December 2024

	<i>Note</i>	2024 US\$'000	2023 US\$'000
Other comprehensive expense			
<i>Item that will not be reclassified to profit or loss:</i>			
Fair value loss on equity instrument at fair value through other comprehensive income ("FVTOCI"), net of tax effect		(5,077)	(1,983)
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation		(580)	(468)
Other comprehensive expense for the year		(5,657)	(2,451)
Total comprehensive income for the year		32,412	20,042
Total comprehensive income attributable to:			
Owners of the Company		28,572	17,021
Non-controlling interests		3,840	3,021
		32,412	20,042
Basic earnings per share	9	US1.43 cents	US0.82 cent

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

		2024	2023
	<i>Notes</i>	US\$'000	US\$'000
Non-current assets			
Property, plant and equipment	10	141,221	97,641
Right-of-use assets		31,127	35,582
Investment properties		26,764	32,380
Interests in associates		15,573	15,569
Interests in joint ventures		6,334	6,353
Equity instrument at FVTOCI		20,522	26,163
Financial asset at fair value through profit and loss ("FVTPL")		-	3,052
Trade receivables	12	67,259	30,092
Deposits for non-current assets		733	72
		<hr/>	
		309,533	246,904
		<hr/>	
Current assets			
Inventories	11	148,047	106,593
Trade receivables	12	97,001	71,124
Prepayments and other receivables	13	31,595	30,032
Amount due from a fellow subsidiary		26	-
Amounts due from associates		475	276
Amounts due from joint ventures		358	415
Tax recoverable		100	160
Financial asset at FVTPL		2,938	-
Bank deposits with original maturity over 3 months		51,797	173,130
Cash and cash equivalents		198,352	127,833
		<hr/>	
		530,689	509,563
		<hr/>	

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)*As at 31 December 2024*

	<i>Notes</i>	2024 US\$'000	2023 US\$'000
Current liabilities			
Trade payables	14	69,992	34,990
Lease liabilities		1,084	2,099
Accruals and other payables		57,916	45,968
Advances from customers		39,419	36,525
Amount due to immediate holding company		-	75
Amounts due to associates		16	370
Amounts due to joint ventures		12	8
Tax payable		5,378	1,261
Bank and other borrowings		27,719	1,246
		201,536	122,542
Net current assets		329,153	387,021
Total assets less current liabilities		638,686	633,925
Capital and reserves			
Share capital	15	268,149	268,149
Accumulated profits		212,817	201,672
Other reserves		78,026	81,959
Equity attributable to owners of the Company		558,992	551,780
Non-controlling interests		65,439	62,855
Total equity		624,431	614,635
Non-current liabilities			
Lease liabilities		671	1,787
Deferred tax liabilities		13,584	11,914
Bank and other borrowings		-	5,589
		14,255	19,290
		638,686	633,925

Notes:

1. Basis of preparation and accounting policies

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for equity instrument at FVTOCI, financial asset at FVTPL and investment properties, that are measured at fair values at the end of each reporting period.

In the current year, the Group has applied the following amendments to HKFRSs issued by the 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:

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

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 the consolidated financial statements.

2. Revenue

Revenue represents sales of goods from manufacturing, containers leasing and services income from logistics services operations, less sales related taxes, and is analysed as follows:

	2024 US\$'000	2023 US\$'000
Manufacturing and leasing	553,588	354,983
Logistics services	29,216	27,487
	582,804	382,470
Disaggregation of revenue from contracts with customers		
	2024 US\$'000	2023 US\$'000
Types of goods or services		
Manufacturing		
Sales of dry freight containers	393,617	187,115
Sales of tank containers	29,339	61,236
Sales of other specialised containers and container parts	122,150	103,843
	545,106	352,194
Logistics services		
Container storage and handling services	4,041	4,075
Repair and drayage services	4,675	4,510
Container freight station services	17,977	15,983
Other container related services	2,523	2,919
	29,216	27,487
Revenue from contracts with customers	574,322	379,681
Leasing		
Finance leases interest income	2,832	1,102
Operating leases income	5,650	1,687
Total revenue arising from leases	8,482	2,789
Total revenue	582,804	382,470

3. Segment information

Information reported to the Group's chief operating decision maker (i.e. Chief Executive Officer) for the purpose of resource allocation and assessment of segment performance are organised into two operating divisions – manufacturing and leasing and logistics services. These divisions are the basis on which the Group reports its segment information under HKFRS 8 Operating Segments.

Principal activities are as follows:

- | | | |
|----------------------------------|---|--|
| <i>Manufacturing and leasing</i> | - | manufacturing of dry freight containers, tank containers, other specialised containers (including but not limited to collapsible flatrack containers and offshore containers) and container parts and leasing of dry freight containers. |
| <i>Logistics services</i> | - | provision of container storage, repair and trucking services, serving as a freight station, container / cargo handling and other container related services. |

Information regarding these segments is presented below:

Segment revenue and results

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

Year ended 31 December 2024

	<i>Manufacturing and leasing US\$'000</i>	<i>Logistics services US\$'000</i>	<i>Total US\$'000</i>
REVENUE			
<i>External sales</i>	553,588	29,216	582,804
SEGMENT RESULTS	34,086	4,862	38,948
<i>Finance costs</i>			(1,326)
<i>Investment income</i>			13,491
<i>Fair value loss on financial asset at FVTPL</i>			(69)
<i>Share of results of associates</i>			1,691
<i>Share of results of joint ventures</i>			210
<i>Profit before taxation</i>			52,945

Year ended 31 December 2023

	<i>Manufacturing and leasing US\$'000</i>	<i>Logistics services US\$'000</i>	<i>Total US\$'000</i>
REVENUE			
<i>External sales</i>	354,983	27,487	382,470
SEGMENT RESULTS	6,555	3,648	10,203
<i>Finance costs</i>			(343)
<i>Investment income</i>			16,569
<i>Fair value loss on derivative financial instruments</i>			(365)
<i>Fair value gain on financial asset at FVTPL</i>			58
<i>Share of results of associates</i>			1,316
<i>Share of results of joint ventures</i>			204
<i>Profit before taxation</i>			27,642

Segment results represent the profit earned by each segment without allocation of finance costs, investment income (including interest or dividend income), fair value loss on derivative financial instruments, fair value (loss) gain on financial asset at FVTPL, share of results of associates and share of results of joint ventures. This is the measure reported to the Group's Chief Executive Officer for the purposes of resource allocation and assessment of segment performance.

Geographical information

The Group's operations, including both the manufacturing and logistics services division, are located in the People's Republic of China (the "PRC"); while the leasing division is operated in Hong Kong.

The following table provides an analysis of the Group's revenue by geographical market, based on the location of customers for manufacturing and leasing segment and based on the origin of the goods/services for logistics services segment:

	<u>Year ended 31 December 2024</u>			<u>Year ended 31 December 2023</u>		
	Manufacturing and leasing US\$'000	Logistics services US\$'000	Total US\$'000	Manufacturing and leasing US\$'000	Logistics services US\$'000	Total US\$'000
PRC	104,725	29,216	133,941	84,711	27,487	112,198
Middle East	121,314	-	121,314	18,965	-	18,965
Singapore	110,758	-	110,758	11,843	-	11,843
Europe	91,050	-	91,050	88,058	-	88,058
United States of America	59,005	-	59,005	25,265	-	25,265
Hong Kong	38,589	-	38,589	60,598	-	60,598
Taiwan	12,320	-	12,320	50,223	-	50,223
South Africa	4,092	-	4,092	1,599	-	1,599
Malaysia	2,499	-	2,499	3,554	-	3,554
Australia	2,252	-	2,252	2,609	-	2,609
Others	6,984	-	6,984	7,558	-	7,558
Total	553,588	29,216	582,804	354,983	27,487	382,470

The following is an analysis of the carrying amount of non-current assets (other than financial instruments), analysed by the geographical area in which the assets are located:

	As at 31 December 2024 US\$'000	As at 31 December 2023 US\$'000
PRC	133,809	139,411
Hong Kong	86,813	46,723
Others	1,130	1,463
	221,752	187,597

Information about major customers

During the year 2024, there is one customer (2023: one customer) contributes over 10% of the total sales. The customer contributes over 10% of the total sales amounted to US\$99,411,000 (2023: another customer contributed sales amounted to US\$38,850,000) in aggregate.

4. Other income

	2024 US\$'000	2023 US\$'000
<i>Interest earned on bank deposits</i>	8,351	6,527
<i>Interest earned on bank deposits with original maturity over 3 months</i>	3,817	7,889
<i>Imputed interest income from consideration receivable</i>	150	322
<i>Dividend income from equity instrument at FVTOCI</i>	1,173	1,831
<i>Governments grants</i>	902	829
<i>Rental income from investment properties</i>	1,868	1,990
<i>Others</i>	1,109	1,220
	17,370	20,608

During the year 2024, the Group received US\$902,000 (2023: US\$829,000) from the local government authorities for the encouragement on economic contribution to the industry development with no specific conditions attached.

5. Other gains and losses

	2024 US\$'000	2023 US\$'000
<i>Net exchange gain (loss)</i>	3,715	(502)
<i>Fair value loss on derivative financial instruments</i>	-	(365)
<i>Fair value (loss) gain on financial assets at FVTPL</i>	(69)	58
<i>Fair value loss on investment properties</i>	(5,466)	(2,647)
<i>Impairment to consideration receivables</i>	(1,403)	(3,676)
<i>Impairment losses under expected credit loss model, net of reversal</i>	(450)	43
<i>Impairment loss on property, plant and equipment</i>	(627)	-
<i>Gain on lease modification</i>	264	-
<i>(Loss) gain on disposal of property, plant and equipment</i>	(1,026)	54
<i>Gain on disposal of right-of-use assets</i>	8,260	-
<i>Loss on property, plant and equipment written off</i>	(239)	(41)
	2,959	(7,076)

6. Profit before taxation

	2024 US\$'000	2023 US\$'000
<i>Profit before taxation has been arrived at after charging (crediting) the following:</i>		
<i>Auditors' remuneration</i>	<u>520</u>	<u>564</u>
<i>Research and development costs</i>		
- Included in cost of sales	5,372	3,344
- Included in administrative expenses	<u>2,205</u>	<u>2,112</u>
	<u>7,577</u>	<u>5,456</u>
<i>Staff costs, including directors' emoluments</i>		
- Salaries and other benefits	107,757	71,808
- Retirement benefit costs	<u>3,172</u>	<u>2,899</u>
	<u>110,929</u>	<u>74,707</u>
<i>Depreciation expense</i>		
- Depreciation of property, plant and equipment	9,768	8,459
- Depreciation of right-of-use assets	<u>3,828</u>	<u>4,405</u>
	<u>13,596</u>	<u>12,864</u>
<i>Share of taxation charge of associates</i>	492	413
<i>Share of taxation charge of joint ventures</i>	<u>73</u>	<u>53</u>
	<u>565</u>	<u>466</u>
<i>Gross rental income</i>	(1,868)	(1,877)
<i>Less: direct operating expenses that generated rental income during the year</i>	300	304
	<u>(1,568)</u>	<u>(1,573)</u>
<i>Cost of inventories recognised as expense (including provision of inventories US\$4,526,000 (2023: reversal of provision of inventories US\$426,000))</i>	<u>490,018</u>	<u>325,942</u>

7. Income tax expense

No Hong Kong Profits Tax has been provided as there was no taxable profit during both years.

PRC Enterprise Income Tax has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the PRC in which the Group operates.

	2024 US\$'000	2023 US\$'000
Current tax:		
PRC Enterprise Income Tax		
- Current year	12,422	4,875
- Overprovision in prior years	(73)	(91)
	<u>12,349</u>	<u>4,784</u>
Deferred tax:		
- Current year charge (credit)	885	(353)
- Withholding tax on undistributed profits	1,642	718
	<u>2,527</u>	<u>365</u>
Income tax expense for the year	<u>14,876</u>	<u>5,149</u>

Pursuant to the relevant law and regulations in the PRC, PRC subsidiaries qualified as Hi-Tech Enterprise are entitled to a favorable tax rate of 15% for PRC enterprise income tax for the years ended 31 December 2024 and 2023. The tax rate of the other PRC subsidiaries is 25%.

8. Dividends

Dividends recognised as distributions during the year:

	2024 US\$'000	2023 US\$'000
Interim dividend in respect of the current financial year		
- HK3 cents (2023: HK1 cent) per ordinary share	<u>9,164</u>	<u>3,055</u>
Final dividend in respect of the previous financial year		
- HK4 cents (2023: HK2 cents) per ordinary share	<u>12,196</u>	<u>6,079</u>
Special dividend in respect of the current financial year - nil (2023: HK17 cents) per ordinary share	<u>-</u>	<u>51,933</u>

An interim dividend of HK3 cents per ordinary share, total of which equivalent to approximately HK\$71,466,000 (equivalent to approximately US\$9,164,000) was declared and paid during the year ended 31 December 2024.

An interim special dividend of HK17 cents per ordinary share, total of which equivalent to approximately HK\$404,975,000 (equivalent to approximately US\$51,933,000) was declared and paid during the year ended 31 December 2023. No special dividend was declared and paid during the year ended 31 December 2024.

The final dividend of HK4 cents in respect of the year ended 31 December 2023 per ordinary share, total of which equivalent to approximately HK\$95,288,000 (equivalent to approximately US\$12,196,000) were approved by the shareholders in the annual general meeting held on 26 June 2024 and was distributed on 19 July 2024.

The final dividend of HK5 cents in respect of the year ended 31 December 2024 per ordinary share, total of which equivalent to approximately HK\$119,110,000 (equivalent to approximately US\$15,271,000) has been proposed by the board of directors and is subject to approval by the shareholders in forthcoming annual general meeting.

9. Basic earnings per share

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

	2024 US\$'000	2023 US\$'000
Earnings:		
Profit for the purposes of calculating basic earnings per share	<u>34,135</u>	<u>19,438</u>
Number of shares:		
Number of ordinary shares for the purpose of calculating basic earnings per share	<u>2,382,205,918</u>	<u>2,382,205,918</u>

No diluted earnings per share was presented as the Company has no potential ordinary shares in issue in both years.

10. Movements in property, plant and equipment

During the year, there was an addition of US\$55,436,000 (2023: US\$19,645,000) in property, plant and equipment. An additional amount included US\$45,296,000 (2023: US\$14,138,000) for the transfer of inventories to leased assets, and the remaining amount was mainly for upgrading existing manufacturing and logistics services facilities of the Group.

11. Inventories

	2024 US\$'000	2023 US\$'000
Raw materials	30,132	38,160
Work in progress	30,316	22,827
Finished goods	87,599	45,606
	<u>148,047</u>	<u>106,593</u>

12. Trade receivables

	2024 US\$'000	2023 US\$'000
Trade receivables from third parties	58,714	65,964
Trade receivables from fellow subsidiaries	395	385
Trade and operating lease receivables from immediate holding company	33,081	233
Finance lease receivables from third parties	72,521	34,739
Less : allowance for credit losses	(451)	(105)
Net trade receivables	<u>164,260</u>	<u>101,216</u>
Analysed for reporting purpose of:		
Amount shown under non-current assets	67,259	30,092
Amount shown under current assets	<u>97,001</u>	<u>71,124</u>
	<u>164,260</u>	<u>101,216</u>

As at 1 January 2023, trade receivables from contracts with customers are US\$90,934,000.

Trade receivables from third parties

A defined credit policy is maintained within the Group. The credit terms are agreed with each of its trade customers depending on the creditworthiness of the customers ranging from 30 days to 120 days (2023: 30 days to 120 days) upon technical acceptance/invoice issuance/delivery.

The aged analysis of trade receivables from third parties, net of allowance for credit losses, which is prepared based on invoice date of each transaction which approximated the respective revenue recognition dates or date of rendering of services, at the end of the reporting period is as follows:

	2024 US\$'000	2023 US\$'000
0 to 30 days	28,720	34,711
31 to 60 days	11,718	19,052
61 to 90 days	7,483	7,309
91 to 120 days	1,429	471
Over 120 days	8,933	4,326
Classified as current asset	<u>58,283</u>	<u>65,869</u>

Trade receivables from fellow subsidiaries

The payment term with fellow subsidiaries is that the transaction amount shall be settled within 60 days (2023: 60 days) from the invoice date.

The aged analysis of trade receivables from fellow subsidiaries, net of allowance for credit losses, which is prepared based on invoice date of each transaction, which approximated the respective revenue recognition dates, at the end of the reporting period is as follows:

	2024 US\$'000	2023 US\$'000
0 to 30 days	229	175
31 to 60 days	142	178
61 to 90 days	24	32
	<u>395</u>	<u>385</u>

Trade and operating lease receivables from immediate holding company

For trade receivables from immediate holding company, the transaction amount shall be settled 60 days after technical acceptance has been issued.

For operating lease receivables from immediate holding company, the lease rental shall be settled within 45 days (2023: 45 days) from the invoice date.

The aged analysis of trade and operating lease receivables from immediate holding company, net of allowance for credit losses, which is prepared based on invoice date of each transaction, which approximated the respective revenue recognition dates, at the end of the reporting period is as follows:

	2024 US\$'000	2023 US\$'000
0 to 30 days	24,013	137
31 to 60 days	9,068	96
	33,081	233

Finance lease receivables from third parties

	2024 US\$'000	2023 US\$'000
Finance lease receivables comprise:		
Within one year	8,851	6,168
In the second year	7,934	3,793
In the third year	7,933	2,654
In the fourth year	7,921	2,654
In the fifth year	6,759	2,627
After five years	43,061	22,196
	82,459	40,092
Unguaranteed residual values	18,514	7,746
Gross investment in the lease	100,973	47,838
Less: unearned finance income	(28,472)	(13,109)
Present value of minimum lease payments	72,501	34,729
Analysed as		
Current	5,242	4,637
Non-current	67,259	30,092
	72,501	34,729

13. Prepayments and other receivables

As at 31 December 2024, prepayments and other receivables included consideration receivables in connection with disposal of subsidiaries of nil (2023: US\$4,753,000), and advance to suppliers of US\$12,599,000 (2023: US\$15,920,000) as deposits for raw materials purchases. The remaining balances mainly included refundable value added tax and other advance payments.

14. Trade payables

Included in the Group's trade payables as at 31 December 2024 are bills presented by the Group to relevant creditors of US\$1,408,000 (2023: US\$8,611,000) which are for future settlement. All bills presented by the Group are aged within 365 days and not yet due at the end of the reporting period. The Group continues to recognise these trade payables as the relevant banks are obliged to make payments only on due dates of the bills, under the same conditions as agreed with the suppliers without further extension. The following is an analysis of trade payables by age based on invoice date of each transaction.

	2024 US\$'000	2023 US\$'000
0 to 30 days	39,158	20,528
31 to 60 days	14,153	6,182
61 to 90 days	11,798	6,175
91 to 120 days	1,706	305
Over 120 days	3,177	1,800
	69,992	34,990

The average credit period on purchases of materials is 30 to 90 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

15. Share capital

	Number of shares		Share Capital			
	2024	2023	2024 US\$'000	2024 HK\$'000	2023 US\$'000	2023 HK\$'000
Issued and fully paid:						
At beginning and at end of the year	2,382,205,918	2,382,205,918	268,149	2,078,513	268,149	2,078,513

There was no changes in the Company's share capital during both years.