Shanghai Qingpu Fire-Fighting Equipment Co., Ltd.*
上海青浦消防器材股份有限公司
(a joint stock limited company incorporated in the People's Republic of China)
(Stock Code: 8115)

FINAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

This announcement, for which the directors (the "Directors") of Shanghai Qingpu Fire-Fighting Equipment Co., Ltd. (the "Company", together with its subsidiaries, the "Group") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "GEM Listing Rules") for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

* *For the identification purpose only*

The Board hereby presents the audited consolidated final results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2024 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2024

	Notes	**2024** *RMB'000*	2023 *RMB'000*
Revenue	*4*	**84,460**	74,137
Cost of sales and services provided	*5*	**(59,392)**	(52,587)
Gross profit		**25,068**	21,550
Other income and gains	*4*	**4,279**	4,950
Selling and distribution expenses		**(3,581)**	(3,096)
Administrative expenses		**(14,555)**	(11,291)
Finance costs		**(234)**	(368)
Impairment of goodwill		**(1,891)**	–
(Provision for)/Reversal of expected credit loss ("ECL") allowance on trade receivables, net	*5*	**(92)**	1,410
Profit before tax	*5*	**8,994**	13,155
Income tax credit/(expense)		**874**	(1,678)
Profit for the year		**9,868**	11,477
Attributable to:			
Owners of the Company		**4,350**	8,521
Non-controlling interests		**5,518**	2,956
		9,868	11,477
EARNINGS PER SHARE	*7*		
Basic *(RMB cents)*		**2.32**	4.55
Diluted *(RMB cents)*		**2.32**	4.55

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2024

	2024	2023
	RMB'000	*RMB'000*
PROFIT FOR THE YEAR	**9,868**	11,477
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	**–**	–
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**9,868**	11,477
Attributable to:		
Owners of the Company	**4,350**	8,521
Non-controlling interests	**5,518**	2,956
	9,868	11,477

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2024

	Notes	2024 RMB'000	2023 RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment	9	**18,557**	19,030
Right-of-use assets		**1,094**	1,436
Goodwill		**2,320**	4,211
Intangible assets		**135**	315
Deposits and other receivables		**1,625**	1,786
Deferred tax assets		**21**	100
Total non-current assets		**23,752**	26,878
CURRENT ASSETS			
Inventories		**9,558**	8,490
Trade and bills receivables	10	**15,627**	10,231
Prepayments, deposits and other receivables		**4,365**	4,226
Due from a related company		**698**	698
Cash and cash equivalents		**148,426**	143,391
Total current assets		**178,674**	167,036
CURRENT LIABILITIES			
Trade payables	11	**7,067**	7,425
Other payables and accruals		**4,529**	4,677
Lease liabilities		**1,083**	805
Due to immediate holding company	13	**906**	906
Due to non-controlling interests	13	**41**	41
Tax payables		**173**	121
Total current liabilities		**13,799**	13,975
NET CURRENT ASSETS		**164,875**	153,061
TOTAL ASSETS LESS CURRENT LIABILITIES		**188,627**	179,939

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 December 2024

	Notes	**2024** *RMB'000*	2023 *RMB'000*
NON-CURRENT LIABILITIES			
Interest-bearing bank borrowings, secured	*12*	**5,790**	5,790
Lease liabilities		**408**	960
Deferred tax liabilities		**8,486**	10,165
Total non-current liabilities		**14,684**	16,915
Net assets		**173,943**	163,024
EQUITY			
Equity attributable to owners of the Company			
Paid-up capital	*14*	**18,743**	18,743
Reserves		**131,797**	126,469
		150,540	145,212
Non-controlling interests		**23,403**	17,812
Total equity		**173,943**	163,024

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

1. CORPORATE AND GROUP INFORMATION

Shanghai Qingpu Fire-Fighting Equipment Factory was transformed into a joint stock limited liability company in the People's Republic of China (the "PRC") on 1 December 2000 and was renamed as Shanghai Qingpu Fire-Fighting Equipment Co., Ltd. ("上海青浦消防器材股份有限公司") (the "Company"). The registered office of the Company is located at No. 1988, Jihe Road, Hua Xin Town, Qingpu District, Shanghai, the PRC and its principal place of business in Hong Kong is situated at Unit 2605, Island Place Tower, 510 King's Road, North Point, Hong Kong.

The Company's H shares are listed on the GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

During the year, the Group's principal activities have not changed and consisted of the following:

- manufacture and sale of pressure vessels (including fire-fighting equipment products and pressure vessels products);
- sales of marine fire-fighting equipment and provision of related installation and inspection services;
- provision of fire technology inspection services;
- manufacture and sale of aquarium products;
- trading of other products; and
- lease of office building and industrial properties.

In the opinion of the directors (the "Directors") of the Company, the Company's immediate holding company is 聯城消防集團股份有限公司 (literally translated as "Liancheng Fire-Fighting Group Joint Stock Co., Ltd.", "Liancheng"), a limited liability company established in the PRC, and the ultimate holding company is 浙江恒泰房地產有限公司 (literally translated as "Zhejiang Hengtai Real Estate Company Limited", "Zhejiang Hengtai"), a limited liability company established in the PRC.

Information about subsidiaries

Particulars of the subsidiaries of the Company are as follows:

Name	Place of establishment and business	Registered capital/paid-up capital	Percentage of equity attributable to the Company Direct	Percentage of equity attributable to the Company Indirect	Principal activities
上海黎明消防檢測有限公司*+ (Shanghai Liming Fire Testing Co., Limited)	PRC	RMB5,000,000	90%	–	Provision of fire technology inspection services
上海鐵錨壓力容器(集團)有限公司*+ (Shanghai Anchor Pressure Vessel (Group) Limited) ("Anchor")	PRC	RMB70,000,000	90%	9%	Investment holding
上海元奉高壓容器有限公司*+ (Shanghai Yuanfeng Pressure Vessels Co., Limited)	PRC	RMB5,000,000	–	94.05%	Inactive
上海元蓬國際貿易有限公司*+ (Shanghai J.S.X. International Trading Corporation)	PRC	RMB5,000,000	–	99%	Trading of pressure vessels and other products
上海高壓特種氣瓶有限公司*+@ (Shanghai Pressure Special Gas Cylinder Co., Limited) ("Special Cylinder")	PRC	RMB19,170,000	–	59.4%	Lease of industrial properties
上海安航海上消防設備有限公司*+ (Shanghai An Hang Marine Fire-Fighting Equipment Co., Limited) ("Shanghai An Hang")	PRC	RMB5,000,000	90%	9%	Sales of marine fire-fighting equipment and provision of related installation and inspection services
上海荻野生物科技有限公司*+ (Shanghai Ogino Biotechnology Co., Limited) ("Shanghai Ogino")	PRC	RMB4,000,000	–	44.1%^	Manufacture and sale of aquarium products
寧波狄野生物科技有限公司*+ (Ningbo Ogino Biotechnology Co., Limited) ("Ningbo Ogino")	PRC	RMB1,000,000	–	44.1%^	Sales of aquarium products

* Ascenda Cachet CPA Limited is not the statutory auditor of these subsidiaries.

\+ These subsidiaries are registered as limited liability companies in the PRC.

@ Pursuant to shareholders agreement, the profit of Special Cylinder would be shared by Anchor and the non-controlling interest (上海洋涇工業公司 (literally translated as "Shanghai Yangjing Industrial Co.")), at 54% and 46%, respectively.

^ The Company, through its non-wholly owned subsidiary, has a majority voting right in the board of directors of both of Shanghai Ogino and Ningbo Ogino so as to directly control its operating, financing and relevant activities through the respective board of directors. Shanghai Ogino and Ningbo Ogino are accounted for as subsidiaries of the Group by virtue of the Company's control over them.

2. ACCOUNTING POLICIES

2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") (which include all International Financial Reporting Standards, International Accounting Standards ("IASs") and Interpretations) promulgated by the International Accounting Standards Board ("IASB"). The consolidated financial statements also comply with the applicable disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on the GEM (the "GEM Listing Rules") of the Stock Exchange. They have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss, which have been measured at fair value.

The consolidated financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand except when otherwise indicated. RMB is the Group's functional and presentation currency.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2024. A subsidiary is an entity, directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) the contractual arrangement with the other vote holders of the investee;

(b) rights arising from other contractual arrangements; and

(c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the exchange fluctuation reserve and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 Change in accounting policies and disclosures

The Group has adopted the following revised IFRSs for the first time for the current year's financial statements.

Amendments to IFRS 16	*Lease Liability in a Sale and Leaseback*
Amendments to IAS 1	*Classification of Liabilities as Current or Non-current* (the "2020 Amendments")
Amendments to IAS 1	*Non-current Liabilities with Covenants* (the "2022 Amendments")
Amendments to IAS 7 and IFRS 7	*Supplier Finance Arrangements*

The nature and the impact of the revised IFRSs are described below:

(a) Amendments to IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of IFRS 16, the amendments did not have any impact on the financial position or performance of the Group.

(b) The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

    The Group has reassessed the terms and conditions of its liabilities as at 1 January 2023 and 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

(c) Amendments to IAS 7 and IFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. As the Group does not have supplier finance arrangements, the amendments did not have any impact on the Group's financial statements.

2.3 Issued but not yet effective international financial reporting standards

The Group has not applied the following new and revised IFRSs, that have been issued but are not yet effective, in these financial statements. The Group intends to apply these new and revised IFRSs, if applicable, when they become effective.

IFRS 18	*Presentation and Disclosure in Financial Statements*[3]
IFRS 19	*Subsidiaries without Public Accountability: Disclosures*[3]
Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*[2]
Amendments to IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[4]
Amendments to IAS 21	*Lack of Exchangeability*[1]
Annual Improvements to IFRS Accounting Standards — Volume 11	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7[2]

1 Effective for annual periods beginning on or after 1 January 2025
2 Effective for annual periods beginning on or after 1 January 2026
3 Effective for annual/reporting periods beginning on or after 1 January 2027
4 No mandatory effective date yet determined but available for adoption

Further information about those IFRSs that are expected to be applicable to the Group is described below.

IFRS 18 replaces IAS 1 *Presentation of Financial Statements*. While a number of sections have been brought forward from IAS 1 with limited changes, IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in IAS 1 are moved to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, which is renamed as IAS 8 *Basis of Preparation of Financial Statements*. As a consequence of the issuance of IFRS 18, limited, but widely applicable, amendments are made to IAS 7 *Statement of Cash Flows*, IAS 33 *Earnings per Share* and IAS 34 *Interim Financial Reporting*. In addition, there are minor consequential amendments to other IFRSs. IFRS 18 and the consequential amendments to other IFRSs are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of IFRS 18 on the presentation and disclosure of the Group's financial statements.

IFRS 19 allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRSs. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10 *Consolidated Financial Statements*, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements available for public use which comply with IFRSs. Earlier application is permitted. As the Company is a listed company, it is not eligible to elect to apply IFRS 19. Some of the Company's subsidiaries are considering the application of IFRS 19 in their specified financial statements.

Amendments to IFRS 9 and IFRS 7 clarify the date on which a financial asset or financial liability is derecognised and introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. The amendments shall be applied retrospectively with an adjustment to opening retained profits (or other component of equity) at the initial application date. Prior periods are not required to be restated and can only be restated without the use of hindsight. Earlier application of either all the amendments at the same time or only the amendments related to the classification of financial assets is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to IFRS 10 and IAS 28 address an inconsistency between the requirements in IFRS 10 and in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss resulting from a downstream transaction when the sale or contribution of assets constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to IFRS 10 and IAS 28 was removed by the IASB. However, the amendments are available for adoption now.

Amendments to IAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. Earlier application is permitted. When applying the amendments, an entity cannot restate comparative information. Any cumulative effect of initially applying the amendments shall be recognised as an adjustment to the opening balance of retained profits or to the cumulative amount of translation differences accumulated in a separate component of equity, where appropriate, at the date of initial application. The amendments are not expected to have any significant impact on the Group's financial statements.

Annual Improvements to IFRS Accounting Standards — Volume 11 set out amendments to IFRS 1, IFRS 7 (and the accompanying *Guidance on Implementing IFRS 7*), IFRS 9, IFRS 10 and IAS 7. Details of the amendments that are expected to be applicable to the Group are as follows:

- IFRS 7 *Financial Instruments: Disclosures:* The amendments have updated certain wording in paragraph B38 of IFRS 7 and paragraphs IG1, IG14 and IG20B of the *Guidance on implementing IFRS 7* for the purpose of simplification or achieving consistency with other paragraphs in the standard and/or with the concepts and terminology used in other standards. In addition, the amendments clarify that the *Guidance on Implementing IFRS 7* does not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7 nor does it create additional requirements. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

- IFRS 9 *Financial Instruments:* The amendments clarify that when a lessee has determined that a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to apply paragraph 3.3.3 of IFRS 9 and recognise any resulting gain or loss in profit or loss. In addition, the amendments have updated certain wording in paragraph 5.1.3 of IFRS 9 and Appendix A of IFRS 9 to remove potential confusion. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

- IFRS 10 *Consolidated Financial Statements:* The amendments clarify that the relationship described in paragraph B74 of IFRS 10 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor, which removes the inconsistency with the requirement in paragraph B73 of IFRS 10. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

- IAS 7 *Statement of Cash Flows:* The amendments replace the term "cost method" with "at cost" in paragraph 37 of IAS 7 following the prior deletion of the definition of "cost method". Earlier application is permitted. The amendments are not expected to have any impact on the Group's financial statements.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has six reportable operating segments as follows:

(i) Fire-fighting equipment segment — manufacture and sale of pressure vessels (including fire-fighting equipment products and pressure vessels products);

(ii) Aquarium products segment — manufacture and sale of aquarium products;

(iii) Marine fire-fighting equipment segment — sales of marine fire-fighting equipment and provision of related installation services;

(iv) Inspection services segment — provision of fire technology inspection services and marine fire-fighting equipment inspection services;

(v) Property investment segment — investment and lease of office buildings and industrial properties for rental income purpose; and

(vi) Trading segment — trading of other products.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss), which is a measure of adjusted profit/(loss) before tax. The adjusted profit/(loss) before tax is measured consistently with the Group's profit/(loss) before tax except that interest income, government grant, finance cost (other than interest on lease liabilities), and realised gains on financial assets at fair value through profit or loss as well as head office and corporate income and expenses are excluded from such measurement.

Segment assets exclude cash and cash equivalents, deferred tax assets and amount due from a related company as these assets are managed on a group basis.

Segment liabilities exclude amounts due to immediate holding company, non-controlling interests, secured interest-bearing bank borrowings, tax payables and deferred tax liabilities as these liabilities are managed on a group basis.

Year ended 31 December 2024

	Fire-fighting equipment *RMB'000*	Aquarium products *RMB'000*	Marine fire-fighting equipment *RMB'000*	Inspection services *RMB'000*	Property investment *RMB'000*	Trading *RMB'000*	Total *RMB'000*
Segment revenue *(note 4)*:							
Sales/Services provided to external customers	22,823	35,122	12,540	6,734	–	–	77,219
Gross rental income	–	–	–	–	7,241	–	7,241
Total segment revenue	22,823	35,122	12,540	6,734	7,241	–	84,460
Segments results	(4,186)	6,388	(2,114)	1,737	5,094	–	6,919
Interest income							2,284
Realised gains on financial assets at fair value through profit or loss							1,001
Finance cost (other than interest on lease liabilities)							(179)
Government grant							353
Corporate and unallocated income							199
Corporate and unallocated expenses							(1,583)
Profit before tax							8,994
Segment assets	12,636	27,915	8,298	1,448	3,815	–	54,112
Inter-segment elimination							(831)
Unallocated assets							149,145
Total assets							202,426
Segment liabilities	3,269	3,414	4,499	245	2,491	–	13,918
Inter-segment elimination							(831)
Unallocated liabilities							15,396
Total liabilities							28,483
Capital expenditure*	874	790	–	–	–	–	1,664
Provision for ECL allowance on trade receivables, net	–	–	92	–	–	–	92
Depreciation and amortisation	612	1,033	–	352	–	–	1,997

* Capital expenditure consists of additions to property, plant and equipment and right-of-use assets.

Year ended 31 December 2023

	Fire-fighting equipment *RMB'000*	Aquarium products *RMB'000*	Marine fire-fighting equipment *RMB'000*	Inspection services *RMB'000*	Property investment *RMB'000*	Trading *RMB'000*	Total *RMB'000*
Segment revenue *(note 4)*:							
Sales/Services provided to external customers	23,447	27,315	9,580	6,796	–	–	67,138
Gross rental income	–	–	–	–	6,999	–	6,999
Total segment revenue	23,447	27,315	9,580	6,796	6,999	–	74,137
Segments results	53	2,927	1,763	1,600	5,010	–	11,353
Interest income							2,656
Realised gains on financial assets at fair value through profit or loss							268
Finance cost (other than interest on lease liabilities)							(293)
Government grant							393
Corporate and unallocated income							309
Corporate and unallocated expenses							(1,531)
Profit before tax							13,155
Segment assets	13,784	23,995	9,282	1,826	1,669	–	50,556
Inter-segment elimination							(831)
Unallocated assets							144,189
Total assets							193,914
Segment liabilities	4,745	2,304	4,362	1,001	2,286	–	14,698
Inter-segment elimination							(831)
Unallocated liabilities							17,023
Total liabilities							30,890
Capital expenditure*	1,213	264	–	–	–	–	1,477
Reversal of provision for ECL allowance on trade receivables, net	–	–	(1,410)	–	–	–	(1,410)
Write-off of property, plant and equipment	–	–	662	–	–	–	662
Depreciation and amortisation	694	1,017	–	351	–	–	2,062

* Capital expenditure consists of additions to property, plant and equipment and right-of-use assets.

Geographical information

(a) Revenue from external customers

	2024	2023
	RMB'000	*RMB'000*
The PRC	**63,151**	53,390
European countries	**17,381**	18,357
Other countries	**3,928**	2,390
Total	**84,460**	74,137

(b) Non-current assets

The Group operates principally in the PRC. Over 90% of the Group's assets are located in the PRC. Accordingly, no further geographical information of non-current assets was disclosed.

Information about major customers

Revenue from customers contributing over 10% of the total revenue are as follows:

	2024	2023
	RMB'000	*RMB'000*
Customer A*	**28,844**	23,374
Customer B**	**14,205**	15,968
Total	**43,049**	39,342

* Revenue from aquarium products segment.

** Revenue from fire-fighting equipment segment.

4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	2024	2023
	RMB'000	*RMB'000*
Revenue from contracts with customers:		
Sales of pressure vessels	**22,823**	23,447
Sales of aquarium products	**35,122**	27,315
Sales of marine fire-fighting equipment	**12,540**	9,580
Inspection services fee	**6,734**	6,796
	77,219	67,138
Revenue from other sources:		
Gross rental income	**7,241**	6,999
Total revenue	**84,460**	74,137

Other income and gains

	2024	2023
	RMB'000	*RMB'000*
Interest income	**2,284**	2,656
Realised gains on financial assets at fair value through profit or loss	**1,001**	268
Government grant*	**353**	393
Sales of scraps	**–**	18
Recovery of trade receivables previously written-off	**200**	1,150
Exchange gains, net	**252**	129
Others	**189**	336
Total other income and gains	**4,279**	4,950

* The Group received unconditional government grant of RMB353,000 (2023: RMB393,000) for the years in respect of subsidies for supporting enterprises development and demolition of factory buildings, etc. There were no unfulfilled conditions or contingencies attaching to these government subsidies.

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	Notes	**2024** **RMB'000**	2023 RMB'000
Cost of inventories sold@		**53,578**	46,345
Cost of services provided@		**3,964**	4,379
Cost of rental income		**1,850**	1,863
		59,392	52,587
Depreciation of right-of-use assets@		**547**	632
Amortisation of intangible assets*		**180**	180
Depreciation of property, plant and equipment@	*9*	**1,270**	1,250
Auditor's remuneration:			
Assurance services		**1,000**	967
Other services		**14**	13
		1,014	980
Write-off of property, plant and equipment	*9*	**–**	662
Impairment of goodwill		**1,891**	–
Provision for/(Reversal of) ECL allowance on trade receivables	*10*	**92**	(1,410)
Employee benefits expenses@ (including directors' and supervisors' remuneration)#:			
Wages and salaries		**8,940**	8,079
Pension scheme contributions		**1,327**	1,279
		10,267	9,358
Exchange gains, net	*4*	**(252)**	(129)
Recovery of trade receivables previously written-off	*4*	**(200)**	(1,150)
Interest income	*4*	**(2,284)**	(2,656)
Realised gains on financial assets at fair value through profit or loss	*4*	**(1,001)**	(268)

* The amortisation of intangible assets for the year are included in "administrative expenses" in the consolidated statement of profit or loss.

During the years ended 31 December 2023 and 2024, the Group had no forfeited contributions under its retirement benefit scheme in the PRC which may be used to reduce the existing level of contributions as described in Rule 18.34 of the GEM Listing Rules.

@ Cost of sales and services provided included approximately RMB2,995,000 (2023: RMB2,999,000) for the year ended 31 December 2024 relating to employee costs, depreciation of property, plant and equipment and depreciation of right-of-use assets, which amounts are also included in respective total amounts disclosed above for each of these types of expenses.

6. INCOME TAX EXPENSE/(CREDIT)

No provision for Hong Kong profits tax has been made as the Group has no assessable profits arising in Hong Kong during the year ended 31 December 2024 (2023: Nil).

According to the relevant announcements of income tax relief policy for small low-profit enterprises issued by the State Administration of Taxation, a lower corporate income tax ("CIT") rate is applicable to small scale enterprises with low profitability that meet certain conditions, pursuant to which, the subsidiaries qualified as small-scale enterprises with assessable profits not over RMB3,000,000 are effectively taxable at 5% (i.e. 20% CIT rate on the 25% of the assessable profits) for the years ended 31 December 2024 and 2023. The CIT of other companies in the Group is calculated at a rate of 25% on the estimated assessable profits for the year ended 31 December 2024 and 2023.

	2024	2023
	RMB'000	*RMB'000*
Current — the PRC:		
Charge for the year	**726**	374
Deferred tax	**(1,600)**	1,304
Total tax (credit)/charge for the year	**(874)**	1,678

7. EARNINGS PER SHARE

The calculation of basic earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the Company of RMB4,350,000 (2023: RMB8,521,000) and the number of ordinary shares of 187,430,000 (2023: 187,430,000) in issue during the year.

No adjustment has been made to the basic earnings per share amounts for the years ended 31 December 2024 and 2023 in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue during these years.

8. DIVIDEND

The Directors do not recommend the payment of any dividend for the year ended 31 December 2024 (2023: Nil).

9. PROPERTY, PLANT AND EQUIPMENT

	Buildings *RMB'000*	Machinery *RMB'000*	Furniture, fixtures and computer equipment *RMB'000*	Motor vehicles *RMB'000*	Total *RMB'000*
31 December 2024					
At 1 January 2024:					
Cost	**22,019**	**1,456**	**1,646**	**892**	**26,013**
Accumulated depreciation	**(4,007)**	**(986)**	**(1,213)**	**(777)**	**(6,983)**
Net carrying amount	**18,012**	**470**	**433**	**115**	**19,030**
At 1 January 2024, net of accumulated depreciation	**18,012**	**470**	**433**	**115**	**19,030**
Additions	**–**	**107**	**690**	**–**	**797**
Depreciation provided during the year *(note 5)*	**(910)**	**(76)**	**(254)**	**(30)**	**(1,270)**
At 31 December 2024, net of accumulated depreciation	**17,102**	**501**	**869**	**85**	**18,557**
At 31 December 2024:					
Cost	**22,019**	**1,561**	**2,335**	**893**	**26,808**
Accumulated depreciation	**(4,917)**	**(1,060)**	**(1,466)**	**(808)**	**(8,251)**
Net carrying amount	**17,102**	**501**	**869**	**85**	**18,557**

	Buildings *RMB'000*	Machinery *RMB'000*	Furniture, fixtures and computer equipment *RMB'000*	Motor vehicles *RMB'000*	Total *RMB'000*
31 December 2023					
At 1 January 2023:					
Cost	22,724	1,163	1,455	892	26,234
Accumulated depreciation	(3,082)	(920)	(1,031)	(743)	(5,776)
Net carrying amount	19,642	243	424	149	20,458
At 1 January 2023, net of accumulated depreciation	19,642	243	424	149	20,458
Additions	–	293	191	–	484
Write-off *(note 5)*	(662)	–	–	–	(662)
Depreciation provided during the year *(note 5)*	(968)	(66)	(182)	(34)	(1,250)
At 31 December 2023, net of accumulated depreciation	18,012	470	433	115	19,030
At 31 December 2023:					
Cost	22,019	1,456	1,646	892	26,013
Accumulated depreciation	(4,007)	(986)	(1,213)	(777)	(6,983)
Net carrying amount	18,012	470	433	115	19,030

Note:

The buildings together with the leasehold land are situated in the PRC under medium term leases.

Certain of the buildings with net carrying amount of approximately RMB7,765,000 (2023: RMB8,270,000) have been pledged to a bank to secure the interest-bearing bank borrowings (note 12).

10. TRADE AND BILLS RECEIVABLES

	2024	2023
	RMB'000	*RMB'000*
Trade receivables	**15,993**	10,505
Less: Allowance for expected credit losses	**(366)**	(274)
Subtotal	**15,627**	10,231
Bills receivables	**–**	–
Total	**15,627**	10,231

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally two to three months, extending up to half year for major customers. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables in order to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing.

An aging analysis of the trade and bills receivables (net of impairment loss) as at the end of reporting period, based on the invoice date, is as follows:

	2024	2023
	RMB'000	*RMB'000*
Within 1 month	**7,299**	4,490
1 to 2 months	**2,706**	1,069
2 to 3 months	**2,662**	987
3 to 6 months	**1,872**	2,337
6 to 12 months	**892**	1,211
Over 1 year	**196**	137
	15,627	10,231

The movements in the allowance for expected credit losses ("ECL") on trade receivables are as follows:

	2024	2023
	RMB'000	*RMB'000*
At 1 January	**274**	1,684
Provision for/(Reversal of) ECL allowance *(note 5)*	**92**	(1,410)
At 31 December	**366**	274

11. TRADE PAYABLES

An aging analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	2024	2023
	RMB'000	*RMB'000*
Within 1 month	**1,945**	3,297
1 to 2 months	**1,868**	724
2 to 3 months	**283**	540
Over 3 months	**2,971**	2,864
	7,067	7,425

12. INTEREST-BEARING BANK BORROWINGS, SECURED

	Effective interest rate	**Maturity year**	**2024** ***RMB'000***	2023 *RMB'000*
Bank borrowings *(note (a))*	Loan prime rate +0.40%	2026	**5,790**	5,790
Less: Bank borrowings classified as current portion			**–**	–
Bank borrowings classified as non-current portion			**5,790**	5,790
Analysed into:				
Bank borrowings repayable:				
Within one year			**–**	–
In the second year			**5,790**	–
In the third to fifth years, inclusive			**–**	5,790
Over five years			**–**	–
			5,790	5,790

Note (a):

On 12 December 2023, the Group entered into four banking facilities with a state-owned bank ("Bank A") in the PRC, pursuant to which Bank A granted four revolving facilities with aggregate amount of RMB8,276,000 to the Group for 5 years until 11 December 2028. On 15 December 2023, four loans ("Loans A") with aggregate principal amount of RMB5,790,000 were drawn down by the Group for a term of 3 years. The banking facilities are secured by the pledge of four building properties with aggregate carrying amount of approximately RMB7,765,000 (2023: RMB8,270,000) as at 31 December 2024. Loans A bear interest at loan prime rate of the National Interbank Funding Center (全國銀行間同業拆借中心) plus 0.40% per annum and are repayable on 14 December 2026.

13. DUE TO IMMEDIATE HOLDING COMPANY AND NON-CONTROLLING INTERESTS

Amounts due to immediate holding company and non-controlling interests are unsecured, interest-free and have no fixed terms of repayment.

As at 31 December 2024, the immediate holding company, Liancheng, has undertaken to provide to the Company with an unsecured interest-free shareholder's loan facility in the sum of not exceeding RMB50 million (the "Facility") for the period expiring on 30 May 2026 (2023: 30 May 2025). As at 31 December 2024 and 2023, none of the Facility has been drawn down.

14. PAID UP CAPITAL

	2024	2023
	RMB'000	*RMB'000*
Registered, issued and fully paid:		
131,870,000 unlisted domestic shares ("Domestic Shares") of RMB0.10 each	**13,187**	13,187
55,560,000 overseas listed foreign shares ("H Shares") of RMB0.10 each	**5,556**	5,556
	18,743	18,743

15. RELATED PARTY TRANSACTIONS

(a) During the year ended 31 December 2024, the Group paid training service fee of approximately RMB5,000 (2023: Nil) for the training service provided by a related company, 上海清大東方職業技能培訓學校有限公司 (literally translated as "Shanghai Qingda Oriental Vocational Skills Training School Co., Ltd"), a company controlled by a director of Zhejiang Hengtai.

For the year ended 31 December 2023, the Group provided inspection service to a related company, 上海石化消防工程有限公司 (literally translated as "Shanghai Petro-Chemical Fire-fighting Engineering Company Limited"), a company controlled by a director of Zhejiang Hengtai, for inspection service income of approximately RMB3,000.

(b) During the year ended 31 December 2024, the Group completed the acquisition (the "J.S.X. Acquisition") of the remaining 5% equity interest of Shanghai J.S.X. International Trading Corporation from a non-controlling interest at a cash consideration of approximately RMB613,000 pursuant to a sales and purchase agreement dated 20 October 2023 entered into between the Group and the non-controlling interest.

(c) During the years ended 31 December 2024 and 2023, the substantial shareholder of the Company and a non-controlling interest granted a land use right to a subsidiary of the Company at nil (2023: nil) consideration.

(d) On 8 December 2024, the Company and 清大東方教育科技集團有限公司 (literally translated as "Qinda Oriental Education Technology Group Co., Ltd.") (the "Vendor"), a connected person of the Company under the GEM Listing Rules, entered into a sale and purchase agreement (the "Sale and Purchase Agreement"), pursuant to which, the Vendor has conditionally agreed to sell, and the Company has conditionally agreed to acquire (the "Qinda Acquisition") the entire equity interest in 清大東方消防科技集團有限公司 (literally translated as Qingda Oriental Fire Fighting Technology Group Co., Ltd) and its subsidiaries (collectively, the "Target Group") at a consideration of RMB200 million (subject to adjustment). The consideration will be satisfied as to (i) RMB28 million by the allotment and issue of 28,000,000 shares (the "Consideration Shares") of the Company to the Vendor of its nominee(s); (ii) RMB85 million by the issue of a zero coupon convertible bond with a maturity term of 5 years which is convertible into the shares of the Company (the "Conversion Shares") at a conversion price of RMB1 (subject to adjustment) per share; and (iii) RMB87 million by cash. The completion of the Qinda Acquisition is subject to, among the other things, (i) the Stock Exchange granting the listing of, and permission to deal in, the Consideration Shares and the Conversion Shares and such permission has not been withdrawn; and (ii) the passing of ordinary resolutions by the independent shareholders of the Company at the extraordinary general meeting approving the terms of the Sale and Purchase Agreement and the transactions contemplated thereunder, and such resolutions have not been withdrawn. The Qinda Acquisition has not been completed as at the end of the reporting period and up to the date of this announcement.

(e) Compensation of key management personnel of the Group during the period was as follows:

	2024	2023
	RMB'000	*RMB'000*
Fees:		
Independent non-executive directors	**91**	90
Other emoluments:		
Salaries, allowances and benefits in kind	**258**	257
Pension scheme contributions	**23**	9
Subtotal	**281**	266
Total	**372**	356

Except for those stated above and transactions and balances detailed elsewhere in this announcement the Group had no material transactions with related parties during the year.

16. COMMITMENTS

Save as those detailed in note 15(d), the Group did not have any significant commitments as at the end of the reporting period.

17. CONTINGENT LIABILITIES

There were no significant contingent liabilities as at the end of the reporting period.

18. LITIGATIONS

The Group did not have any significant litigation as at the end of the reporting period.

19. COMPARATIVE AMOUNTS

Certain comparative amounts have been reclassified to conform with the current year's presentation.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

REVENUE

For the year ended 31 December 2024, the Group recorded revenue of approximately RMB84,460,000 (year ended 31 December 2023: RMB74,137,000), representing an increase of approximately 13.9% over last year mainly because of the increase in sales of aquarium products and marine fire-fighting equipment.

GROSS PROFIT

For the year ended 31 December 2024, the Group recorded overall gross profit of approximately RMB25,068,000 (year ended 31 December 2023: RMB21,550,000). The gross profit ratio was approximately 29.7%, which is stable comparing to approximately 29.1% for the year ended 31 December 2023.

OTHER INCOME AND GAINS

Other income and gains decreased from approximately RMB4,950,000 for the year ended 31 December 2023 to approximately RMB4,279,000 for the year ended 31 December 2024 mainly due to the decrease in interest income.

SELLING AND DISTRIBUTION EXPENSES

For the year ended 31 December 2024, the Group's selling and distribution expenses increased to approximately RMB3,581,000 from RMB3,096,000, representing an increase of approximately 15.7%. This was mainly due to the increase in transportation costs and staff costs during the year 2024.

ADMINISTRATIVE EXPENSES

For the year ended 31 December 2024, the Group's administrative expenses amounted to approximately RMB14,555,000, (year ended 31 December 2023: approximately RMB11,291,000), representing an increase of 28.9% comparing to the year ended 31 December 2023. The increase in administrative expenses was mainly due to higher general administrative costs for operational purposes and increased legal and professional fees related to corporate matters of the Group.

FINANCE COSTS

Finance costs for the year ended 31 December 2024 amounted to RMB234,000 (year ended 31 December 2023: RMB368,000), representing a decrease of approximately 36.4%. The finance costs mainly consisted of interest expenses on bank borrowings. The decrease in finance costs was mainly due to the reduction of interest rate charged by the bank.

INCOME TAX

No provision for Hong Kong profits tax has been made as the Group had no assessable profits arising in Hong Kong during the year (2023: Nil).

According to the relevant announcements of income tax relief policy for small low-profit enterprises issued by the State Administration of Taxation, a lower corporate income tax ("CIT") rate is applicable to small scale enterprises with low profitability that meet certain conditions, pursuant to which, the subsidiaries qualified as small scale enterprises with assessable profits not over RMB3,000,000 are effectively taxable at 5% (i.e. 20% CIT rate on the 25% of the assessable profits) for the year ended 31 December 2024 and 2023. CIT for other companies in the Group is calculated at a rate of 25% (2023: 25%) on the respective companies' estimated assessable profits for the years ended 31 December 2024 and 2023.

NON-CONTROLLING INTERESTS

For the year ended 31 December 2024, profit for the year attributable to non-controlling interests is approximately RMB5,518,000 (year ended 31 December 2023: RMB2,956,000).

PROFIT ATTRIBUTABLE TO THE OWNERS OF THE COMPANY

For the year ended 31 December 2024, the Group recorded profit for the year attributable to the owners of the Company of approximately RMB4,350,000 (year ended 31 December 2023: RMB8,521,000). The decrease was primarily attributable to the impairment of goodwill related to the Marine fire-fighting equipment cash-generating unit. This goodwill was originated from the acquisition of Shanghai An Hang in 2016 and represents the excess of the purchase price over the fair value of the acquired net assets.

NET CURRENT ASSETS

As at 31 December 2024, the Group had current assets of approximately RMB178,674,000, based on which, the current ratio was 12.9 (31 December 2023: 11.9). The increase was mainly caused by the increase in cash and cash equivalents and trade and bills receivables. The current liabilities decreased from RMB13,975,000 as at 31 December 2023 to RMB13,799,000 as at 31 December 2024 mainly attributable to the net of the decrease in trade payables and the increase in lease liabilities. Current assets as at 31 December 2024 mainly comprised of inventories of approximately RMB9,558,000 (31 December 2023: RMB8,490,000), trade and bills receivables of approximately RMB15,627,000 (31 December 2023: RMB10,231,000), prepayments, deposits and other receivables of approximately RMB4,365,000 (31 December 2023: RMB4,226,000) and cash and cash equivalents of approximately RMB148,426,000 (31 December 2023: RMB143,391,000). The inventories turnover days for the year was 63 days (31 December 2023: 61 days). Trade and bills receivables increased by 52.7% mainly due to the increase in sales of aquarium products and marine fire-fighting equipment. Current liabilities mainly comprised of trade payables of approximately RMB7,067,000 (31 December 2023: RMB7,425,000), other payables and accruals of approximately RMB4,529,000 (31 December 2023: RMB4,677,000) and lease liabilities of approximately RMB1,083,000 (31 December 2023: RMB805,000).

GEARING RATIO

The Group’s gearing ratio as at 31 December 2024 was 16.4% (31 December 2023: 18.9%), which is expressed as a percentage of the total liabilities divided by the total equity. The gearing ratio was lower comparing to the year ended 31 December 2023 reflecting improved financial stability.

CHARGE ON ASSETS OF THE GROUP

As detailed in note 12 to this announcement, the interest-bearing bank borrowings are secured by the pledge of four building properties, with carrying amount of RMB7,765,000 as at 31 December 2024 (31 December 2023: RMB8,270,000).

COMMITMENTS

Save as those as detailed in note 15 to this announcement, there were no significant commitments at 31 December 2024.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES

Save as disclosed in the paragraph "Related Party Transactions and Balances" in this announcement, there were no significant investments held, nor were there any material acquisitions or disposal of subsidiaries and associated companies made by the Group during the year ended 31 December 2024 and up to the date of this announcement.

CONTINGENT LIABILITIES

There were no significant contingent liabilities at 31 December 2024.

LITIGATIONS

There were no significant litigation at 31 December 2024.

CAPITAL STRUCTURE AND FINANCIAL RESOURCES

As at 31 December 2024, the Group had net assets of approximately RMB173,943,000 (31 December 2023: RMB163,024,000). The Group's operations are financed principally by internal sources, secured interest-bearing bank borrowings and shareholders' equity.

As at 31 December 2024, the immediate holding company, Liancheng, has undertaken to provide to the Company with an unsecured interest-free shareholder's loan facility in the sum of not exceeding RMB50 million (the "Facility") for the period expiring on 30 May 2026 (2023: 30 May 2025). As at 31 December 2024 and 2023, none of the Facility has been drawn down.

EMPLOYEES

As at 31 December 2024, the Group had 98 employees (2023: 84 employees). Remuneration is determined by reference to market terms and the performance, qualifications, and experience of individual employee. Other benefits include contributions to retirement scheme.

Under relevant local government regulations, the Group is required to make contributions to a central pension scheme operated by the local municipal government for all qualified employees in the PRC. The Group has, in compliance with relevant local government regulations, made payment for such scheme during the year. The Group has no obligation for the payment of other retirement and non-retirement benefits of employees other than the contributions described above.

The Group has not experienced any significant labour disputes or strikes which have led to the disruption of its normal business operations. The Directors consider that the Group's relationship with its employees to be good.

BUSINESS REVIEW

The Group's fire extinguisher products cover three categories, carbon dioxide, water-based, and dry powder. The wide product range offered by the Group can meet the diversified needs of the customers. In addition, the Group's manufacturing of fire extinguisher products are granted with the Certificates of Type Approval by the China Classification Society, Shanghai Branch. The Group's pressure cylinders have obtained the manufacturing licence in the PRC and they meet the quality standards and requirements of the United States of America and the European Union.

In 2024, the Group reinforced its market leadership through a diversified product portfolio and robust manufacturing capabilities. Its fire extinguisher products — available in carbon dioxide, water-based, and dry powder variants — meet a broad range of customer needs and are backed by Certificates of Type Approval from the China Classification Society, Shanghai Branch, which underscore stringent quality and safety standards.

The Group's pressure cylinders are manufactured under a valid licence in the PRC and conform to the quality requirements of both the United States and the European Union. This commitment to international standards has bolstered the Group's competitiveness in domestic and export markets.

In addition to its core fire safety offerings, the Group manufactures and sells pressure vessels, provides fire technology inspection services, and installs marine fire-fighting equipment. Ancillary segments such as the sale of aquarium products and property investments have also contributed to revenue. These non-core operations are continuously reviewed to ensure they complement the Group's primary focus on fire safety solutions without compromising overall portfolio efficiency.

Overall, the Group's strong operational performance and adherence to rigorous quality standards position it as a reliable provider of comprehensive fire safety solutions in a competitive industry.

PROSPECT

Looking ahead to 2025 and beyond, the Company remains committed to strengthening its market position and actively pursuing growth opportunities within its core business areas. Following the announcement on 8 December 2024 regarding the VSA of a fire safety training business, the Group is optimistic about the growth potential of this new venture. The completion of the VSA is subject to the fulfillment of certain conditions precedent, including satisfactory due diligence, regulatory approvals, shareholder approval, transfer of key assets, and compliance with all legal and contractual requirements. Once these conditions are met, the Company will integrate the Target Group as a wholly-owned subsidiary, allowing it to offer comprehensive fire safety training solutions, enhance its existing product and service offerings, and align with its long-term strategic objectives.

The Company remains confident in its ability to achieve sustainable growth through a combination of organic expansion, strategic acquisitions, and continuous innovation.

Despite potential macroeconomic and industry-specific challenges, the Group's strong financial position, diversified business portfolio, and prudent risk management strategies will provide resilience and support long-term value creation.

The Board of Directors remains dedicated to driving sustainable growth and maximizing shareholder value by leveraging the Group's strong market position, expanding its product and service offerings, and capitalizing on emerging opportunities within the fire safety sector. The integration of the Target Group, combined with the Group's core strengths and operational efficiencies, positions the Company well for a promising future.

The Group will continue to monitor market trends, adapt to evolving regulatory landscapes, and explore new opportunities to maintain its competitive edge. As part of its strategic review, the Group will evaluate opportunities for consolidation, restructuring, and, where necessary, the disposal of non-core or underperforming business segments to optimize resources and enhance profitability.

SHARE CAPITAL

There is no change in registered, issued and fully paid capital of the Company during the year.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association or the laws of the People's Republic of China which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

The Company and its subsidiaries did not purchase, redeem or sell any of the Company's listed securities during the year.

EQUITY-LINKED AGREEMENT

No equity-linked agreement was entered by the Company during the year.

COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES

Pursuant to Rule 18.44(2) and Appendix 15 of the GEM Listing Rules, the Company wishes to state that it has complied with all code provisions set out in the Code on Corporate Governance Practices (the "Code") contained in the Appendix 15 of the GEM Listing Rules during the year.

AUDIT COMMITTEE

Pursuant to Rule 5.28 of the GEM Listing Rules, the Company has set up an audit committee. In compliance with Rule 5.29 of the GEM Listing Rules, the authority and responsibility of the audit committee have been properly written out. The audit committee for the year ended 31 December 2024 comprises of Zhu Yi Juan, Wang Guo Zhong and Song Zi Zhang, who are independent non-executive Directors. Zhu Yi Juan possess appropriate professional qualification and financial experience.

The audit committee has reviewed the Group's audited consolidated financial statements for the year ended 31 December 2024.

SCOPE OF WORK OF AUDITOR

The figures in respect of the preliminary announcement of the Group's results for the year ended 31 December 2024 have been agreed by the Company's auditor, Ascenda Cachet CPA Limited ("Ascenda Cachet"), to the amounts set out in the Company's consolidated financial statements for the year ended 31 December 2024. The work performed by Ascenda Cachet in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by Ascenda Cachet on the preliminary announcement.

By Order of the Board of
Shanghai Qingpu Fire-Fighting Equipment Co., Ltd.
Zhou Jin Hui
Chairman

Shanghai, 3 March 2025

As at the date of this announcement, the executive Directors are Mr. Zhou Jin Hui (Chairman), Mr. Shi Hui Xing and Mr. Zhou Guo Ping; and the independent non-executive Directors are Mr. Wang Guo Zhong, Ms. Zhu Yi Juan and Mr. Song Zi Zhang.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange of Hong Kong Limited (the "GEM") for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Company Announcements" page of the GEM website at http://www.hkgem.com for at least 7 days from the date of its posting and on the website of the Company at www.shanghaiqingpu.com.