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ANXIAN YUAN CHINA HOLDINGS LIMITED

安賢園中國控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 00922)

**ANNOUNCEMENT OF ANNUAL RESULTS
FOR THE YEAR ENDED 31 MARCH 2024**

ANNUAL RESULTS

The Board is pleased to announce the consolidated results of the Group for the Year together with the comparative figures for the year ended 31 March 2023 as follows:

* *For identification purposes only*

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 March 2024

		2024	2023
	<i>Notes</i>	HK\$'000	<i>HK\$'000</i>
REVENUE	<i>5</i>	284,430	340,533
Cost of sales		<u>(76,701)</u>	<u>(86,842)</u>
Gross profit		207,729	253,691
Other income and gains, net	<i>5</i>	8,744	13,521
Selling and distribution expenses		(37,758)	(36,573)
Administrative expenses		(90,322)	(83,595)
Finance costs	<i>7</i>	<u>(675)</u>	<u>(1,003)</u>
PROFIT BEFORE INCOME TAX	<i>6</i>	87,718	146,041
Income tax expense	<i>8</i>	<u>(29,321)</u>	<u>(40,529)</u>
PROFIT FOR THE YEAR		<u>58,397</u>	<u>105,512</u>
Profit for the year attributable to:			
Owners of the Company		57,824	104,921
Non-controlling interests		<u>573</u>	<u>591</u>
		<u>58,397</u>	<u>105,512</u>
EARNINGS PER SHARE FOR PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY FOR THE YEAR			
Basic and diluted (<i>HK cents</i>)	<i>10</i>	<u>2.60</u>	<u>4.72</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2024

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
PROFIT FOR THE YEAR	<u>58,397</u>	<u>105,512</u>
OTHER COMPREHENSIVE INCOME		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of financial statements of foreign operations	(33,466)	(71,860)
Release of exchange reserve upon disposal of subsidiaries	–	(407)
Item that may not be reclassified subsequently to profit or loss:		
Change in fair value of equity investments at fair value through other comprehensive income	<u>(1,876)</u>	<u>642</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	<u>(35,342)</u>	<u>(71,625)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>23,055</u>	<u>33,887</u>
Total comprehensive income for the year attributable to:		
Owners of the Company	23,730	36,137
Non-controlling interests	<u>(675)</u>	<u>(2,250)</u>
	<u>23,055</u>	<u>33,887</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2024

	Notes	2024 HK\$'000	2023 HK\$'000
NON-CURRENT ASSETS			
Property, plant and equipment	11	68,698	73,352
Right-of-use assets	11	2,979	3,143
Intangible assets	11	408,445	426,057
Goodwill		12,328	12,767
Equity investments		1,048	2,924
Cemetery assets	12	197,911	207,464
Loan to non-controlling shareholder		202	1,329
		<u>691,611</u>	<u>727,036</u>
CURRENT ASSETS			
Inventories		240,059	261,615
Trade receivables	13	1,009	1,023
Prepayments, deposits and other receivables		2,610	1,738
Loan to non-controlling shareholder		414	657
Fixed time deposits		–	57,117
Cash and cash equivalents		339,428	283,409
		<u>583,520</u>	<u>605,559</u>
CURRENT LIABILITIES			
Trade payables	14	36,456	37,468
Other payables and accruals		11,249	10,606
Contract liabilities		26,898	24,898
Interest-bearing bank borrowings		17,296	27,050
Lease liabilities		420	211
Tax payables		55,161	59,739
		<u>147,480</u>	<u>159,972</u>
NET CURRENT ASSETS			
		<u>436,040</u>	<u>445,587</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>1,127,651</u>	<u>1,172,623</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)*As at 31 March 2024*

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
NON-CURRENT LIABILITIES		
Interest-bearing bank borrowings	–	17,912
Contract liabilities	39,580	32,750
Lease liabilities	28	94
Deferred tax liabilities	109,372	115,160
	<hr/>	<hr/>
Total non-current liabilities	148,980	165,916
	<hr/>	<hr/>
NET ASSETS	978,671	1,006,707
	<hr/>	<hr/>
EQUITY		
Share capital	222,136	222,136
Reserves	720,829	748,190
	<hr/>	<hr/>
Equity attributable to owners of the Company	942,965	970,326
Non-controlling interests	35,706	36,381
	<hr/>	<hr/>
TOTAL EQUITY	978,671	1,006,707
	<hr/>	<hr/>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2024

1. BASIS OF PREPARATION

These financial statements of Anxian Yuan China Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations (“Int’”)) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. In addition, the financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange.

These financial statements have been prepared under historical cost convention, except for equity investments which were stated at fair value.

2. ADOPTION OF AMENDED HKFRSs

In the current year, the Group has applied or early adopted for the first time, the following amendments to HKFRSs issued by the HKICPA, which are relevant to and effective for the Group’s financial statements for the annual period beginning on 1 April 2023.

Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to HKAS 8	Definition of Accounting Estimates
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Except as disclose below, the application of the amendments to HKFRSs that are relevant and effective from 1 April 2023 did not have any significant impact on the Group’s accounting policies and no material effect on the amounts reported and/or disclosures set out in these financial statements.

Amendments to HKAS 1 and HKFRS Practice Statement 2 - Disclosure of Accounting Policies

The HKICPA issued HKFRS Practice Statement 2 Making Materiality Judgements in March 2021 to provide entities with non-mandatory guidance on how to make materiality judgements when preparing their general purpose financial statements in accordance with HKFRS. In April 2021, the HKICPA issued amendments to HKAS 1 and HKFRS Practice Statement 2. These amendments aim to make accounting policy disclosures more informative by replacing the requirement to disclose “significant accounting polices” with “material accounting policy information”. These amendments also provide guidance under what circumstance, the accounting policy information is likely to be considered material and therefore requiring disclosure.

These amendments have no effect on the measurement or presentation of any items in the consolidated financial statements of the Group but affect the disclosure of accounting policies of the Group.

3. AMENDED HKFRSs THAT HAVE BEEN ISSUED BUT NOT YET EFFECTIVE

The following amended HKFRSs, potentially relevant to the Group's financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group's current intention is to apply these changes on the date they become effective.

Amendments to HKAS 1	Non-current Liabilities with Covenants (the "2022 Amendments") ¹
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current (the "2020 Amendments") ^{1,3}
Amendments to HKAS 21	Lack of Exchangeability ²
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback ¹

¹ Effective for annual periods beginning on or after 1 January 2024

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

³ As a consequence of the 2020 Amendments and 2022 Amendments, Hong Kong Interpretation 5 Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause was revised to align the corresponding wording with no change in conclusion

Amendments to HKAS 1 – 2022 Amendments and 2020 Amendments

Amendments to HKAS 1 Non-current Liabilities with Covenants clarify how to treat liabilities that are subject to covenants to be complied with, at a date subsequent to the reporting period. The 2022 Amendments improve the information an entity provides when its right to defer settlement of a liability for at least twelve months is subject to compliance with covenants. The 2022 Amendments clarify that only covenants with which an entity must comply on or before the reporting date will affect a liability's classification as current or non-current.

The 2020 Amendments provide clarification that if an entity's right to defer settlement of a liability is subject to compliance with future covenants, the entity has a right to defer settlement of the liability even if it does not comply with those covenants 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 of the liability. The 2020 Amendments also clarify the situations that are considered as a settlement of a liability.

Amendments to HKAS 21 – Lack of Exchangeability

Amendments to HKAS 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 the 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.

Amendments to HKFRS 16 – Lease Liability in a Sale and Leaseback

Amendments to HKFRS 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.

The directors of the Company have performed an assessment on the above amendments to standards and have concluded on a preliminary basis that these amendments would not have a significant impact on the Group's consolidated financial statements in subsequent years.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group has only one reportable operating segment which is the cemetery business. Since this is the only reportable operating segment of the Group, no further operating segment analysis thereof is presented.

Geographical information

(a) *Disaggregated revenue from external customers*

	2024 HK\$'000	2023 HK\$'000
The PRC	284,430	340,533

The revenue information above is based on the location of the customers.

(b) *Non-current assets*

	2024 HK\$'000	2023 HK\$'000
Hong Kong	350	188
The PRC	690,011	722,595
	690,361	722,783

Non-current asset information above is based on the locations of the assets and excludes financial instruments.

Information about major customers

For the year ended 31 March 2024, no (2023: Nil) revenue from a single customer accounted for 10% or more of the Group's revenue.

5. REVENUE, OTHER INCOME AND GAINS

Disaggregation of revenue from contracts with customers

In the following table, revenue is disaggregated by major products and services and timing of revenue recognition. The Group has only one reportable operating segment which is the cemetery business in the PRC, and the disaggregated geographic information of revenue has been set out in note 4(a).

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Revenue by products and services		
Sales of tombs and niches	254,494	307,778
Management fee income	5,144	4,195
Burial services	24,792	28,560
	<u>284,430</u>	<u>340,533</u>
Timing of revenue recognition		
At point in time	254,494	307,778
Over time	29,936	32,755
	<u>284,430</u>	<u>340,533</u>
Other income and gains, net		
Losses on disposals of property, plant and equipment, net	(53)	(8)
Gain on disposal of subsidiaries	–	51
Government grants (<i>note</i>)	261	185
Bank interest income	7,452	3,558
Imputed interest income from loan to non-controlling shareholder	74	105
Recovery of bad debts on other receivables	–	8,725
Others	1,010	905
	<u>8,744</u>	<u>13,521</u>

Note: The government grants for the year ended 31 March 2024 represented the grants mainly in relation to PRC taxable subsidies and eco-friendly cemetery cash incentives, of which the Group complied with all attached conditions and therefore such grants were recognised as other income during the year.

The government grants for the year ended 31 March 2023 mainly in relation to the Employment Support Scheme (“ESS”) under the Anti-epidemic Fund launched by the Hong Kong SAR Government supporting the payroll of the Company’s employees. Under the ESS, the Group had to commit to spend these grants on payroll expenses, and not reduce employee head count below prescribed levels for a specified period of time. The Group did not have other unfulfilled obligations relating to this program.

6. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging/(crediting):

	2024	2023
	HK\$'000	HK\$'000
Cost of inventories sold recognised as expense	58,285	66,638
Cost of services provided	7,779	8,733
Employee benefit expense (excluding directors' and chief executives' remuneration):		
– Wages and salaries**	39,030	39,804
Amortisation of intangible assets*	2,968	3,649
Amortisation of cemetery assets*	7,712	7,823
Auditor's remuneration	940	950
Depreciation:		
– Property, plant and equipment	7,694	9,042
– Right-of-use assets	2,573	2,284
Recovery of bad debts on other receivables	–	(8,725)
Loss allowance on loan to non-controlling shareholder	1,375	–
	58,285	66,638

* *Amortisations of intangible assets and cemetery assets for the years are included in "Cost of sales" in the consolidated statement of profit or loss.*

** *For the year ended 31 March 2024, there were neither contributions forfeited by the Group nor had there been any utilisation of such forfeited contributions to reduce future contributions (2023: Nil). As at 31 March 2024, there were no forfeited contributions which were available for utilisation by the Group to reduce the existing level of contributions to the Mandatory Provident Fund retirement benefit scheme (2023: Nil).*

7. FINANCE COSTS

An analysis of finance costs is as follows:

	2024	2023
	HK\$'000	HK\$'000
Interest on lease liabilities	36	35
Interest on interest-bearing bank borrowings	1,233	1,929
Less: Interest capitalised	(594)	(961)
	675	1,003

Borrowing costs capitalised during the year arose on the general borrowing pool and are calculated by applying a capitalisation rate of 4.48% (2023: 4.76%) per annum to the expenditure on qualifying assets.

8. INCOME TAX EXPENSE

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which subsidiaries of the Group are domiciled and operate.

Pursuant to the rules and regulations of Bermuda, the Company is not subject to any income tax in that jurisdiction (2023: Nil).

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

Provision for the PRC current income tax is based on the statutory rate of 25% (2023: 25%) of the assessable profits of the PRC subsidiaries of the Group as determined in accordance with the PRC Corporate Income Tax Law.

The major components of income tax expense are as follows:

	2024 HK\$'000	2023 <i>HK\$'000</i>
Current tax – PRC Corporate Income Tax		
– Tax for the year in the PRC	28,342	39,456
PRC dividend withholding tax	2,937	4,058
Deferred tax	(1,958)	(2,985)
	<hr/>	<hr/>
Total income tax expense for the year	29,321	40,529
	<hr/>	<hr/>

A reconciliation of the income tax expense applicable to profit before income tax at the statutory rate for the jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rate is as follows:

	2024 HK\$'000	2023 <i>HK\$'000</i>
Profit before income tax	87,718	146,041
	<hr/>	<hr/>
Tax at the statutory tax rate of 25% (2023: 25%)	21,929	36,511
Effect of withholding tax on distributable profit of the Group's PRC subsidiaries	2,937	4,058
Tax effect of different taxation rates in other tax jurisdictions	1,706	91
Tax effect of non-taxable income	(418)	(886)
Tax effect of non-deductible expenses	1,809	4,115
Tax effect of tax losses not recognised	1,982	689
Tax effect of utilisation of tax losses not previously recognised	(624)	(4,049)
	<hr/>	<hr/>
Income tax expense	29,321	40,529
	<hr/>	<hr/>

9. DIVIDENDS

- (i) Dividends declared to equity shareholders of the Company attributable to the year:

	2024 HK\$'000	2023 HK\$'000
Interim dividend declared and paid of HK0.8 cent (2023: HK0.5 cent) per ordinary share	17,771	11,107
Final dividend proposed of HK1.3 cents (2023: HK1.5 cents) per ordinary share after the end of the reporting period	<u>28,878</u>	<u>33,320</u>
	<u>46,649</u>	<u>44,427</u>

The final dividend proposed after the end of the reporting period has not been recognised as a liability at the end of the reporting period.

- (ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year:

	2024 HK\$'000	2023 HK\$'000
Final dividend paid in respect of the previous financial year, approved and paid during the year, of HK1.5 cents (2023: HK0.9 cent) per share	<u>33,320</u>	<u>19,992</u>

The proposed final and interim dividends in respect of year ended 31 March 2023 and six months period ended 30 September 2023 respectively was paid as appropriations of contributed surplus reserve of the Company during the year ended 31 March 2024.

10. EARNINGS PER SHARE FOR PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of the basic earnings per share is based on the profit for the year attributable to owners of the Company over the weighted average number of ordinary shares of 2,221,363,000 (2023: 2,221,363,000) in issue during the year.

There was no potential dilutive ordinary shares outstanding during the years ended 31 March 2024 and 2023 and hence the diluted earnings per share is the same as basic earnings per share.

The calculations of basic and diluted earnings per share are based on:

	2024 HK\$'000	2023 <i>HK\$'000</i>
Earnings		
Profit attributable to owners of the Company used in the basic and diluted earnings per share calculation	57,824	104,921
	2024 Number of shares ('000)	2023 Number of shares <i>('000)</i>
Shares		
Weighted average number of ordinary shares in issue during the year used in basic and diluted earnings per share calculation	2,221,363	2,221,363

11. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT, RIGHT-OF-USE ASSETS AND INTANGIBLE ASSETS

During the year, the Group acquired items of property, plant and equipment with a cost of HK\$5,709,000 (2023: HK\$477,000). Items of property, plant and equipment with a net carrying value of HK\$91,000 (2023: HK\$17,000) were disposed of during the year, resulting in a loss on disposal of HK\$53,000 (2023: loss of HK\$8,000). Items of property, plant and equipment with a net carrying value of Nil (2023: HK\$12,901,000) were derecognised by disposal of subsidiaries. No (2023: Nil) property, plant and equipment were written off during the year.

No (2023: Nil) properties under property, plant and equipment were pledged for certain interest-bearing bank borrowings at the end of the reporting period.

In addition, the Group has entered into new lease agreements and renewed some lease agreements during the year. Right-of-use assets amounted to HK\$42,000 (2023: HK\$2,254,000) and HK\$2,402,000 (2023: HK\$1,502,000) has been recognised for the year respectively.

No (2023: Nil) additions to intangible assets was made during the year.

12. CEMETERY ASSETS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Leasehold lands	17,678	18,931
Landscape facilities	<u>180,233</u>	<u>188,533</u>
	<u>197,911</u>	<u>207,464</u>

13. TRADE RECEIVABLES

Ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, if any, is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Within 60 days	279	267
61 to 180 days	–	–
Over 1 year	<u>730</u>	<u>756</u>
	<u>1,009</u>	<u>1,023</u>

14. TRADE PAYABLES

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

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Within 90 days	18,730	9,650
91 to 180 days	3,363	7,010
181 to 365 days	3,205	5,057
Over 1 year	<u>11,158</u>	<u>15,751</u>
	<u>36,456</u>	<u>37,468</u>

15. RELATED PARTY TRANSACTIONS

In addition to the transactions and balances detailed elsewhere in these financial statements, the Group had the following transactions with related parties during the year.

(a) Other transactions with related parties

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Consultancy fee to a related company in which one of the executive directors has control (<i>notes (i) and (ii)</i>)	792	820
Rental payment to a related company in which one of the executive directors has control (<i>notes (i) and (iii)</i>)	968	1,003
Carpark fee to a related company in which a close family member of one of the executive directors has control (<i>notes (i) and (iv)</i>)	<u>60</u>	<u>60</u>

Notes:

- (i) These transactions constitute a de minimis transactions under Rule 14A.76(1)(c) of Chapter 14A of the Listing Rules and are therefore fully exempted from all disclosure requirements.
- (ii) These transactions related to consultancy fee paid to a related party in which one of the executive directors has control.
- (iii) These rental expenses related to rental payment to related party in which one of the executive directors has control.
- (iv) These carpark expenses related to carpark payment to related party in which a close family member of one of the executive directors has control.

(b) Compensation of key management personnel of the Group

The directors of the Company are of the opinion that the key management are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, and are defined as the executive directors, non-executive directors and the chief executive officer of the Company.

CHAIRMAN’S STATEMENT

2023 remains a year of turbulence, divergence and changes. The long-term impact of the COVID-19 pandemic lingered, geopolitical conflicts intensified, the international situation was complicated and changeable, and many countries suffered high inflation. Against such backdrop, the economic downturn in the world was not unexpected at all. In the long run, China’s economy, fueled by technology innovation and deepening reform, is undergoing qualitative changes in a subtle way, although difficulties and challenges remain in economic operation. Over the past year, the Group, under the leadership of the Board, also demonstrated its resilience and vitality amidst economic downturn by stimulating its endogenous momentum to “seek innovation and changes” and firmly pursuing high-quality development, and maintained a stable and healthy growth as always.

Zhejiang Anxian Yuan, the leading flagship project, endeavored to expand its marketing business. On one hand, it actively responded to the government’s promotion of green-ecological and land-saving funeral; on the other hand, it kept pace with the times by focusing on the development of ecological and humanistic environment and intelligence through introducing emerging technologies into funeral services. Its new burial areas completed the transformation from traditional cemeteries to land-saving, artistic, ecological and intelligent ones successfully, which gained recognition from society and thus brought strong vitality to the development of the Group. During the period, Zhejiang Anxian Yuan completed the large landscape “Sky Domain”, “Ecological Art Garden•Time Gate” and the digital ceremony hall “Unlimited”, which has become an important part of the “Seven Privileges” major livelihood project in local civil affairs. Among them, the “Unlimited” digital life experience space represents another exploration of the Group in artificial intelligence following its “digital sacrifice” and AI “recovery” of the dead. The space is the first digital remembrance place in the province with the most advanced interactive equipment integrating a series of service functions such as personalized remembrance, AI, healing and meditation. This project not only changes the inherent mode of traditional funeral, but also creates an exclusive memory space and injects infinite warmth into funeral services, which further drives the Group to upgrade its funeral services under the guidance of “integrating technology into the industry and letting missing into the heart” in the new era. As a bold new attempt of the Group under the “people-oriented” and “technology-empowered” policies, the development and completion of the digital life experience space project has been widely concerned and recognised by all walks of life, and has led the trend of funeral digitalization reform in the industry and “AI+” empowering funeral services.

“Green Funeral” not only responds to the national trend and requirements for the development of the funeral industry, but also lays the foundation for the sustainable development of the cemetery. The Group, after formally acquiring and managing Yin Chuan Fu Shou Yuan, has as always been implementing the development strategy of the autonomous region positioned as an ecological zone and the urban development concept of “green, high-end, harmonious and livable” Yinchuan. Aiming to serve the public, conserve land, protect the environment and change traditions, it focuses on deepening funeral reform and promoting land-saving ecological burials under the guidance of safeguarding the interests of the public. At present, Yin Chuan Fu Shou Yuan has gradually emerged as a demonstration unit of outstanding cemeteries integrating green, humanity, ecology, and art in the western region. During the period under review, Yin Chuan Fu Shou Yuan, by actively focusing on land-saving ecology, diversified the forms and methods of land-saving ecological burials with small and micro tombs as the starting point. Meanwhile, it persisted in applying ecologically friendly burial utensils, creating a complete land-saving ecological burial chain. Besides, its “Life Crystal”, which has been put into service in 2019, is the only project unit of the “Life Crystal” service in the entire Ningxia region, and has been attracting attention from the public for its positive significance in land-saving burials and promotion of funeral reform. During the period, Yin Chuan Fu Shou Yuan actively cooperated with the local government, not only organizing many activities such as patriotism education and humanities memorials, but also actively participating in local public welfare and charitable undertakings. By strengthening the cooperation with Yinchuan Funeral Service Center, gerocomium group and other units, it, on the top of giving back to the society and shaping the Group’s brand image, also has fostered an organic integration of the business chain of local hospice care, funeral services, cemetery sales and after-sales services, demonstrating a sound trend of both branding and benefit enhancement.

During the period, under the mature business philosophy and management experience of the Group, Zunyi Dashenshan Cemeteries, a project of the Group, showed huge vitality and room for development. By making full use of the advantages of funeral and burial integration, Zunyi Dashenshan Cemeteries strived to tap the market potential of funeral services, constantly innovated service forms and expanded the room for development. Guided by the the Group’s funeral culture concept of “a view of paradise, a tour of the mundane world”, the Cemeteries were fully upgraded from the funeral conditions of funeral parlors to landscape and environment of the Cemeteries. The existing service items in the pavilion include transportation of remains, keeping spirits, refrigeration, facelift, farewell, cremation, placement of spiritual bone, all come with complete supporting facilities and professional technicians. Adhering to the industry purpose of “end of life, endless service”, the Group strives to provide customers with professional, quality, humanized and personalized services, which have been widely recognized by the local governments and the general public. With “Culture inheritance, Congregation of talents and resources, and Formation of ecology” as the brand direction, the Group plans to shape Dashenshan Cemeteries into a benchmark enterprise in the provincial cemeteries. It will establish a leading role in the implementation of the funeral reform in Guizhou, and open a new chapter in Guizhou Province by building parks and cemeteries with green funeral and burial concepts.

An enterprise can only achieve success by adapting to the ever-changing business environment of the era. Those who adapt to changes survive, who reform and innovate stand, who fight persistently enjoy enduring success. The Group adheres to the people-oriented and innovative enterprise concept for development. The Group's flagship project, Zhejiang Anxian Yuan, generated good synergy with funeral service provider, offering comprehensive services from funeral to burial for the deceased, setting a new benchmark for the "one-stop" life industry services in the region. It also serves as a template for the sustainable growth of the Group's projects in other areas in the future.

The Group always attaches high importance to the reserve of management talents and professional training of service personnel, especially their training and fostering. By recruiting new talents and implementing mentorship to foster internal employees, standardizing operation procedures, service standards and images, the Group has gradually formed a set of unified and flexible "Anxian Member" service system and working philosophy, thus building a young, knowledgeable and professional team of the Group. During the period, the Group conducted business evaluations of subsidiaries at all levels to standardize operation procedures, service standards and images accordingly. It has gradually formed a set of unified and flexible "Anxian Member" service system and working philosophy, presenting a healthy and virtuous development trend within the Group, which laid a more solid and stable foundation for the long-term management and operation of the Group.

In an era marked by unprecedented global changes, the funeral industry is also filled with opportunities and challenges. In the new financial year, the Group, along with all its employees, will continue to adhere to a people-oriented operation philosophy, and to be guided by the corporate spirit of "anticipate change while being prepared, and learn from the virtuous (居安思變, 見賢思齊)". Thus, we will strive forward with resilience, seek progress while maintaining stability, lay a solid foundation, seize time by the forelock, thereby bravely riding on the tide of the times as well as persistently focusing on deepening and expanding our core funeral services. In addition, taking the "stylish choices by making peace with ancestors in Anxian (品位·安賢)" as the core, each of project companies will strive to establish a positive brand image under the branding requirements of "benevolence, integrity, care, warmth and comfort (仁心、正心、精心、濫心、舒心)". The Group is dedicated to forming a highly efficient and professional team along with a scientific operational system. By setting new criteria for the modern funeral industry, we aim to lead and promote progress and transformation in China's funeral sector, so as to make new contributions to the Chinese funeral cause. Our goal is to create a life spiritual home where humanistic commemoration, life education, historical culture, ecological art and funeral services may complement each other. Anxian Yuan China remains in step with the times and resonates with China's sustainable development goals. Amid the currents of change, we adhere to the principle of steady operation, establish the strongest foundation, seize development opportunities, and maintain unwavering confidence, continuously drawing a blueprint for high-quality development. Under the leadership of the Board, the Group will proceed with greater enthusiasm, a more solid work style and more effective methods. We will work together with determination, strength and wisdom. A journey of a thousand miles begins with the first step. In the new stage of development, we look forward to continuing the journey with you.

Shi Hua
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

MARKET OVERVIEW

Since ancient times, Chinese people have attached high importance to the sense of life and death, and believed that a burial brings peace to the deceased. Great attention has been paid to the continuation of the family and the worship of the deceased. In the Book of Rites: Sacrifice (《禮記•祭義》), it is said: “Let there be a careful attention to perform the funeral rites to parents, and let them be followed when long gone with the ceremonies of sacrifice – then the virtue of the people will resume its proper excellence” (「慎終追遠，民德歸厚矣」). This traditional funeral culture is deeply rooted in the spiritual world of the Chinese nation and constantly evolves and innovates with the development of the times. In modern society, with people’s re-understanding and emphasis on traditional culture, funeral etiquette is not only a respect and commemoration for the deceased, but also an important manifestation of cultural inheritance. The profound cultural heritage has provided a continuous driving force for the development of funeral market in China.

In terms of policy, with the joint release of the “Guiding Opinion on Further Promoting the Funeral and Burial Reforms and Encouraging the Development of the Funeral and Burial Industry” by multiple national departments in 2018, policy guarantees have been provided for the healthy and orderly development of the industry. The “Two Sessions” held in 2024 reasserted the importance of funeral and burial reforms, and continuously proposed to standardize the funeral market order, promote the regulated, professional, and diversified development of funeral services, so as to advocate and encourage the industry trends of green funeral and environmentally-friendly funeral. The support and guidance of policies have injected new vitality and growth space into the funeral market.

In addition, Chinese society is in a stage of rapid aging. According to the National Bureau of Statistics, as of the end of 2023, the population aged 60 and above in China has reached 296.97 million, accounting for 21.1% of the total population. With the increase of the elderly population, the demand for funeral services is also increasing. Given the acceleration of China’s urbanization process, modern people’s demand for funeral services is becoming increasingly diversified and personalized. More and more families wish to provide higher quality and more personalized funeral services for the deceased. The increasing market demand has provided broad development prospects for the funeral industry.

BUSINESS REVIEW AND OUTLOOK

As one of the leading enterprises in the funeral and burial industry in the PRC, the Group remains true to its original aspiration, respects life and serves life, and is always committed to providing quality funeral services so that the deceased can rest in peace, the living can send their condolences and every customer can feel the dignity of life.

During the period, the Group and its project companies fully implemented the decisions and arrangements of the Board by closely focusing on the targets and tasks set in the development plan of the Group and adhering to the guiding philosophy of “stability, practicality, integrity and progress (穩、實、正、進)”. The Group has set the right course of development, gathered power and built consensus to effectively respond to and eliminate various risks and challenges. It is committed to building a solid foundation and gaining momentum, making progress while maintaining stability by pioneering, changing and innovating. Zhejiang Anxian Yuan, as a flagship project, stabilized the development despite the slight decline in sales during the period. Under the leadership of the Board, the Group maintained a sound financial condition to continuously enhance its overall competitiveness throughout the business process and secure benefits in a scientific manner.

During the period under review, on the basis of focusing on its core businesses, the Group tapped into the development potentials of all project companies and vigorously expanded the service scope, with positive results achieved. The Group managed the first rush period of tomb sweeping in the post-epidemic era, with all project companies implementing safety precautions actively to ensure that the entire process was carried out safely and smoothly. Meanwhile, each of the project companies conducted highlight service projects, making the most of their regional advantages and winning acclaim from all sectors. The Group plans carefully and constructs elaborately. All cemeteries of its projects keep pace with the times and adhere to green funeral, with the ecological environment being continuously improved. In addition, the Group is eager to innovate. Zhejiang Anxian Yuan, the Group’s flagship project, continued to be on the cutting edge of “neo-funeral” and fully leveraged its intelligence advantage to enhance its services and competitive power, applied holography, AI and other latest high technology to make a comprehensive attempt on the funeral reform, triggering a trend of digital reform and “artificial intelligence+” empowerment in the funeral and burial industry. The concept of “integrating technology into the industry to create a way to send people’s thoughts and condolences” broadened the development idea for the future ecological funeral and burial. The Group also remains true to its original aspiration and takes the initiative to assume social responsibility. During the period, the Group carried out a number of public welfare publicity activities, which established a good reputation and formed an influential and visible corporate image while giving back to the community.

Looking forward, the funeral industry will be full of opportunities and challenges in the future. In response to the call of the new era, the Group will seize the opportunity and take the initiative to explore changes, so as to actively respond to challenges. Adhering to the concept of “pursuing development based on real economy”, the Group will continue to strengthen and develop its existing projects while unearthing the brand value. The Group will also adjust the product strategies and structures, so as to boost the transformation and upgrading of the products. Besides, the Group, adhering to green funeral as the core of development and focusing on the land-saving ecological philosophy, will put more efforts on the research and development of new products. By exploring new business philosophy, the Group will also vigorously expand its funeral services scope and explore multiple possibilities of technology empowerment, striving to facilitate the progression of modernized, ecological and humanistic reformation of funerals and burials in China. Furthermore, the Group will persevere and remain hopeful despite adversity. Adhering to the business philosophy of “people-oriented, culture-based, scientific-minded and service-purposed”, the Group will constantly pursue self-improvement. With an aim of striving to create a brand image of “benevolence, integrity, care, warmth and comfort (仁心、正心、精心、濫心、舒心)”, the Group will constantly adapt to changes and upgrade its operation and management, being committed to returning the society and customers with the most professional attitude and the highest quality of services in the industry to reward our partners and investors with good results.

CEMETERY BUSINESS

The revenue growth rate and gross profit ratio are the key measurement used for the assessment of business performance. Set out is the table summarizing the key performance indicators for the Group’s business.

Key performance indicators	Definition	2024	2023
Revenue growth rate	Total revenue in current year vs the last year	-16.5%	+9.5%
Gross profit ratio	Gross profit over total revenue	73.0%	74.5%

During the Year, the Group remain focused its cemetery business in the PRC.

FINANCIAL REVIEW

For the Year, the Group recorded net profit of approximately HK\$58.4 million (2023: approximately HK\$105.5 million) and revenue of approximately HK\$284.4 million (2023: approximately HK\$340.5 million). The Group’s earnings before interest and tax was approximately HK\$88.4 million (2023: approximately HK\$147.0 million). Decrease in the Group’s net profit by approximately HK\$47.1 million year-on-year.

Revenue

Total revenue and gross profit for the year ended 31 March 2024 decreased to approximately HK\$284.4 million (2023: approximately HK\$340.5 million) and approximately HK\$207.7 million (2023: approximately HK\$253.7 million) compared with the previous year respectively. The decrease in revenue and gross profit was mainly due to total number of tombs sold was decreased by 16.1% and depreciation 3.6% of RMB against HK\$.

Of the total revenue of approximately HK\$284.4 million (2023: approximately HK\$340.5 million), sales of tombs and niches amounted to approximately HK\$254.5 million (2023: approximately HK\$307.8 million).

Other income and gains, net

The Group recorded an decrease in other income by approximately HK\$4.8 million. Such decrease was mainly due to the absence of recovery of bad debts on other receivable for the current year (2023: approximately HK\$8.7 million).

Selling and distribution expenses

Selling and distribution expenses increased from approximately HK\$36.6 million to approximately HK\$37.8 million compared with last year. It was mainly due to the increase in promotion expense for developing cemetery market.

Administrative expenses

Administrative expenses increased from approximately HK\$83.6 million to approximately HK\$90.3 million compared with last year. Such increase was mainly due to the increase in repair and maintenance expenses of cemetery and tomb assets.

Finance costs

The Group recorded a decrease in finance costs by approximately HK\$0.3 million year-on-year. Such decrease was primarily due to the repayment of bank borrowings for the year ended 31 March 2024.

Profit for the year attributable to the owners of the Company

As a result of the reasons mentioned above, profit attributable to the owners of the Company for the Year was approximately HK\$57.8 million (2023: profit attributable to the owners of the Company of approximately HK\$104.9 million).

LIQUIDITY AND FINANCIAL RESOURCES

The Group's business operations were funded by its internal resources and bank borrowings. A summary of the consolidated statement of cash flows was as follows:

	2024 HK\$'000	2023 <i>HK\$'000</i>
Net cash flows generated from operating activities	91,639	182,952
Net cash flows generated from/(used in) investing activities	57,775	(57,236)
Net cash flows used in financing activities	(79,742)	(33,651)
NET INCREASE IN CASH AND CASH EQUIVALENTS	69,672	92,065

During the Year, the net cash inflow was approximately HK\$69.7 million (2023: net cash inflow of approximately HK\$92.1 million). As at 31 March 2024, the cash and cash equivalents and fixed time deposits of the Group was approximately HK\$339.4 million (2023: approximately HK\$340.5 million). The Group had short-term bank borrowings of approximately HK\$17.3 million (2023: approximately HK\$27.0 million) and no long-term bank borrowings as at 31 March 2024 (2023: approximately HK\$17.9 million). During the Year, the Group had spent approximately HK\$26.0 million for repayment of bank borrowings in order to improve the Group's financial position.

The current ratio (current assets/current liabilities) of the Group was approximately 3.96 as at 31 March 2024 (31 March 2023: approximately of 3.79). The increase in current ratio as at 31 March 2024 as compared to 31 March 2023 was mainly due to the decrease in current liabilities of the Group.

The gearing ratio (total liabilities/total assets) at the end of the Year was approximately 0.23 (2023: approximately 0.24). The decrease in gearing ratio as at 31 March 2024 as compared to 31 March 2023 was mainly due to the decrease in total liabilities of the Group.

As at 31 March 2024, the Group recorded net current assets of approximately HK\$436.0 million (31 March 2023: approximately HK\$445.6 million). It indicated the Group has sufficient working capital to meet its financial obligations.

CAPITAL STRUCTURE

As at 31 March 2024, the issued share capital of the Company was 2,221,363,150 ordinary shares. During the Year, there was no movement of the issued share capital of the Company.

Total assets and net assets of the Group as at 31 March 2024 were approximately HK\$1,275.1 million (2023: approximately HK\$1,332.6 million) and approximately HK\$978.7 million (2023: approximately HK\$1,006.7 million) respectively. The net assets per share was approximately HK\$0.44 (31 March 2023: approximately HK\$0.45). The decrease in net assets was mainly due to net profit attributable to owners of the Company decreased to approximately HK\$57.8 million less dividend paid out of approximately HK\$51.1 million and unrealized exchange loss on translation of financial statements of foreign operations of approximately HK\$32.2 million due to the depreciation in RMB against HK\$ as at 31 March 2024.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

There was no material acquisitions or disposals of subsidiaries, associates or joint ventures during the Year.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGES

During the Year, the Group's business including revenue and cost of sales were mainly denominated in RMB and the fund raising activities were denominated in HK\$ and RMB. The PRC subsidiaries of the Group were operated in the PRC. All transactions, assets and liabilities of the PRC subsidiaries were denominated in RMB and were translated into HK\$ at year end date as foreign operations. The Group currently does not have foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group also monitors its foreign currency exposure closely and considers hedging significant foreign currency exposure should the need arise. The Group did not have significant exposure to foreign currency risk at 31 March 2024. No material foreign currency hedge was made during the Year.

EVENTS AFTER THE REPORTING DATE

There was no significant event occurring after the reporting date to be disclosed by the Group up to the approval date of the consolidated financial statements.

RIGHTS ISSUE AND USE OF THE NET PROCEEDS

On 25 March 2020, the Company announced that the Board proposed to implement the Rights Issue on the basis of three rights shares for every two Shares in issue at the subscription price of HK\$0.1 per rights share, to raise up to approximately HK\$133.3 million before expenses by way of issuing up to 1,332,817,890 rights shares ("Rights Issue").

On 30 July 2020, the Company completed the Rights Issue and issued 1,332,817,890 rights shares. The net proceeds from the Rights Issue was approximately HK\$131.5 million.

Further details of the Rights Issue were set out in the Company's announcements dated 25 March 2020, 28 May 2020, 29 July 2020, 30 July 2020 and 18 September 2020, the Company's circular dated 29 April 2020 and the Company's prospectus dated 8 July 2020 (collectively "Rights Issue Documents").

Pursuant to the Company's announcements dated 26 November 2021 and 8 December 2021 in relation to the change in use of proceeds from Rights Issue, in light of the current market conditions, the Board has resolved that it would be in the best interest of the Company and the Shareholders to reallocate the unutilized net proceeds of HK\$81,490,000 which was originally allocated for potential strategic investment opportunity(ies) to (i) the repayment of existing debts and payables, which will allow the Group to lower its gearing ratio, reduce its interest expenses and financing costs and to achieve greater flexibility on the allocation of the Group's internal resources for the daily operation of the Group; and (ii) as general working capital to meet the Group's business development and allow the Group to deploy its financial resources to cope with the economic uncertainties in the future.

The following table sets out the details of the intended use of net proceeds as stated in the Rights Issue Documents, the reallocation of unutilized net proceeds as stated in the Company's announcements dated 26 November 2021 and 8 December 2021, the actual use of net proceeds up to 31 March 2024, the remaining balance of unutilised net proceeds as at 31 March 2024 and the expected timeline for utilising the remaining unutilised net proceeds:

Original intended use of net proceeds	Intended use of net proceeds as stated in the Rights Issue Documents (%) <i>HK\$'000</i>	Reallocation of unutilized net proceeds as stated in the Company's announcements	Actual use of net proceeds up to 31 March 2024 <i>HK\$'000</i>	Remaining balance of unutilised net proceeds as at 31 March 2024 <i>HK\$'000</i>	Expected timeline for utilization <i>(Note)</i>
		dated 26 November 2021 and 8 December 2021 <i>HK\$'000</i>			
Potential opportunity(ies) in strategic investment	81,490 (62%)	(81,490)	-	-	-
Repayment of existing debts and payables	28,891 (22%)	60,000	71,214	17,677	By 1 July 2024
General working capital	21,120 (16%)	21,490	42,610	-	-
	<u>131,501</u>	<u>-</u>	<u>113,824</u>	<u>17,677</u>	

Note: The expected timeline for using the unutilised net proceeds is based on the best estimation of the present and future business market situations made by the Board, and it will be subject to changes based on the future development of market conditions.

Save as disclosed above, the Company has applied the net proceeds from the Rights Issue in accordance with the proposed intentions as set out in the Rights Issue Documents.

OTHER INFORMATION

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

During the Year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company had adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the "Model Code") as its own code of conduct for securities transactions by the Directors. The Company had made specific enquiry to all the Directors and they had confirmed compliance with the Model Code throughout the Year. No incident of non-compliance was noted by the Company during the Year.

CORPORATE GOVERNANCE PRACTICES

The Company has adopted the principles and code provisions as set out in the Corporate Governance Code (the “CG Code”) contained in Appendix C1 of the Listing Rules. In the opinion of the Directors, the Company has complied with all the applicable code provisions set out in the CG Code throughout the Year.

The Board will continue to monitor and periodically review the effectiveness of the corporate governance structure of the Company and effect changes whenever necessary.

Corporate Governance Structure

The Board is primarily responsible for formulating strategies, monitoring performance and managing risks of the Group. At the same time, it also has the duty to enhance the effectiveness of the corporate governance practices of the Group. Under the Board, there are 3 board committees, namely the Audit Committee, Remuneration Committee and Nomination Committee. All these committees perform their distinct roles in accordance with their respective terms of reference and assist the Board in supervising certain functions of the management.

FINAL DIVIDEND

The Board has recommended the declaration of a final dividend of HK1.3 cents per share for the year ended 31 March 2024 (2023: HK1.5 cents per share) to the Shareholders. The proposed final dividend is subject to approval by the Shareholders at AGM to be held on Monday, 9 September 2024. Upon Shareholders’ approval, the proposed final dividend will be paid on Friday, 4 October 2024 to the Shareholders whose names shall appear on the register of members of the Company on Friday, 13 September 2024.

Together with the interim dividend of HK0.8 cent per share (2023: HK0.5 cent per share) which was declared and paid by the Company on 5 January 2024, the total dividend for the year ended 31 March 2024 will amount to HK2.1 cents per share (2023: HK2.0 cents per share).

CLOSURE OF REGISTERS OF MEMBERS

The proposed final dividend is subject to the passing of an ordinary resolution by the Shareholders at the forthcoming AGM which to be held on Monday, 9 September 2024. The registers of members of the Company will be closed on Friday, 13 September 2024 for the purpose of determining the entitlement of the Shareholders to the proposed final dividend and no transfer of shares will be effected on that date.

In order to qualify for the proposed final dividend, all share transfers accompanied by the relevant share certificates and transfer forms must be lodged for registration with the Company’s branch share registrar and transfer office in Hong Kong, Tricor Abacus Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong before 4:30 p.m. on Thursday, 12 September 2024.

AUDIT COMMITTEE

The Audit Committee, comprising all the three Independent Non-executive Directors, has reviewed with management of the Company the accounting principal and practices adopted by the Group and discussed the risk management and internal control and financial reporting matters, including a review of the audited consolidated financial statements of the Group, for the Year.

SCOPE OF WORK OF BDO LIMITED ON THIS PRELIMINARY ANNOUNCEMENT

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income and related notes thereto for the Year as set out in the preliminary announcement have been agreed by the Group's auditor, BDO Limited, to the amounts set out in the Group's audited consolidated financial statements for the Year. The work performed by BDO Limited 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 BDO Limited on the preliminary announcement.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.anxianyuanchina.com), respectively. The annual report of the Company for the year ended 31 March 2024 containing all the information required under the Listing Rules will be dispatched to the Shareholders of the Company and published on the websites of the Stock Exchange and the Company in due course.

By Order of the Board
ANXIAN YUAN CHINA HOLDINGS LIMITED
SHI HUA
Chairman

Hong Kong, 21 June 2024

As at the date of this announcement, the Board comprises three executive directors, namely Mr. Shi Hua, Mr. Shi Jun and Mr. Law Fei Shing; and three independent non-executive directors, namely Mr. Chan Koon Yung, Mr. Lum Pak Sum and Ms. Hung Wan Fong, Joanne.

GLOSSARY

In this announcement of annual results (other than the financial statements from pages 1 to 15), the following expressions shall have the following meanings unless the context otherwise requires:

AGM	annual general meeting
Anxian Yuan (Zhejiang)	安賢園(浙江)投資管理有限公司 (in English, for identification purpose, Anxian Yuan (Zhejiang) Investment Management Company Limited), a limited liability company established under the laws of the PRC
Audit Committee	the audit committee of the Company
Board	the board of Directors
Bye-laws	the bye-laws of the Company, as amended from time to time
CG Code	the Corporate Governance Code as set out in Appendix C1 of the Listing Rules
Chairman	the chairman of the Board
Chief Executive Officer	the chief executive officer of the Company
Company/Anxian Yuan	Anxian Yuan China Holdings Limited, a company incorporated in the Bermuda with limited liability and the issued Shares are listed on the Stock Exchange
Company Secretary	the company secretary of the Company
Director(s)	the director(s) of the Company
Executive Director(s)	the executive Director(s)
Group	the Company and its subsidiaries
Hangzhou Fuyixian	杭州富亦賢科技有限公司 (in English, for identification purposes, Hangzhou Fuyixian Technology Company Limited), a limited liability company established under the laws of the PRC

HKAS	the Hong Kong Accounting Standards issued by the HKICPA
HKFRS(s)	the Hong Kong Financial Reporting Standards, collectively includes all applicable individual Hong Kong Financial Reporting Standards, HKAS and Interpretations issued by the HKICPA
HKICPA	the Hong Kong Institute of Certified Public Accountants
Hong Kong	the Hong Kong Special Administrative Region of the PRC
Independent Non-executive Director(s)	the independent non-executive Director(s)
Listing Rules	the Rules Governing the Listing of Securities on the Stock Exchange
Model Code	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 of the Listing Rules
Nomination Committee	the nomination committee of the Company
Non-executive Director(s)	the non-executive Director(s)
PRC	the People's Republic of China, which for the purpose of this report exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
Remuneration Committee	the remuneration committee of the Company
SFO	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
SGM	Special general meeting of the Company
Share(s)	the ordinary share(s) of HK\$0.1 each in the share capital of the Company
Shareholder(s)	holder(s) of the Share(s)
Stock Exchange	The Stock Exchange of Hong Kong Limited
Year	the year ended 31 March 2024

Yin Chuan Fu Shou Yuan	銀川福壽園人文紀念園有限公司 (in English, for identification purpose, Yin Chuan Fu Shou Yuan Humanistic Cultural Memorial Park Co. Ltd.), a limited liability company established under the laws of the PRC
Zhejiang Anxian Yuan	浙江安賢陵園有限責任公司 (in English, for identification purpose, Zhejiang Anxian Yuan Company Limited), a limited liability company established under the laws of the PRC
Zunyi Dashenshan	遵義詩鄉大神山生態陵園有限公司 (in English, for identification purpose, Zunyi Shixiang Dashenshan Cemeteries Co. Ltd.), a limited liability company established under the laws of the PRC
HK\$	Hong Kong dollars, the lawful currency of Hong Kong
RMB	Renminbi, the lawful currency of PRC
US\$	United States dollars, the lawful currency of USA
%	per cent