

The board of directors (the “Board”) of Kingboard Holdings Limited (the “Company”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 December 2022 together with the comparative figures for the year ended 31 December 2021 as follows:

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS
For the year ended 31 December 2022

	<i>Notes</i>	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Revenue	<i>2</i>	49,375,901	56,755,274
Cost of sales and services rendered		<u>(37,002,817)</u>	<u>(37,933,659)</u>
Gross profit		12,373,084	18,821,615
Other income, gains and losses	<i>3</i>	222,718	(71,523)
Distribution costs		(1,407,916)	(1,342,586)
Administrative costs		(2,334,871)	(2,382,744)
(Loss) gain on fair value changes of equity instruments at fair value through profit or loss		(222,507)	210,029
Gain on disposal of debt instruments at fair value through other comprehensive income		114,266	117,086
Impairment losses under expected credit loss model on debt instruments at fair value through other comprehensive income		(1,579,000)	–
(Loss) gain on fair value changes of investment properties		(147,559)	14,388
Gain on disposal of a subsidiary		–	224,180
Finance costs	<i>4</i>	(504,272)	(275,481)
Share of results of joint ventures		81,481	83,829
Share of result of an associate		<u>181,648</u>	<u>177,867</u>
Profit before taxation		6,777,072	15,576,660
Income tax expense	<i>6</i>	<u>(2,588,518)</u>	<u>(3,022,599)</u>
Profit for the year		<u>4,188,554</u>	<u>12,554,061</u>
Profit for the year attributable to:			
Owners of the Company		3,655,220	10,778,032
Non-controlling interests		<u>533,334</u>	<u>1,776,029</u>
		<u>4,188,554</u>	<u>12,554,061</u>
		<i>HK\$</i>	<i>HK\$</i>
Earnings per share	<i>8</i>		
Basic		<u>3.297</u>	<u>9.729</u>



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For the year ended 31 December 2022

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Profit for the year	<u>4,188,554</u>	<u>12,554,061</u>
Other comprehensive (expense) income for the year		
<i>Item that will not be reclassified to profit or loss:</i>		
Translation reserve:		
Exchange differences arising from translation to presentation currency	<u>(5,344,412)</u>	<u>1,120,474</u>
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Investment revaluation reserve:		
Fair value loss on debt instruments at fair value through other comprehensive income	(240,488)	(1,278,432)
Reclassify to profit or loss upon disposal of debt instruments at fair value through other comprehensive income	(114,266)	(117,086)
Impairment losses under expected credit loss model on debt instruments at fair value through other comprehensive income included in profit or loss	1,579,000	–
Translation reserve:		
Exchange differences arising from translation of foreign operations	<u>(11,046)</u>	<u>36,547</u>
	<u>1,213,200</u>	<u>(1,358,971)</u>
Other comprehensive expense for the year	<u>(4,131,212)</u>	<u>(238,497)</u>
Total comprehensive income for the year	<u>57,342</u>	<u>12,315,564</u>
Total comprehensive income for the year attributable to:		
Owners of the Company	1,272	10,453,054
Non-controlling interests	<u>56,070</u>	<u>1,862,510</u>
	<u>57,342</u>	<u>12,315,564</u>

	<i>Notes</i>	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Non-current assets			
Investment properties		23,449,630	21,820,016
Property, plant and equipment		17,055,297	15,598,376
Right-of-use assets		1,910,795	1,840,942
Goodwill		2,670,528	2,670,528
Intangible assets		41,400	47,880
Interests in an associate		532,059	563,247
Interests in joint ventures		2,369,699	2,598,657
Equity instruments at fair value through profit or loss		1,855,832	4,403,025
Debt instruments at fair value through other comprehensive income		607,631	617,950
Loan receivable		–	1,880,000
Entrusted loans	<i>9</i>	238,863	331,126
Deposits paid for acquisition of property, plant and equipment		1,313,750	1,176,731
Deferred tax assets		2,577	2,294
		<u>52,048,061</u>	<u>53,550,772</u>
Current assets			
Inventories		3,511,514	3,913,206
Properties held for development		16,896,546	19,675,817
Trade and other receivables and prepayments	<i>9</i>	8,221,655	11,474,250
Bills receivables	<i>9</i>	3,128,233	5,103,644
Loan receivable		1,880,000	–
Equity instruments at fair value through profit or loss		4,685,245	4,139,071
Debt instruments at fair value through other comprehensive income		22,302	416,505
Taxation recoverable		76,159	30,146
Restricted bank deposits		130,100	–
Cash and cash equivalents		6,693,336	5,512,357
		<u>45,245,090</u>	<u>50,264,996</u>

	<i>Notes</i>	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Current liabilities			
Trade and other payables	<i>10</i>	6,473,651	7,046,191
Bills payables	<i>10</i>	650,061	728,144
Contract liabilities		2,601,532	5,301,996
Dividends payable		455,422	866,769
Taxation payable		1,682,177	2,161,015
Bank borrowings – amount due within one year		5,269,171	10,737,949
Lease liabilities		4,478	3,969
		<u>17,136,492</u>	<u>26,846,033</u>
Net current assets		<u>28,108,598</u>	<u>23,418,963</u>
Total assets less current liabilities		<u>80,156,659</u>	<u>76,969,735</u>
Non-current liabilities			
Deferred tax liabilities		978,126	612,023
Bank borrowings – amount due after one year		14,477,991	7,667,985
Lease liabilities		4,711	6,434
		<u>15,460,828</u>	<u>8,286,442</u>
Net assets		<u>64,695,831</u>	<u>68,683,293</u>
Capital and reserves			
Share capital		110,879	110,879
Reserves		59,946,776	62,906,293
Equity attributable to owners of the Company		<u>60,057,655</u>	<u>63,017,172</u>
Non-controlling interests		4,638,176	5,666,121
Total equity		<u>64,695,831</u>	<u>68,683,293</u>

NOTES:

1. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and by the Hong Kong Companies Ordinance.

ADOPTION OF NEW AND AMENDMENTS TO HKFRSs

In the current year, the Group has applied the following amendments to HKFRSs issued by the HKICPA in 2019, which are effective for the current year (“HKICPA”):

- Amendments to HKFRSs, effective for the current year (“HKICPA”):

2. SEGMENT REPORTING

Segment revenue and results by reportable segments are presented below:

For the period ended 31 December 2022

	HK\$'000	CB HK\$'000	C HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
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Segment revenue

2. SEGMENT INFORMATION

Financial information as at 31 December 2021

	2021 HK\$'000	2021 CB HK\$'000	2021 C HK\$'000	2021 HK\$'000	2021 HK\$'000	2021 HK\$'000	2021 E HK\$'000	2021 C HK\$'000
Segment revenue								
External sales	24,349,097	13,600,778	15,254,057	2,375,032	598,263	578,047	-	56,755,274
Inter-segment sales	4,856,646	-	1,123,194	-	-	10,894	(5,990,734)	-
Total	<u>29,205,743</u>	<u>13,600,778</u>	<u>16,377,251</u>	<u>2,375,032</u>	<u>598,263</u>	<u>588,941</u>	<u>(5,990,734)</u>	<u>56,755,274</u>
Result								
Segment results	<u>8,319,819</u>	<u>1,056,506</u>	<u>3,976,326</u>	<u>1,531,604</u>	<u>925,375</u>	<u>(94,944)</u>		15,714,686
Gain on disposal of a subsidiary								224,180
Unallocated corporate income								72,694
Unallocated corporate expenses								(421,115)
Finance costs								(275,481)
Share of results of joint ventures								83,829
Share of result of an associate								<u>177,867</u>
Profit before taxation								<u>15,576,660</u>

Inter-segment sales are charged on a cost-plus basis with an arm's length margin.

The Group operates principally in the People's Republic of China (the "PRC").

The following is an analysis of the Group's revenue from external customers by geographical location of the customers or tenants or in the case of interest income and dividend income, the principal place of business of the debtor or investee:

	2022 HK\$'000	2021 HK\$'000
The PRC (country of domicile)	44,824,413	51,264,380
Other Asian countries (including Thailand, Japan, Korea and Singapore)	2,119,016	2,829,299
Europe	1,470,017	1,688,712
America	<u>962,455</u>	<u>972,883</u>
	<u>49,375,901</u>	<u>56,755,274</u>

No single external customer of the Group contributed over 10% of the Group's revenue for each of the years ended 31 December 2022 and 2021.

3. THE OTHER INCOME, GAINS AND LOSSES

	2022 HK\$'000	2021 HK\$'000
Other income, gains and losses includes:		
Interest income on bank balances and deposits	63,543	40,728
Interest income on entrusted loans	16,523	18,771
Interest income from loan receivable	159,800	33,386
Government grants	75,056	81,157
Loss on disposal and written off of property, plant and equipment	(127,406)	(197,802)
Others	35,202	(47,763)
	<u>222,718</u>	<u>(71,523)</u>

4. FINANCIAL COSTS

	2022 HK\$'000	2021 HK\$'000
Interest on bank borrowings	527,614	320,733
Imputed interest on contract liabilities	26,502	19,103
Interest on lease liabilities	433	577
Less: Amounts capitalised in the properties held for development	(34,266)	(50,883)
Amounts capitalised in the construction in progress	(16,011)	(14,049)
	<u>504,272</u>	<u>275,481</u>

Bank and other borrowing costs capitalised during the year include imputed interest on contract liabilities of HK\$26,502,000 (2021: HK\$19,103,000) as well as, bank borrowing costs arising from the general borrowing pool which were calculated by applying a weighted average capitalisation rate of 3.65% (2021: 1.91%) per annum to expenditure on qualifying assets.

5. DEPRECIATION

During the year, depreciation of approximately HK\$1,839 million (2021: HK\$1,894 million) was charged in respect of the Group's property, plant and equipment.

6. **Q E T A E E E E**

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
The amount comprises:		
PRC Enterprise Income Tax (“EIT”)	1,134,627	2,716,917
PRC Land Appreciation Tax (“LAT”)	657,683	123,132
Hong Kong Profits Tax	50,422	32,795
Taxation arising in other jurisdictions	42,435	32,461
Withholding tax in the PRC	333,725	225,714
Overprovision in previous years	(6,758)	(29,917)
	<u>2,212,134</u>	<u>3,101,102</u>
Deferred taxation	376,384	(78,503)
	<u>2,588,518</u>	<u>3,022,599</u>

Under the Law of the PRC on EIT (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

Under the EIT Law, withholding tax of 5% – 10% is imposed on dividends declared in respect of profits earned by subsidiaries in Mainland China from 1 January 2008 onwards. Pursuant to the EIT Law, a High-New Technology Enterprise shall be entitled to a preferential tax rate of 15% for three years since it was officially endorsed. Certain subsidiaries of the Company in the PRC obtained official endorsement as a High-New Technology Enterprise and with the expiry dates on or before 2024 (2021: 2023).

The provision of LAT is estimated according to the requirements set forth in the relevant PRC tax laws

7. **Dividends**

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Dividends paid		
2022 Interim dividend of HK30 cents (2021: HK56 cents) per ordinary share	332,637	620,924
2021 Final dividend of HK244 cents (2020: HK100 cents) per ordinary share	2,705,452	1,107,292
2020 Special final dividend of HK100 cents per ordinary share	—	1,107,292
	<u>3,038,089</u>	<u>2,835,508</u>
Dividends proposed		
Proposed 2022 Final dividend of HK75 cents (2021: HK244 cents) per ordinary share	<u>831,594</u>	<u>2,705,452</u>

The final dividend of HK75 cents per ordinary share amounted to HK\$831,594,000 in respect of the year ended 31 December 2022 (2021: final dividend of HK244 cents per ordinary share amounted to HK\$2,705,452,000 in respect of the year ended 31 December 2021) have been proposed by the Directors and are subject to the approval by the shareholders of the Company in the forthcoming annual general meeting.

9. TRADE RECEIVABLES

The Group allows credit period of up to 120 days (2021: 120 days), depending on the products sold to its trade customers. The following is an aging analysis of trade receivables net of allowance for credit losses based on invoice date at the end of the reporting period:

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
0–90 days	5,862,296	8,088,409
91–120 days	661,031	827,309
121–150 days	201,107	464,477
151–180 days	27,241	115,439
Over 180 days	60,964	83,730
	<u>6,812,639</u>	<u>9,579,364</u>

Bills receivables of the Group are all aged within 90 days (2021: 90 days) based on invoice date at the end of the reporting period, and are with a maturity period of less than one year.

10. TRADE PAYABLES

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

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
0–90 days	2,257,104	2,530,420
91–180 days	412,482	508,466
Over 180 days	265,788	393,073
	<u>2,935,374</u>	<u>3,431,959</u>

Bills payables of the Group related to trade payables in which the Group has issued bills to the relevant suppliers for future settlement of trade payables, which are aged within 90 days (2021: 90 days) at the end of the reporting period. Included in bills payables as at 31 December 2022 was payables for acquisition of property, plant and equipment of HK\$32,697,000 (2021: HK\$30,633,000).

B E E E

On behalf of the board of directors (the “Board”), I am delighted to report the full-year results of Kingboard Holdings Limited (the “Company”) and its subsidiaries (the “Group”) for the financial year ended 31 December 2022 (the “Period”). The Group encountered multiple headwinds during 2022, including the Russia-Ukraine war and other geopolitical clashes, sporadic COVID-19 outbreaks in China, in particular the wave that hit Shanghai in the second quarter, as well as the global interest rate hikes and inflation, bringing impacts on most industries. Faced with these complex market challenges, despite the soft market conditions and high costs, the Group has worked hard to strengthen its competitive advantage built on a vertical value chain and diversified business portfolio, enabling it to deliver an underlying net profit of over HK\$3.8 billion.

During the Period, the Group recorded a decline in both laminate sales and unit prices, with chemical product prices also dropping from peak levels. Revenue of the Group therefore decreased 13% compared with the same period last year, to HK\$49,375.9 million. A provision was made for inventory impairment in light of lower stock turnover rates and falling unit prices of laminates and its upstream materials in the first two months of 2023. Taking into account this inventory impairment, and the provision of HK\$1,530.1 million (net of the share attributable to non-controlling shareholders) made for credit impairment of the Group’s bond investments, underlying profit attributable to owners of the Company (excluding non-recurrent items) declined 63% to HK\$3,882.7 million.

The Group continued to maintain a robust financial position. The Board has therefore proposed a final dividend of HK75 cents per share, subject to approval by shareholders of the Company.

F A C A H G H G H T

	F 2022 <i>HK\$'million</i>	F 2021 <i>HK\$'million</i>	C
	49,375.9	56,755.3	-13%
EBITDA*	9,445.3	17,559.9	-46%
	7,050.0	15,338.1	-54%
C			
– Underlying net profit*	3,882.7	10,565.4	-63%
– Reported net profit	3,655.2	10,778.0	-66%
B			
– Based on underlying net profit*	HK\$3.502	HK\$9.537	-63%
– Based on reported net profit	HK\$3.297	HK\$9.729	-66%
D	HK105 cents	HK300 cents	-65%
– Interim dividend per share	HK30 cents	HK56 cents	-46%
– Proposed final dividend per share	HK75 cents	HK244 cents	-69%
	HK\$54.2	HK\$56.8	-5%
	20%	19%	

* Excluding:

- (1) In 2022, loss on fair value changes of investment properties with gross amount of HK\$147.6 million, net amount of HK\$114.8 million after share by non-controlling shareholders and deferred tax (2021: Gain on fair value changes of investment properties with gross amount of HK\$14.4 million, net amount of HK\$10.8 million after share by non-controlling shareholders and deferred tax).
- (2) In 2022, share-based payments with gross amount of HK\$125.3 million, net amount of HK\$112.7 million after share of non-controlling shareholders (2021: Nil).
- (3) In 2021, gain on disposal of a subsidiary with gross amount of HK\$224.2 million, net amount of HK\$201.8 million after tax (2022: Nil).

E P A C E

Laminates Division : Amid an under-supply of laminates and upstream materials in 2021, industry participants responded by investing in capacity expansion, albeit to varying degrees. This supply expansion coincided with a demand shrinkage in the electronics industry during the Period, and thus the Group's annual laminate sales were down by 23% as compared to 2021, to 96 million sheets. The Laminates Division has nevertheless forged ahead with active market expansion, with satisfactory progress achieved in terms of product portfolio enhancement. As a result, high-end and high-value-added product sales have achieved significant proportional growth. With improvements made to certain laminate products, the Group was able to fulfil more sophisticated client requirements while yielding better price-performance, thus gaining strong recognition from clients. In the face of the challenges brought by commodity, energy and transportation cost hikes, the Group's experienced management team has worked hard to raise production efficiency and lower energy consumption through technical enhancements. With a higher level of automation employed in production, the Group was also able to achieve savings in labour expenses, thus helping to cushion the pressure of cost increases. However, a provision was made for inventory impairment in light of lower stock turnover rates and falling unit prices of laminates and upstream materials in the first two months of 2023. Segment revenue (including inter-segment sales) decreased by 32% to HK\$19,938.6 million. Earnings before interest, taxes, depreciation and amortisation ("EBITDA") were down 66% to HK\$3,119.6 million.

PCBs Division : The Division has continued to make forays into different market segments, including automobile, telecommunications and consumer electronics, helping to stabilise sales amid declines in market demand. The Division's revenue decreased slightly by 3% to HK\$13,183.7 million. The PCBs segment has brought in high-calibre management and technical talents, while investing in state-of-the-art machinery and forging highly automated production lines. By constantly seeking room for improvement in the technical aspects and overcoming industry-wide obstacles one after another, the Division achieved meaningful progress towards advanced PCBs, thus moving towards a higher-value-added product portfolio. Putting the market and efficiency as the primary considerations, the PCBs Division adopted a modern manufacturing execution system ("MES"), and introduced precise quality tracing and analysis throughout the entire process to drive production efficiency and product quality enhancements. Despite a high rate of inflation, the management team was able to raise cost efficiency by continuing to improve production technologies and raise the level of automation. EBITDA therefore showed only a mild decrease of 2% to HK\$1,726 million.

Chemicals Division : Prices of chemical products dropped during the Period and affected the overall performance of the Chemicals Division. Segment revenue (including inter-segment sales) decreased by 15% to HK\$13,893.4 million, and following an oil price hike, raw materials consumed by the Division saw a general price surge, bringing EBITDA down by 36% to HK\$2,804 million.

Property Division : Amid an increased delivery of residential properties during the Period, revenue derived from property sales increased 3.2 times to HK\$4,970.8 million. Rental income also rose by 8% to HK\$1,290.8 million as a result of an overall improvement in occupancy and the contribution of Two London Wall Place, a commercial building in London acquired by the Group in June 2022. Revenue of the Property Division went up by 164% to HK\$6,261.6 million, with EBITDA also up by 101% to HK\$3,060.9 million.

The Group's consolidated financial and liquidity position remained robust. As at 31 December 2022, Group net current assets and current ratio (current assets divided by current liabilities) were HK\$28,108.6 million (31 December 2021: HK\$23,419.0 million) and 2.64 (31 December 2021: 1.87) respectively.

The net working capital cycle decreased to 50 days as at 31 December 2022 from 60 days as at 31 December 2021 on the following key metrics:

- Inventories, in terms of stock turnover days, were 35 days (31 December 2021: 38 days).
- Trade receivables, in terms of debtor turnover days, were 50 days (31 December 2021: 62 days).
- Trade and bills payable (excluding bills payable for property, plant and equipment), in terms of creditor turnover days, were 35 days (31 December 2021: 40 days).

The Group's net gearing ratio (ratio of bank borrowings net of bank balances and cash to total equity) was approximately 20% (31 December 2021: 19%). The proportion of short-term to long-term bank borrowings stood at 27%:73% (31 December 2021: 58%:42%). During the Period, the Group invested approximately HK\$4.8 billion on new production capacity and HK\$1.7 billion on property construction expenses. Leveraging on the management team's ample professional experience, the Group strongly believes these investments will create stable and solid returns for shareholders in the long run.

During the Period, the Group continued to adopt a prudent financial management policy, and did not enter into any material derivative financial instruments, nor did the Group have any material foreign exchange exposure during the Period. The Group's revenue, mostly denominated in Hong Kong dollars, RMB and US dollars, was fairly matched with the currency requirements of its operating expenses. The Group maintains adequate financial resources in reserve to meet future market expansion needs. During the Period, Kingboard Laminates Holdings Limited (Stock Code: 1888), a subsidiary of the Group, successfully signed a 5-year sustainability-linked loan facility agreement with 14 major international and local banks. The syndicated facility received an overwhelming response from the market and was significantly oversubscribed. The final size of the loan came to HK\$7 billion, reflecting the Group's efforts towards its sustainability goals, as well as the banking industry's trust and support of the Group's environmental, social and governance (ESG) work.

H A E C E

As at 31 December 2022, the Group employed a global workforce of approximately 35,000 (31 December 2021: 36,000). Considering staff an important asset, the Group continues to adopt sound human resources management and planning which help drive satisfactory financial performance. In addition to offering competitive salary packages, the Group grants share options and discretionary bonuses to eligible employees based on the Group's overall financial achievements and employees' individual performance. Kingboard Management Academy established by the Group has actively nurtured mid-rank and senior management personnel over the years. Furthermore, the Group recruits and nurtures several hundred promising university graduates from mainland China, Hong Kong and Taiwan every year. The Group will continue to implement training to retain talents in a bid to gain renewed energy for long-term development and to drive the Group's continued growth.

ECT

With the relaxation of pandemic prevention measures and virus transmission declining, both consumer and business confidence are picking up. The Group's various businesses are expected to show a positive trend. However, as the macro environment continues to be under the impact of shifting international relations and high inflation, the business sector will face even more complicated internal and external challenges. Cash flow management will thus remain a priority for the Group. Echoing the state's aim for peak carbon dioxide by 2030 and carbon neutrality by 2060, the Group is establishing solar photovoltaic power projects within its facilities in stages. It is expected that these projects will be able to recoup their costs within five years, while continuing to bring long-term benefits to the Group. Making use of the advanced and low-energy-consuming carbon capture technology developed by the School of Environment, Tsinghua University, the Hebei acetic acid project is designed to capture and recycle 200,000 tonnes of carbon dioxide per year, moving forward our pledge of being a green corporation. In line with the state's 2023 work priorities to drive green, high-end and high-technology industry development, the Group will carry through its strategy of maintaining a diversified and synergistic business portfolio, while deriving competitive advantage from its vertical production model. Strict cost control measures will be in place as the Group works to boost technological impetus and proactively deploy big data management to enhance operational efficiency. The Group will also continue to focus on research and development upgrades, safe production and improving environmental performance, in order to achieve high-quality and highly competitive development.

C **D** : Ecological protection and green transformation will remain the state's priorities for 2023. The Chemicals Division will take part in this national effort by ensuring production safety and meeting emission standards. Meanwhile, it works to enhance facilities efficiency, optimise resource usage, and lower energy consumption. Engineering-grade plastic materials used to reduce the weight of new energy vehicles, photovoltaic film, and electric cables applied to solar power generators and wing paddles in wind turbines will constitute the majority of demands for the Division's phenol acetone and Bisphenol A output. To capture this demand, the G Tc05(J0up thpreis on s fawelcome a yearlingddiy andof 450,000s fnn021 cablnovprolaand loenles gynd loeciency, -boosng embands

F A D I V I D E N D

The proposed final dividend of HK75 cents per share, the payment of which is subject to approval by the shareholders at the forthcoming annual general meeting of the Company to be held on Monday, 29 May 2023 (“2023 AGM”), is to be payable on Friday, 7 July 2023 to shareholders whose names appear on the Register of Members of the Company on Tuesday, 20 June 2023.

C L O S U R E O F R E G I S T E R O F M E M B E R S

The Register of the Members of the Company will be closed during the following periods:

- (i) From Tuesday, 23 May 2023 to Monday, 29 May 2023, both days inclusive, during which period no transfer of shares will be registered, for the purpose of ascertaining shareholders’ entitlement to attend and vote at the 2023 AGM. In order to be eligible to attend and vote at the 2023 AGM, all transfers accompanied by the relevant share certificates must be lodged with the Company’s branch share register in Hong Kong, Tricor Secretaries Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:00 p.m. on Monday, 22 May 2023; and
- (ii) From Friday, 16 June 2023 to Tuesday, 20 June 2023, both days inclusive, during which period no transfer of shares will be registered, for the purpose of ascertaining shareholders’ entitlement to the proposed final dividend. In order to qualify for the proposed final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company’s branch share register in Hong Kong, Tricor Secretaries Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:00 p.m. on Thursday, 15 June 2023.

C O M P L I A N C E W I T H T H E C O R P O R A T E G O V E R N A N C E C O D E

The Company has adopted and complied with the code provisions as set out in the Corporate Governance Code and Corporate Governance Report under Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) throughout the year ended 31 December 2022.

C O M P L I A N C E W I T H T H E M O D E L C O D E

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the “Model Code”). Having made specific enquiry of all Directors, each Director has confirmed that he or she has complied with the required standard set out in the Model Code and the code of conduct regarding Director’s securities transactions adopted by the Company throughout the year ended 31 December 2022.

SHARES PURCHASED, SOLD OR REDEEMED

There has been no purchase, sale or redemption of the Company's shares by the Company or any of its subsidiaries during the year ended 31 December 2022.

AUDIT COMMITTEE

The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of the audited annual financial statements of the Group for the year ended 31 December 2022.

REVIEW OF THE GROUP'S CONSOLIDATED FINANCIAL STATEMENTS

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2022 as set out in the preliminary announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the Board of Directors on 27 March 2023. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

By Order of the Board


Chairman

Hong Kong, 27 March 2023

As at the date of this announcement, the Board consists of Mr. Cheung Kwok Wing, Mr. Chang Wing Yiu, Mr. Cheung Kwong Kwan, Mr. Ho Yin Sang, Mr. Cheung Ka Shing,