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*(Incorporated in Hong Kong with limited liability)*

**(Stock Code : 00560)**

## **ANNOUNCEMENT OF INTERIM RESULTS FOR 2021**

### **CHAIRMAN'S STATEMENT**

On behalf of the Board of Directors of the Company (the "Board"), I hereby present the interim results of Chu Kong Shipping Enterprises (Group) Company Limited (the "Company") and its subsidiaries (the "Group") for the six months ended 30th June 2021 to the shareholders of the Company (the "Shareholders") for their review.

### **REVIEW**

In the first half of 2021, the COVID-19 epidemic situation remained volatile, various businesses of the Group were still affected in varying degrees. In response to the government's requirements for epidemic control, except for the sailing service from Shekou to the Hong Kong International Airport, which maintains two one-way sailings per day, other cross-border waterway passenger sailing services remain suspended. Therefore, the Group's cross-border passenger transportation and related auxiliary businesses are still facing tremendous operating pressure.

In response to the volatile epidemic situation, the Group planned for a development layout to promote business transformation, successfully maintaining a stable business operation under the significant reduction on government's anti-epidemic subsidies. Among them, benefiting from the strong demand for international container shipping, the terminal logistics business achieved an outstanding performance; Hong Kong's local ferry business is developing well, and passenger patronage has increased significantly.

The strategic logistics upgrade of the terminal logistics business has achieved remarkable results, effectively reducing the impact of the epidemic. The Group's air freight logistics, e-commerce logistics, and construction logistics have developed rapidly. The second X-ray inspection line for the Hong Kong air cargo X-ray inspection business at the Tuen Mun warehouse has commenced, driving the profit growth of the air logistics business. The Group also deepened the cooperation with China Duty Free International Limited by introducing Macao's e-commerce logistics business and greatly expanding the port operation section of e-commerce within the bonded warehouse to optimise the operational flow and improve the processing capacity of the e-commerce logistics business. Chu Kong Transshipment & Logistics Company Limited ("CKTL") successfully undertook multiple construction logistics projects of Gammon Construction Limited in the Guangdong-Hong Kong-Macao Greater Bay Area and won a tender for the ultra-high and ultra-wide vehicle transportation business of Jangho Curtain Wall Co., Ltd in Guangdong-Hong Kong and Guangdong-Macao sailings. In addition, the Group seized the opportunity of the renewable resources import policy adjustment in China, successfully opening up renewable resources import business at different cargo terminals such as Gaoming Port, Zhaoqing New Port, and Sihui Port and driving the container handling volume of foreign trade.

The public transportation strategy of the passenger transportation business was steadily progressed, while at the same time strengthening the synergies with related auxiliary businesses. Sun Ferry Services Company Limited ("Sun Ferry") successfully obtained the new service licenses for operating three outlying-island ferry routes and three inner harbour ferry routes for five years. With the subsidence of the COVID-19 pandemic in Hong Kong, local resident's desire for outings on outlying islands and participating in festivals on holidays have increased, significantly boosting the passenger traffic and fare revenue. The local ferry business has also carried out in-depth cooperation with passenger-transportation-related auxiliary businesses to ensure the safety of vessel operation, reduce overall operating costs and strengthen the synergies between various businesses of the Group. To alleviate the operating pressure caused by the suspension of most of the cross-border waterway passenger services, the Group actively promoted the Hong Kong airport strategy with Chu Kong Passenger Transport Company Limited ("CKPT") successfully tendering for the luggage handling project at the Hong Kong International Airport.

While successfully pushing forward several key projects, the Group conscientiously carried out epidemic prevention and control work, standardised risk management and strictly controlled costs and expenses to ease operating pressure.

## OUTLOOK

In the second half of the year, the COVID-19 epidemic will continue to exert tremendous pressure on the Group's cross-border passenger transportation and related auxiliary businesses. The Group will actively integrate into national strategies such as the "Belt and Road" initiative and the construction of the Guangdong-Hong Kong-Macao Greater Bay Area, focus on key strategies such as logistics upgrades, public transportation, Hong Kong airport, intelligent terminals navigation, and the "Belt and Road" so as to strengthen the promotion of business transformation and upgrade, overcome major adverse effects of the epidemic, achieve sustainable development, and create greater value for the Shareholders.

Firstly, the Group will leverage the advantages of storage logistics resources. The new warehouse in Tuen Mun will be put into operation in the fourth quarter of this year. The Group will take advantage of the linkage between the new and existing warehouses in Tuen Mun and other warehousing and logistics resources in Guangdong, Hong Kong, and Macao to further expand air freight logistics, e-commerce logistics, and Hong Kong storage logistics business. The Group will also integrate storage logistics resources in Zhuhai and deploy livelihood businesses to supply fresh food to Hong Kong and Macao.

Secondly, the Group will continue to expedite the airport strategy. The Group will actively bid for more new service projects at the Hong Kong International Airport and deeply participate in airport on-site services. The Group will also improve the service chain of sea-to-air intermodal by expanding into aircraft ground handling and terminal services. In accordance with the epidemic prevention and control policy, the sailing services from downtown Hong Kong to Shenzhen Airport and the sailing services from Guangzhou Pazhou to Hong Kong International Airport will be opened timely.

Thirdly, the Group will accelerate the investment in countries along the "Belt and Road". "Belt and Road" is the way for the Group to break regional restrictions and achieve innovative development. In the second half of the year, the Group will continue to promote the acquisition of Singapore warehousing and logistics projects and accelerate the establishment of a logistics network in the ASEAN region.

Fourthly, the Group will further expand the local transportation business in Hong Kong. The Group will increase the influence over the local transportation business in Hong Kong by exploring acquisition opportunities to give full play to the synergies and drive the passenger-transportation-related auxiliary businesses of the Group out of the predicament. The Group is actively engaged in the preparation of the tours for Victoria Harbour on the sightseeing cruise "Oriental Pearl" to connect with Hong Kong's local tourism resources.

## **RESPONSE TO COVID-19 EPIDEMIC**

Following the guidelines on epidemic prevention and anti-epidemic issued by the government of People's Republic of China and the Hong Kong Special Administrative Region, the Group quickly took epidemic prevention measures to protect customers and employees while maintaining business continuity under the COVID-19 outbreak. The Group took multiple measures to minimise the risk of infection, including flexible working hours, split-team operations, work-from-home arrangements and procurement of sanitary items. These measures had been effective, with no confirmed cases of infection among the Group's employees.

## **APPRECIATION**

On behalf of the Board, I would like to take this opportunity to express my heartfelt thanks to all of our investors and partners who have shown tremendous supports to the Group, as well as to our management and staff who have worked hard to strive toward better results for the Group. We will remain true to our original aspiration and keep our mission firmly in mind, persistently drive forward the "Second Venture" strategy with faith and a high-spirited attitude to create value for the Shareholders.

**Huang Liezhang**  
*Chairman*

Hong Kong, 26th August 2021

**UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
FOR THE SIX MONTHS ENDED 30TH JUNE 2021**

		Six months ended 30th June	
	<i>Note</i>	<b>2021</b>	2020
		<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	4	<b>1,142,692</b>	872,690
Cost of sale/services rendered		<b>(1,024,274)</b>	(796,379)
<b>Gross profit</b>		<b>118,418</b>	76,311
Other income		<b>92,876</b>	77,137
Other gains / (losses) – net	8	<b>3,435</b>	(6,138)
General and administrative expenses		<b>(148,369)</b>	(119,568)
<b>Operating profit</b>	7	<b>66,360</b>	27,742
Finance income		<b>10,075</b>	13,322
Finance cost		<b>(3,740)</b>	(5,849)
Share of profits less losses of:			
- Joint ventures		<b>(13,663)</b>	(5,242)
- Associates		<b>(6,043)</b>	(2,995)
<b>Profit before income tax</b>		<b>52,989</b>	26,978
Income tax expense	9	<b>(13,293)</b>	(6,804)
<b>Profit for the period</b>		<b>39,696</b>	20,174
<b>Attributable to:</b>			
Equity holders of the Company		<b>26,095</b>	17,780
Non-controlling interests		<b>13,601</b>	2,394
<b>Profit for the period</b>		<b>39,696</b>	20,174
<b>Earnings per share (HK cents)</b>	11		
Basic		<b>2.33</b>	1.59
Diluted		<b>2.33</b>	1.59

**UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME  
FOR THE SIX MONTHS ENDED 30TH JUNE 2021**

	Six months ended 30th June <b>2021</b> <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Profit for the period	<b>39,696</b>	20,174
Other comprehensive income for the period:		
<i>Items that will not be reclassified to profit or loss:</i>		
Unlisted equity security at fair value through other comprehensive income – change in fair value	-	(65)
	-	(65)
<i>Items that have been reclassified or may be reclassified subsequently to profit or loss</i>		
Currency translation differences:		
- Subsidiaries	<b>18,733</b>	(28,573)
- Joint ventures and associates	<b>4,678</b>	(7,461)
Cash flow hedges:		
Net movement in hedging reserve, net with HK\$496,000 tax effect	<b>(18,127)</b>	8,940
<b>Other comprehensive income for the period, net of tax effect</b>	<b>5,284</b>	(27,159)
<b>Total comprehensive income for the period</b>	<b>44,980</b>	(6,985)
<b>Attributable to:</b>		
Equity holders of the Company	<b>37,031</b>	(10,378)
Non-controlling interests	<b>7,949</b>	3,393
<b>Total comprehensive income for the period</b>	<b>44,980</b>	(6,985)

**UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30TH JUNE 2021**

	<i>Note</i>	As at 30th June 2021 HK\$'000	As at 31st December 2020 HK\$'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		2,126,359	2,013,501
Investment properties		51,682	51,734
Land use rights		375,354	378,265
Intangible assets		239,445	237,809
Investments in joint ventures		366,200	377,532
Investments in associates		116,730	121,679
Other financial asset		1,743	1,743
Deferred income tax assets		491	1,178
		<u>3,278,004</u>	<u>3,183,441</u>
		-----	-----
<b>Current assets</b>			
Inventories and spare parts		28,050	32,356
Trade and other receivables	5	463,270	385,183
Loan to a joint venture		2,403	2,376
Tax recoverable		-	6,252
Structured bank deposits		1,486	238,050
Cash and cash equivalents		894,599	726,056
		<u>1,389,808</u>	<u>1,390,273</u>
		=====	=====
<b>Total assets</b>		<u><u>4,667,812</u></u>	<u><u>4,573,714</u></u>
<b>EQUITY</b>			
Share capital		1,415,118	1,415,118
Reserves		1,881,092	1,866,484
		<u>3,296,210</u>	<u>3,281,602</u>
Non-controlling interests		348,709	349,919
		<u>3,644,919</u>	<u>3,631,521</u>
		-----	-----
<b>Total equity</b>			

**UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**(CONTINUED)**  
**AS AT 30TH JUNE 2021**

	<i>Note</i>	As at 30th June 2021 <i>HK\$'000</i>	As at 31st December 2020 <i>HK\$'000</i>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Deferred income tax liabilities		100,199	99,681
Deferred income		4,636	5,471
Lease liabilities		45,222	19,187
Long term borrowings		124,595	126,842
		<u>274,652</u>	<u>251,181</u>
		-----	-----
<b>Current liabilities</b>			
Trade payables, accruals and other payables	6	521,826	479,135
Amounts due to the non-controlling interests		50,575	78,550
Derivative financial liabilities		-	3,006
Income tax payables		6,259	-
Lease liabilities		53,808	17,845
Short-term borrowings		100,000	100,000
Current portion of long term borrowings		15,773	12,476
		<u>748,241</u>	<u>691,012</u>
		-----	-----
<b>Total liabilities</b>		<b>1,022,893</b>	<b>942,193</b>
		-----	-----
<b>Total equity and liabilities</b>		<b>4,667,812</b>	<b>4,573,714</b>
		=====	=====
<b>Net current assets</b>		<b>641,567</b>	<b>699,261</b>
		=====	=====
<b>Total assets less current liabilities</b>		<b>3,919,571</b>	<b>3,882,702</b>
		=====	=====



## NOTES

### 1. Statement of compliance

The financial information relating to the financial year ended 31st December 2020 that is included in the interim financial report as comparative information does not constitute the Company's statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Further information relating to these statutory financial statements disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the financial statements for the year ended 31st December 2020 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance.

The Company's auditor has reported on those financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under section 406(2), 407(2) or (3) of the Companies Ordinance.

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 the related notes thereto for the period ended 30th June 2021 as set out in the preliminary announcement have been compared by the Group's auditor, KPMG, to the amounts set out in the Group's consolidated financial statements for the period. The work performed by KPMG 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 KPMG on the preliminary announcement.

### 2. Basis of preparation

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with Hong Kong Accounting Standard ("HKAS") 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). It was authorised for issue on 26th August 2021.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2020 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2021 annual financial statements.

### **3. Accounting policies**

The HKICPA has issued a number of amendments to HKFRSs that are first effective for the current accounting period of the Group.

None of the developments has had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented in this interim report. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

### **4. Segment information**

The chief operating decision-maker has been identified as the executive directors of the Company, which reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The executive directors of the Company consider the business from service perspectives and assess the performance of the Group and its joint ventures and associates which are organised into five main businesses:

- (i) Cargo transportation – Shipping agency, river trade cargo direct shipment and transshipment and container hauling and trucking
- (ii) Cargo handling and storage – Wharf cargo and container handling, cargo consolidation and godown storage
- (iii) Passenger transportation – Passenger transportation agency services, travel agency operation and passenger carrier service and provision of ferry services and charter hire of vessels services
- (iv) Fuel supply – Oil trading and marine bunkering service
- (v) Corporate and other businesses – Investment holding, ferry terminal management service and other businesses

The executive directors of the Company assess the performance of the operating segments based on their segment profit before income tax expense, which is measured in a manner consistent with that in the interim financial information.

Sales between segments are carried out on terms equivalent to those that prevail with third parties. The revenue from external parties reported to the executive directors of the Company is measured in a manner consistent with that in the unaudited condensed consolidated income statement.

#### 4. Segment information (Continued)

	Cargo transportation <i>HK\$'000</i>	Cargo handling and storage <i>HK\$'000</i>	Passenger transportation <i>HK\$'000</i>	Fuel supply <i>HK\$'000</i>	Corporate and other businesses <i>HK\$'000</i>	Total <i>HK\$'000</i>
<b>Six months ended 30th June 2021</b>						
Total revenue	853,608	248,345	127,321	46,470	16,357	1,292,101
Inter-segment revenue	(45,627)	(72,275)	-	(21,479)	(10,028)	(149,409)
	<u>807,981</u>	<u>176,070</u>	<u>127,321</u>	<u>24,991</u>	<u>6,329</u>	<u>1,142,692</u>
Segment profit before income tax expense	22,734	31,064	(10,875)	(3,228)	13,294	52,989
Income tax expense	(2,647)	(6,875)	(1,458)	-	(2,313)	(13,293)
<b>Segment profit after income tax expense</b>	<u><b>20,087</b></u>	<u><b>24,189</b></u>	<u><b>(12,333)</b></u>	<u><b>(3,228)</b></u>	<u><b>10,981</b></u>	<u><b>39,696</b></u>
<b>Segment profit before income tax expense includes:</b>						
Finance income	230	248	26	-	9,571	10,075
Finance cost	(655)	(1,648)	(763)	(13)	(661)	(3,740)
Depreciation and amortisation	(8,497)	(53,805)	(12,492)	(1,518)	(3,922)	(80,234)
Share of profits less losses of:						
Joint ventures	1,542	3,366	(18,571)	-	-	(13,663)
Associates	-	2,606	(8,649)	-	-	(6,043)
Government grants and subsidies	10,761	137	37,584	-	7	48,489
	<u>10,761</u>	<u>2,606</u>	<u>37,584</u>	<u>-</u>	<u>7</u>	<u>48,489</u>

#### 4. Segment information (Continued)

	Cargo transportation <i>HK\$'000</i>	Cargo handling and storage <i>HK\$'000</i>	Passenger transportation <i>HK\$'000</i>	Fuel supply <i>HK\$'000</i>	Corporate and other businesses <i>HK\$'000</i>	Total <i>HK\$'000</i>
<b>Six months ended 30th June 2020</b>						
Total revenue	591,622	200,910	50,119	79,840	74,156	996,647
Inter-segment revenue	(45,635)	(65,950)	-	(3,219)	(9,153)	(123,957)
	<u>545,987</u>	<u>134,960</u>	<u>50,119</u>	<u>76,621</u>	<u>65,003</u>	<u>872,690</u>
Segment profit before income tax expense	22,566	12,091	(16,594)	(1,128)	10,043	26,978
Income tax expense	(3,871)	(3,011)	2,127	-	(2,049)	(6,804)
<b>Segment profit after income tax expense</b>	<u><b>18,695</b></u>	<u><b>9,080</b></u>	<u><b>(14,467)</b></u>	<u><b>(1,128)</b></u>	<u><b>7,994</b></u>	<u><b>20,174</b></u>
<b>Segment profit before income tax expense includes:</b>						
Finance income	224	353	253	89	12,403	13,322
Finance cost	(234)	(4,058)	(753)	(20)	(784)	(5,849)
Depreciation and amortisation	(3,082)	(58,451)	(5,922)	(1,510)	(3,971)	(72,936)
Share of profits less losses of:						
Joint ventures	3,769	3,099	(12,110)	-	-	(5,242)
Associates	-	2,593	(5,588)	-	-	(2,995)
Government grants and subsidies	16,126	1,558	33,473	621	-	51,778
	<u>16,126</u>	<u>1,558</u>	<u>33,473</u>	<u>621</u>	<u>-</u>	<u>51,778</u>

## 5. Trade and other receivables

The normal credit periods granted by the Group to its customers on open accounts range from seven days to three months from the date of invoice. The aging analysis of trade receivables by invoice date is as follows:

	As at <b>30th June</b> <b>2021</b> <i>HK\$'000</i>	As at 31st December 2020 <i>HK\$'000</i>
Within 3 months	<b>238,803</b>	154,874
4 to 6 months	<b>20,831</b>	45,863
7 to 12 months	<b>40,036</b>	27,945
Over 12 months	<b>36,582</b>	25,660
	<hr/> <b>336,252</b>	<hr/> 254,342
Less: loss allowance	<b>(1,733)</b>	(4,157)
	<hr/> <b>334,519</b> <hr/>	<hr/> 250,185 <hr/>

## 6. Trade payables, accruals and other payables

The aging analysis of trade payables by invoice date is as follows:

	As at <b>30th June</b> <b>2021</b> <i>HK\$'000</i>	As at 31st December 2020 <i>HK\$'000</i>
Within 3 months	<b>232,404</b>	203,469
4 to 6 months	<b>20,557</b>	7,037
7 to 12 months	<b>13,022</b>	1,691
Over 12 months	<b>9,200</b>	4,097
	<hr/> <b>275,183</b> <hr/>	<hr/> 216,294 <hr/>

## 7. Operating profit

Operating profit is stated after charging the following:

	Six months ended 30th June	
	2021	2020
	<i>HK\$'000</i>	<i>HK\$'000</i>
Amortisation of land use rights	5,877	5,622
Depreciation of property, plant and equipment	56,596	54,715
Depreciation of investment properties	642	347
Depreciation of right-of-use assets	17,119	12,252
Lease payments for short-term leases		
- vessels and barges	66,635	72,947
- buildings	3,043	4,012
- property that generated rental income	-	245
Staff costs (including directors' emoluments)	276,049	203,712
	<u>          </u>	<u>          </u>

## 8. Other gains / (losses) – net

	Six months ended 30th June	
	2021	2020
	<i>HK\$'000</i>	<i>HK\$'000</i>
Exchange gains/(loss), net	301	(4,655)
Gain/(loss) on disposals of property, plant and equipment	3,134	(1,528)
Reversal of loss allowance of trade receivables	-	45
	<u>          </u>	<u>          </u>
	<u>3,435</u>	<u>(6,138)</u>

## 9. Income tax expense

Hong Kong profits tax has been provided for at the rate of 16.5% (2020: 16.5%) on the estimated assessable profit for the period.

PRC corporate income tax has been calculated on the estimated assessable profit for the period at the income tax rate of the PRC entities of 25% (2020: 25%).

Macao profits tax has been provided at 12% (2020: 12%) on the estimated assessable profit for the period.

	Six months ended 30th June	
	2021	2020
	HK\$'000	HK\$'000
Current income tax		
- Hong Kong profits tax	7,515	2,937
- PRC corporate income tax	5,781	4,447
- Macao profits tax	-	8
Deferred income tax expense	(3)	(588)
	<u>13,293</u>	<u>6,804</u>

## 10. Dividends

Due to severe impacts brought by the COVID-19 epidemic, the profit attributable to equity holders of the Company in the first half of the year was only marginal. Whilst, capital is reserved to address subsequent epidemic challenges and potential merger and acquisition opportunities, the board of directors decided not to declare an interim dividend for the year ending 31st December 2021 (2020 interim dividend: Nil). Declaration on the final dividend will be subject to an integrated consideration.

## 11. Earnings per share

### Basic and Diluted

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	2021	2020
Profit attributable to equity holders of the Company (HK\$'000)	<b>26,095</b>	17,780
	<u><u>          </u></u>	<u><u>          </u></u>
Weighted average number of ordinary shares in issue ('000)	<b>1,121,167</b>	1,121,167
	<u><u>          </u></u>	<u><u>          </u></u>
Basic earnings per share (HK cents)	<b>2.33</b>	1.59
	<u><u>          </u></u>	<u><u>          </u></u>

The amount of dilutive earnings per share is the same as basic earnings per share for the six months ended 30th June 2021 and 2020 as there were no dilutive potential ordinary shares in issue.



# MANAGEMENT DISCUSSION AND ANALYSIS

## REVIEW OF OPERATIONS

For the period ended 30th June 2021, the Group recorded a consolidated revenue of HK\$1,142,692,000, representing an increase of 30.9% over the same period last year. Profit attributable to the equity holders of the Company amounted to HK\$26,095,000, representing an increase of 46.8% over the same period last year.

In the first half of 2021, due to the continuous impact of the COVID-19 epidemic, the groundwork for a recovery of the world economy remained weak, the external environment remained complex and severe, and it was difficult for international trade to achieve a recovery in the short term. Despite the subsidence of the epidemic situation in Hong Kong, epidemic prevention policies and measures were still in place, with the entry and exit restrictions still being upheld between Guangdong, Hong Kong, and Macao. Except for the sailing services from Shekou to the Hong Kong International Airport, which maintains two one-way sailings per day, other cross-border waterway sailing services between Guangdong, Macao and Hong Kong remain suspended, resulting in an unprecedented challenge faced by the cross-border waterway passenger transportation business. Compared with the same period last year, despite a steady improvement of the Group's terminal logistics business together with a contrarian growth in the number of passengers for local ferry services, the business volume of the cross-border waterway passenger transportation business has fallen sharply due to the impact of the epidemic. In response to the unstable epidemic situation, the Group took initiative to seek opportunities in the crisis by setting up livelihood businesses, integrating resources in the Greater Bay Area, deploying ASEAN strategy, actively deploying from multiple angles, and seeking development in all directions.

Regarding the freight business, the Group leveraged on advantages of business diversification to refine upstream to downstream industry chain coverage, strengthened the competitive position of the terminal's network, and steadily promoted the synergistic development on both domestic and foreign trade businesses. While carrying out epidemic prevention and control, we seized the opportunity to tap the market potential and minimised the impact of the epidemic on the terminal logistics business, and achieved steady growth. During the period, the container transportation volume recorded 714,000 TEU, representing a year-on-year increase of 12.1%; and the break bulk cargoes transportation volume recorded 326,000 tons, representing a year-on-year decrease of 48.7%. As for the cargo handling business, the container handling volume recorded 570,000 TEU, representing a year-on-year increase of 8.2%; the break bulk cargoes handling volume recorded 3,786,000 tons, representing a year-on-year decrease of 32.8%; and the volume of container hauling and trucking recorded 113,000 TEU, representing a year-on-year increase of 8.7%.

Regarding the passenger transportation business, thanks to the subsidence of the epidemic situation in Hong Kong, the business volume of the local ferry business in Hong Kong has increased significantly in the first half of the year. At the same time, to address the need for epidemic prevention and control, the Group fully tied in with epidemic prevention policies, operations of the cross-border waterway passenger sailings of urban areas and the airport were progressively suspended since the end of January last year. Except for the one-way sailing from Shekou to the Hong Kong International Airport which maintains a limited-service, other sailings including Guangdong-Hong Kong and Hong Kong-Macao have yet to resume, which results in a significant decline in business operation indicators of cross-border waterway passenger transportation compared with the same period last year. During the period, the total number of passengers for agency services recorded 31,000, representing a year-on-year decrease of 92.4%. The number of passengers for terminal services recorded 31,000, representing a year-on-year decrease of 91.5%. The number of passengers for the local ferry service was 6,265,000, representing a year-on-year increase of 12.0%.

## I. TERMINAL NAVIGATION LOGISTICS BUSINESS

### 1. Cargo Transportation Business

#### Business Operation Indicators

Performance statistics of our major business operations are as follows:

Indicators	For the six months ended 30th June		
	2021	2020	Change
Container transportation volume (TEU)	<b>714,000</b>	637,000	12.1%
Break bulk cargoes transportation volume (revenue tons)	<b>326,000</b>	636,000	-48.7%
Volume of container hauling and trucking on land (TEU)	<b>113,000</b>	104,000	8.7%

## **Subsidiaries**

In the first half of the year, in the context of the continuous spread of the global epidemic, CKTL was determined to overcome multiple hurdles, stabilised operations while improving efficiency in both domestic and foreign trade, actively expanded into innovative integrated logistics projects on the basis of preserving the original businesses to achieve a substantial increase in container transportation volume. During the period, the container transportation volume recorded 714,000 TEU, representing a year-on-year increase of 12.1%; the volume of container hauling and trucking on land recorded 113,000 TEU, representing a year-on-year increase of 8.7%. As the sand supply project at the Hong Kong International Airport has been completed, the volume of bulk cargo transportation has fallen. During the period, the break bulk cargoes transportation volume reached 326,000 tons, representing a significant year-on-year decrease of 48.7%.

CKTL actively promoted transformation and upgrade, took measures to expand emerging businesses, and deepened the cooperation between cargo terminals and navigation. In terms of the progress of infrastructure projects, the construction of the new warehouse in Tuen Mun is progressing as scheduled, and has now entered into the final stage, striving to be put into operation in the fourth quarter of this year. In terms of construction logistics projects, CKTL, being a local logistics and transportation provider in Hong Kong, strived to become the main contractor of infrastructure projects related to the third runway of the Hong Kong International Airport, and successfully tendered for the China-Hong Kong and China-Macao ultra-high and ultra-wide vehicle transportation business of Jangho Curtain Wall Co., Ltd for Hong Kong Kai Tak, City of Dreams and Galaxy Macau, etc.. In terms of freight forwarding business, CKTL communicated and coordinated with liners to achieve positive results. In terms of e-commerce logistics business, CKTL continued to increase cooperation with China Duty Free Group Co., Ltd, optimise operational flow, and improve service quality. In terms of air freight business, in order to cooperate with the implementation of the 100% air cargo screening measures, CKTL has put the second X-ray inspection machine into operation in the first quarter and introduced many customers with stable businesses.

## 2. Cargo Handling and Storage Business

### **Business Operation Indicators**

Performance statistics of our major business operations are as follows:

<b>Indicators</b>	For the six months ended 30th June		
	<b>2021</b>	2020	Change
Container handling volume (TEU)	<b>570,000</b>	527,000	8.2%
Volume of break bulk cargoes handled (revenue tons)	<b>3,786,000</b>	5,635,000	-32.8%

### **Subsidiaries**

During the period, due to the impact of the COVID-19 epidemic, the subsidiaries embraced challenges ahead by actively promoting business transformation, connected with the domestic and international dual circular economy, and discovered potential opportunities in e-commerce logistics, sea-rail joint transportation, domestic and foreign trade in the same terminals, and bulk cargo handling, etc. The container handling volume of many of the Group's terminals has achieved a strong rebound.

The overall container handling volume in the Zhaoqing region recorded 81,000 TEU, representing a year-on-year increase of 15.7%; the overall break bulk cargoes handling volume recorded 2,695,000 tons, representing a year-on-year decrease of 47.8%. During the period, Zhaoqing New Port and CKTL jointly sourced key customers and vigorously developed import business such as the import of rice bran and more, container handling volume of Zhaoqing New Port recorded a year-on-year increase of 11.3%. Sihui Port expanded into the gravel building materials business while achieving a 26.2% year-on-year increase in the container handling volume, break bulk cargo has become a new growth driver. Gaoyao Port not only achieved a breakthrough in domestic trade through the development of domestic trade businesses such as importing coal containers and exporting ceramics, etc. but also significantly increased the rice bran containers handling volume for foreign trade, realising synergistic development on both domestic and foreign trade businesses. The gravel bulk cargo transportation business in Kangzhou Port has been steadily improving, the volume of Guangxi stone and stone powder containers has also achieved a contrarian growth. The volume of container and bulk cargo handling has both increased by 10% compared with the same period last year.

### **Subsidiaries (Continued)**

The container handling volume at Gaoming Port of Foshan region recorded 175,000 TEU, representing a year-on-year increase of 16.9%. Taking the renewable resources business as an important breakthrough, Gaoming Port has launched new service projects such as inland port transfer, land-to-water transportation, and transferring renewable resources from foreign to domestic, etc., continued to improve the customs clearance efficiency of high-yield businesses, built an integrated logistics service platform and developed new forms of cross-border e-commerce in an orderly manner to promote the optimisation and upgrade of the terminal business structure.

During the period, the container handling volume at Qingyuan Port recorded 44,000 TEU, representing a year-on-year increase of 14.6%; the domestic break bulk cargoes business was newly added and recorded a handling volume of 106,000 tons. Qingyuan Port strengthened business synergy and optimised its marketing model to promote the development of both domestic and foreign trade; Qingyuan Port also sought support from customs policies, improved customs clearance efficiency, and actively introduced more customers and categories of goods to enhance market competitiveness.

The overall container handling volume in the Zhuhai region recorded 102,000 TEU, representing a year-on-year decrease of 13.4%; the overall break bulk cargoes handling volume recorded 573,000 tons, representing a significant year-on-year increase of 320.2%. During the period, the container handling volume at Civet Port recorded 78,000 TEU, representing a year-on-year decrease of 16.4%; the break bulk cargoes handling volume recorded 153,000 tons, representing a year-on-year increase of 83.8%. Civet Port strived for business expansion, realised differentiated management of terminals by building a cold chain import and export platform; explored the potential of integrated logistics by promoting the implementation of cross-border e-commerce; explored new livelihood business in Macao to enter into the high-end supply chain market. The container handling volume at Doumen Port recorded 24,000 TEU, representing a year-on-year decrease of 2.2%; the break bulk cargoes handling volume recorded 420,000 tons, representing a significant year-on-year increase of 6.9 times. Doumen Port tapped into the Hong Kong-Zhuhai-Macao Bridge economy and expanded its integrated logistics business. During the period, the warehouse at the bridge terminal was established and a business agreement with DHL has been signed; Doumen Port also seized new opportunities for expansion and promoted professional development. During the period, the waste mud transfer project was officially launched, the prototype of the terminal featuring the development of construction materials handling business is gradually shaped.

### **Subsidiaries (Continued)**

Zhongshan Huangpu Port in Zhongshan region actively expanded import and export businesses and developed waterway gate operation business to achieve growth in cargo volume; provided imported pumice delivery service to improve competitiveness. Two new customers were also introduced for new domestic break bulk business, resulting in a great enhancement on bulk cargo throughput. During the period, container handling volume at Zhongshan Huangpu Port recorded 13,000 TEU, representing a year-on-year decrease of 22.2%; the break bulk cargoes handling volume recorded 70,000 tons, representing a significant year-on-year increase of 291.8%.

The overall container handling volume in the Hong Kong region recorded 154,000 TEU, representing a year-on-year increase of 15.3%; the overall break bulk cargoes handling volume recorded 323,000 tons, representing a year-on-year increase of 15.9%. During the period, CKTL focused on the Greater Bay Area airports strategy, completed the new warehouse business plan, and strived to deploy the air freight and e-commerce logistics business; CKTL also actively promoted integrated logistics projects and construction logistics projects, and successfully tendered for projects such as the 2021-2022 China-Hong Kong logistics and transportation project of Esquel Enterprises Ltd. In addition, in response to changes in the market environment, CKTL refined management of liner business and Guangdong-Hong Kong routes to reduce costs and increase efficiency.

## **Joint Ventures and Associates**

Terminals in the Jiangmen region include Guangdong Sanbu Passenger and Freight Transportation Co., Ltd. and Heshan County Hekong Associated Forwarding Co., Ltd. Jiangmen region recorded a total container handling volume of 176,000 TEU, representing a year-on-year increase of 38.0%. During the period, the container handling volume at Sanbu Port recorded 77,000 TEU, remaining static year-on-year; the overall break bulk cargoes handling volume recorded 23,000 tons, representing a year-on-year increase of 60.8%. Sanbu Port continued to strengthen its business development by introducing pulp supply for foreign trade and increasing bentonite and porcelain clay for domestic trade while seizing the opportunities from the market and policy adjustment to develop construction materials handling business, such as gravel handling. The container handling volume at Heshan Port recorded 99,000 TEU, representing a year-on-year increase of 94.1%. Through the cooperation with Guangzhou Nansha Port in developing the "Water Bus" business, the import volume of wooden containers increased, resulting in substantial growth in the domestic trade container throughput of Heshan Port in the first half of the year; the throughput of foreign trade break bulk cargo business volume has also recorded a contrarian growth, thanks to the growth of electronic parts and steel pipes.

The two terminals in the Foshan region, namely Foshan Nankong Terminal Co., Ltd., and Chu Kong Cargo Terminals (Beicun) Co., Ltd. recorded a total container handling volume of 63,000 TEU, representing a year-on-year increase of 2.6%. During the period, Foshan Nankong Port recorded a container handling volume of 48,000 TEU, representing a year-on-year increase of 11.4%. As the designated operating period of Nankong Port will be expired on 19th August 2021, and all the shareholders agreed not to renew the business license, Nankong Port will go into the liquidation stage. During the period, container handling volume at Foshan Beicun Port recorded 15,000 TEU, representing a year-on-year decrease of 18.0%. Foshan Beicun Port is committed to building a professional grain terminal by entering into the rice supply chain, and at the same time explored and expanded into the break bulk cargo business. Due to the expropriations of the lands for wharves and buildings erected on the land at Foshan New Port, its operation was suspended with no operating activity during the year. As the business operations of Sanshui Sangang Containers Wharf Co., Ltd. continued to be suspended under the environmental protection policies so it has officially entered into the liquidation stage.

## II PASSENGER TRANSPORTATION BUSINESS

### Business Operation Indicators

Performance statistics of the major business operations are as follows:

Indicators	For the six months ended 30th June Number of Passengers (in thousands)		
	2021	2020	Change
Total number of passengers for agency services	31	408	-92.4%
Total number of passengers for terminal services	31	366	-91.5%
The number of passengers for local ferry transportation (Note)	6,265	5,592	12.0%

Note: The number of passengers for local ferry transportation was the passenger volume of Sun Ferry. Although the acquisition of Sun Ferry was completed in May 2020, for easy comparison, the calculation of passenger volume in 2020 also started from January.

### Subsidiaries

The passenger transportation business of the Group was continuously affected by the global COVID-19 epidemic in the first half of the year. During the period, the total number of passengers for agency services of CKPT was 31,000, representing a year-on-year decrease of 92.4%; the number of passengers for terminal services was 31,000, representing a year-on-year decrease of 91.5%.

Regarding urban routes, in response to the government's requirements for epidemic control during the period, the China Ferry Terminal and the Hong Kong Macau Ferry Terminal were closed at the end of January and early February last year respectively. The urban routes have been suspended since then. The cross-border passenger transportation business operations of the Groups are facing severe challenges.



### **Subsidiaries (Continued)**

Regarding airport routes, in response to the government's requirements for epidemic control during the period, except for the services from Shekou to the Hong Kong International Airport, which maintains two one-way sea-to-air sailings per day, other cross-border waterway passenger services involving airport routes remain suspended. During the period, the number of passengers served amounted to 31,000, representing a year-on-year decrease of 88.0%. Although airport routes have been severely impacted by the epidemic, the Group still actively prepared for the openings of new routes between the Hong Kong International Airport and Shenzhen Airport. The Group also collaborated with airlines to develop sea-air one-ticket services to improve the service chain of sea-to-air intermodal.

Regarding local ferry services, Sun Ferry continued its core business by successfully tendering for the new service licenses for operating three inner harbour ferry sailings from the Transport Department of the Hong Kong Special Administrative Region. Under adverse conditions imposed by the epidemic, a new historical record of passenger volume during the Spring Festival and Qingming holidays was set. During the period, the local ferry business recorded a total number of passengers of 6,265,000, representing a year-on-year increase of 12.0%.

### **Joint Ventures and Associates**

During the period, all joint ventures and associates were affected by the epidemic, and cross-border waterway passenger routes were suspended. During the period, the number of passengers at SkyPier (operated by Hong Kong International Airport Ferry Terminal Services Limited) amounted to 31,000 only, representing a year-on-year decrease of 88.4%. Zhongshan – Hong Kong Passenger Shipping Co-op Co., Ltd. and Foshan Shunde Shungang Passenger Transportation Co-op Co., Ltd. were completely suspended.

Also affected by the epidemic, the shuttle bus business for the Hong Kong-Zhuhai-Macao Bridge jointly operated by Hong Kong-Zhuhai-Macao Bridge Shuttle Bus Co., Ltd., an associate of the Group, recorded a number of passengers of 60,000 during the period, representing a significant year-on-year decrease of 94.9%.

### **III. FUEL SUPPLY BUSINESS**

As to the fuel supply business, being an auxiliary business to passenger and freight transportation businesses, the epidemic caused a decline in the number of passenger and cargo vessel voyages, subsequently reducing the sales volume of diesel and engine oil of Sun Kong Petroleum Company Limited (“Sun Kong Petroleum”). During the period, Sun Kong Petroleum recorded a sales volume of 12,000 tons for diesel, representing a year-on-year decrease of 33.3%, and a sales volume of 205,000 litres for engine oil, representing a year-on-year decrease of 46.2%. Under the extremely unfavourable market environment, Sun Kong Petroleum, on the one hand actively expanded internal and external customers by signing fuel supply contracts with Cotai Ferry and Sun Ferry during the period; on the other hand, focused on improving the layout of refuelling outlets by acquiring buoys to establish offshore refuelling bases.

### **IV. CORPORATE AND OTHER BUSINESSES**

As to the corporate and other businesses, Chu Ou Engineering and Technologies Company Limited (“Chu Ou Engineering”), as the Group’s Macao-based company for the maintenance and repair of property facilities, recorded a revenue growth during the period. This was mainly attributed to the obtaining of projects, such as the Outer Harbour Boarding Bridge Project of the Maritime and Water Affairs Bureau, etc. While maintaining the existing business, Chu Ou Engineering leveraged the technical advantages of the team, improved the quality of maintenance services, actively paid attention to bidding projects, and strived to achieve business breakthroughs.

During the period, businesses of other subsidiaries, joint ventures and associates of the Group progressed well.

## **LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE**

The capital structure of the Group was constantly monitored by the Company. The use of any capital instruments, including banking facilities, by each subsidiary was under the central coordination and arrangement of the Company.

The Group closely monitored its working capital and financial resources to maintain a solid financial position. As at 30th June 2021, the Group secured total credit facilities of HK\$1,085,000,000 and RMB116,800,000 (equivalent to approximately HK\$140,368,000) (31st December 2020: HK\$1,285,000,000 and RMB117,250,000 (equivalent to approximately HK\$139,318,000) granted by bona fide banks.

As at 30th June 2021, the current ratio of the Group, representing current assets divided by current liabilities, was 1.9 (31st December 2020: 2.0).

As at 30th June 2021, the Group's cash and cash equivalents amounted to HK\$894,599,000 (31st December 2020: HK\$726,056,000), which represented 19.2% (31st December 2020: 15.9%) of the total assets.

As at 30th June 2021, the gearing ratio of the Group, representing bank borrowings divided by total equity and bank borrowings, was 6.2% (31st December 2020: 6.2%) and the debt ratio, representing total liabilities divided by total assets, was 21.9% (31st December 2020: 20.6%).

After considering the cash held by the Group and cash flows from operating activities, as well as the bank credit facilities available to the Group, it is believed that the Group has sufficient capital to fund its future operations and for business expansion and general development purposes.

During the period, except fuel price swap contracts are used to hedge against fuel price rises for the local ferry transportation business from January to March 2021, the Group did not use any other financial instruments for hedging purpose.

## **BANK LOANS AND PLEDGE OF ASSETS**

<b>Bank Loans</b>	<b>As at 30th June 2021</b>	<b>As at 31st December 2020</b>
<b>Banks located in Hong Kong (Note 1)</b>		
- Hong Kong Dollar	100,000,000	100,000,000
<b>Banks located in China (Note 2)</b>		
- Renminbi	116,800,000 (equivalent to approximately HK\$140,368,000)	117,250,000 (equivalent to approximately HK\$139,318,000)

Note:

1. The loans from banks located in Hong Kong as at 30th June 2021 was bearing floating interest rate and unsecured. The relevant terms of which are identical with those set out in 2020 Annual Report.
2. The loans from banks located in China on 30th June 2021 borne floating interest rate and was secured by the land use right of Zhongshan Huangpu Port and certain properties and the land use right of Civet Port. The relevant terms of which are identical with those set out in 2020 Annual Report.

## **CURRENCY STRUCTURE**

As at 30th June 2021, the Group deposited its cash and cash equivalents with several reputable banks, of which the majority were denominated in Hong Kong dollar and Renminbi, with a few denominated in United States dollar (“USD”), Macao pataca and Euro.

## **MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES**

Save as disclosed in this announcement, the Group had no other material acquisition or disposal of any subsidiaries, joint ventures and associates for the six months ended 30th June 2021.

## **SIGNIFICANT INVESTMENT**

Save as disclosed in this announcement, there was no other significant investment held by the Group for the six months ended 30th June 2021.

## **CONTINGENT LIABILITIES**

As at 30th June 2021, the Group had no material contingent liabilities.

## **EXCHANGE RISK**

Currently, the ordinary operations and investments of the Group are concentrated in Guangdong Province, Hong Kong and Macao, with operating revenue and expenses mainly denominated in HKD, as well as in RMB and USD. RMB revenue received in Mainland China may be used for payment of expenses of the Group which are denominated in RMB and incurred in Mainland China. HKD or USD revenue received in Mainland China may be remitted to the Group's bank accounts in Hong Kong through proper procedures. So long as the linked exchange rate system in Hong Kong with USD is maintained in the short term, it is expected that the Group will not be subject to relatively significant exchange risk.

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

No listed securities of the Company were purchased or sold by the Company or any of its subsidiaries for the period. The Company did not redeem any of its shares during the period.

## **ADOPTION OF MODEL CODE FOR SECURITIES TRANSACTION BY DIRECTORS**

The Company has adopted a code of conduct prescribing standards and requirements no less than that required by the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as its code of conduct of Directors for conducting securities transactions. All Directors have fully complied with the required standards set out in the Model Code in relation to such transactions during the accounting period covered by 2021 interim report.

## **PUBLICATION OF INTERIM REPORT**

The interim report of the Company for the six months ended 30th June 2021 containing all the information required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "SEHK") (the "Listing Rules") will be published on the websites of the SEHK ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.cksd.com](http://www.cksd.com)) in due course.

## **INTERIM DIVIDEND**

Due to severe impacts brought by the COVID-19 epidemic, the profit attributable to equity holders of the Company in the first half of the year was only marginal. Whilst, capital is reserved to address subsequent epidemic challenges and potential merger and acquisition opportunities, the board of directors decided not to declare an interim dividend for the year ending 31st December 2021 (2020 interim dividend: Nil). Declaration on the final dividend will be subject to an integrated consideration.

## REVIEW BY AUDIT COMMITTEE

The Company's Audit Committee and the Company's independent auditor have reviewed the Group's unaudited consolidated interim financial information for the six months ended 30th June 2021.

Interim financial results of the Group for the six months ended 30th June 2021 have not been audited but prepared in accordance with HKAS 34 *Interim Financial Reporting* and reviewed by the independent external auditor, KPMG, in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*.

## CORPORATE GOVERNANCE

The directors of the Company have adopted various policies to ensure compliance with the code provisions of the Corporate Governance Code (the "Code Provisions") under Appendix 14 of the Listing Rules. In the opinion of the directors, the Company complied with the Code Provisions throughout the accounting period covered by the interim report except as disclosed below.

In the future, the Company will also adopt more recommended best practices according to actual needs, so as to further enhance the level of corporate governance.

According to the Code Provisions, a service term of over nine years is one of the key factors in determining the independence of an independent non-executive director. Mr. Chan Kay-cheung, Ms. Yau Lai Man and Mr. Chow Bing Sing have served as independent non-executive directors for over nine years. During their years of service with the Company, Mr. Chan, Ms. Yau, and Mr. Chow have contributed by providing an independent viewpoint and advice to the Company in relation to its businesses, operations, future development and strategy. The Board considers that Mr. Chan, Ms. Yau, and Mr. Chow have the character, integrity, ability, and experience required to continue to fulfill his/her role effectively. The Company believes that Mr. Chan, Ms. Yau, and Mr. Chow can independently express opinions on matters of the Company and there is no evidence that his/her over nine years of service with the Company would have any impact on his/her independence and therefore his/her independence is confirmed. According to the Code Provisions A.4.3, if an independent non-executive director serves more than nine years, his/her further appointment should be subject to a separate resolution to be approved by Shareholders. Ms. Yau retired on rotation at the annual general meeting held on 20th June 2019, and being eligible, offered herself for re-election at the said meeting. Ms. Yau had been re-appointed by a separate resolution of the Shareholders at the said meeting. Mr. Chan and Mr. Chow retired on rotation at the annual general meeting held on 21st May 2020, and being eligible, offered themselves for re-election at the said meeting. Mr. Chan and Mr. Chow had been re-appointed by separate resolutions of the Shareholders at the said meeting.

## **DIRECTORS**

The Company is not aware of any change in the information of directors of the Company required to be disclosed pursuant to Rule 13.51B of the Listing Rules during the period since 31st December 2020.

As at the date of this report, the Company's executive directors are Mr. Huang Liezhang, Mr. Wu Qiang, Mr. Chen Jie, and Mr. Liu Wuwei; non-executive director is Ms. Zhong Yan; and independent non-executive directors are Mr. Chan Kay-cheung, Ms. Yau Lai Man and Mr. Chow Bing Sing.

By Order of the Board  
**Wu Qiang**  
*Managing Director*

Hong Kong, 26th August 2021