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*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 00079)**

**ANNOUNCEMENT OF INTERIM RESULTS  
FOR THE SIX MONTHS ENDED 30 JUNE 2021**

**INTERIM RESULTS**

The board of directors (the “Board”) of Century Legend (Holdings) Limited (the “Company”) is hereby to present the unaudited condensed consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2021. The unaudited consolidated results have been reviewed by the Audit Committee of the Company.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

*For the six months ended 30 June 2021*

		<b>Six months ended 30 June</b>	
		<b>2021</b>	2020
		<b>(Unaudited)</b>	(Re-presented)
	<i>Notes</i>	<b>HK\$'000</b>	(Unaudited)
			<b>HK\$'000</b>
<b>Revenue</b>	5	<b>18,293</b>	15,919
Cost of sales		<u>(11,950)</u>	<u>(10,081)</u>
<b>Gross profit</b>		<b>6,343</b>	5,838
Other income		<b>3,184</b>	2,736
Fair value gain/(loss) on financial assets at fair value through profit or loss		<b>5,198</b>	(17,950)
Administrative expenses		<b>(14,265)</b>	(15,264)
Finance costs		<b>(1,750)</b>	(3,285)
<b>Loss before income tax</b>	6	<b>(1,290)</b>	(27,925)
Income tax credit	7	<u>–</u>	<u>12</u>
<b>Loss for the period</b>		<b>(1,290)</b>	(27,913)

\* For identification purposes only

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
(CONTINUED)**

*For the six months ended 30 June 2021*

	<b>Six months ended 30 June</b>	
	<b>2021</b>	2020
	<b>(Unaudited)</b>	(Re-presented)
<i>Note</i>	<b>HK\$'000</b>	(Unaudited)
		<b>HK\$'000</b>
<b>Other comprehensive income</b>		
<i>Item that will not be reclassified subsequently to profit or loss</i>		
Change in fair value of equity instrument at fair value through comprehensive income	<u>745</u>	<u>(1,562)</u>
<b>Other comprehensive income for the period</b>	<u>745</u>	<u>(1,562)</u>
<b>Total comprehensive income for the period</b>	<u>(545)</u>	<u>(29,475)</u>
<b>Loss for the period attributable to:</b>		
Owners of the Company	(337)	(27,514)
Non-controlling interests	<u>(953)</u>	<u>(399)</u>
	<u>(1,290)</u>	<u>(27,913)</u>
<b>Total comprehensive income for the period attributable to:</b>		
Owners of the Company	408	(29,076)
Non-controlling interests	<u>(953)</u>	<u>(399)</u>
	<u>(545)</u>	<u>(29,475)</u>
<b>Loss per share attributable to the owners of the Company</b>		
– Basic	9	<u>HK(0.10) cents</u>
– Diluted		<u>HK(8.44) cents</u>
		<u>HK(0.10) cents</u>
		<u>HK(8.44) cents</u>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*As at 30 June 2021*

	<b>As at 30 June 2021 (Unaudited) HK\$'000</b>	<b>As at 31 December 2020 (Audited) HK\$'000</b>
<b>ASSETS AND LIABILITIES</b>		
<b>Non-current assets</b>		
Property, plant and equipment	235,507	240,742
Investment properties	130,100	130,100
Financial assets at fair value through other comprehensive income	5,190	4,446
	<b>370,797</b>	<b>375,288</b>
<b>Current assets</b>		
Inventories	78	83
Financial assets at fair value through profit or loss	76,244	69,946
Trade and other receivables, deposits and prepayments	10 <b>5,985</b>	8,177
Amount due from non-controlling interest	<b>10</b>	10
Pledged bank deposits	<b>96,331</b>	92,469
Cash and bank balances	<b>16,657</b>	26,325
	<b>195,305</b>	<b>197,010</b>
<b>Current liabilities</b>		
Trade payables	11 <b>198</b>	189
Other payables and accruals	<b>4,731</b>	5,289
Amount due to a shareholder	<b>15,000</b>	15,000
Contract liabilities	<b>144</b>	45
Amount due to non-controlling interest	<b>2</b>	2
Lease liabilities	<b>8,801</b>	8,935
Bank borrowings (secured)	<b>194,730</b>	195,806
	<b>223,606</b>	<b>225,266</b>

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)***As at 30 June 2021*

	<b>As at 30 June 2021 (Unaudited) HK\$'000</b>	<b>As at 31 December 2020 (Audited) HK\$'000</b>
<b>Net current liabilities</b>	<u><b>(28,301)</b></u>	<u>(28,256)</u>
<b>Total assets less current liabilities</b>	<u><b>342,496</b></u>	<u>347,032</u>
<b>Non-current liabilities</b>		
Lease liabilities	<b>6,029</b>	9,803
Bank borrowings (secured)	<b>8,348</b>	8,565
Deferred tax liabilities	<u><b>6,652</b></u>	<u>6,652</u>
	<u><b>21,029</b></u>	<u>25,020</u>
<b>Net assets</b>	<u><b>321,467</b></u>	<u>322,012</u>
<b>EQUITY</b>		
Share capital	<b>65,215</b>	65,215
Reserves	<u><b>255,037</b></u>	<u>254,629</u>
Equity attributable to the owners of the Company	<b>320,252</b>	319,844
Non-controlling interests	<u><b>1,215</b></u>	<u>2,168</u>
<b>Total equity</b>	<u><b>321,467</b></u>	<u>322,012</u>

## **NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

*For the six months ended 30 June 2021*

### **1. GENERAL INFORMATION**

Century Legend (Holdings) Limited (the “Company”) was incorporated as an exempted company with limited liability in Bermuda and its shares are listed on The Stock Exchange of Hong Kong Limited. The Company is principally engaged in investment holding. The principal activities of its subsidiaries are the property investments, operation of a hair salon under the brand name of “Headquarters”, provision of hospitality services in Hong Kong, provision of property related project management service, provision of commercial and personal loans and securities investments.

The condensed consolidated financial statements are unaudited, but have been reviewed by the Audit Committee of the Company. The unaudited condensed consolidated financial statements were approved and authorised for issue by the directors on 27 August 2021.

### **2. BASIS OF PREPARATION**

This unaudited condensed consolidated interim financial statements for the six months ended 30 June 2021 including the explanatory notes (the “Interim Financial information”) have been prepared in accordance with accounting principles generally accepted in Hong Kong and comply with Hong Kong Accounting Standard 34 (“HKAS 34”), Interim Financial Reporting, issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The Interim Financial information do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements for the year ended 31 December 2020 (the “2020 Annual Financial Statements”) which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”).

The Interim Financial information for the six months ended 30 June 2021 have been prepared on the historical cost basis except for investment properties and certain financial instruments that are measured at fair values.

The Interim Financial information are presented in Hong Kong dollars (“HK\$”), which is the same as the functional currency of the Company.

### 3. CHANGES IN HKFRSs

Except as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2021 are the same as those set out in the Group's annual financial statements for the year ended 31 December 2020.

In the current interim period, the Group has applied, for the first time, the following amendments to HKFRSs for the preparation of the Group's condensed consolidated financial statements.

Amendments to HKFRS 16	COVID-19 Related Rent Concessions
Amendments to HKAS 39, HKFRS 7, HKFRS 9 and HKFRS 16	Interest Rate Benchmark Reform – Phase 2

The adoption of the above amendments to HKFRSs in the current period has no material effect on the amounts reported and/or disclosures set out in these unaudited condensed consolidated financial statements.

Other than the above mentioned amendments, the Group has not applied any new standards or interpretation that is not yet effective for the current accounting period.

### 4. USE OF JUDGEMENTS AND ESTIMATES

In preparing this condensed consolidated interim financial statements, the significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to 2020 Annual Financial Statements.

### 5. REVENUE AND SEGMENT INFORMATION

The Group has identified its operating segments and prepared segment information based on the regular internal financial information reported to the Group's executive directors for their decisions about resources allocation to the Group's business components and review of these components' performance. The business components in the internal reporting to the executive directors who are the chief operating decision-makers are determined following the Group's major product and service lines. The Group is currently organized into the following six operating segments.

Hair styling	– Provision of hair styling and related services and product sales in Hong Kong
Hospitality services	– Provision of hospitality services in Hong Kong
Property investments	– Investing in commercial and residential properties for rental income and for potential capital appreciation in both Macau and Hong Kong
Securities investments	– Investing in listed equity securities in Hong Kong and equity-linked investments in Hong Kong
Property project management	– Provision of property related project management service
Money lending	– Provision of commercial and personal loans in Hong Kong

## 5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

### (a) Segment revenues and results

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

	Segment revenue		Segment results	
	Six months ended 30 June			
	2021	2020	2021	2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Hair styling	8,264	7,761	51	162
Hospitality services	5,921	2,589	(1,317)	(1,366)
Property investments	2,141	2,182	(2,156)	(1,916)
Securities investments	1,535	1,587	6,733	(16,363)
Property project management	428	1,800	(35)	(42)
Money lending	4	–	(11)	(15)
	<u>18,293</u>	<u>15,919</u>	<u>3,265</u>	<u>(19,540)</u>
Unallocated other income			1,775	1,852
Exchange gain/(loss), net			1,409	(1,672)
Corporate staff costs			(4,339)	(4,046)
Other corporate and unallocated expenses			<u>(3,400)</u>	<u>(4,519)</u>
Loss before income tax			<u>(1,290)</u>	<u>(27,925)</u>

Revenue reported above represented revenue generated from external customers.

Segment results represents the profit earned/loss incurred by each segment without allocation of central administration costs. Segment results exclude certain bank interest income, dividend income from financial assets at FVOCI and exchange gain/(loss), net, which arise from assets that are managed on a group basis. Segment results also exclude corporate staff costs and other corporate and unallocated expenses. This is the measure reported to executive directors for the purposes of resource allocation and assessment of segment performance.

## 5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

### (b) Segment assets and liabilities

	As at 30 June 2021 (Unaudited) HK\$'000	As at 31 December 2020 (Audited) HK\$'000
<b>Segment assets</b>		
Hair styling	7,354	9,876
Hospitality services	227,607	230,722
Property investments	136,740	135,813
Securities investments	77,480	71,784
Property project management	209	322
Money lending	150	66
	<hr/>	<hr/>
Total segment assets	449,540	448,583
Financial assets at fair value through other comprehensive income		
comprehensive income	5,190	4,446
Pledged bank deposits	96,331	92,469
Short-term bank deposits	–	2,361
Other corporate and unallocated assets	15,041	24,439
	<hr/>	<hr/>
Consolidated total assets	<b>566,102</b>	<b>572,298</b>
<b>Segment liabilities</b>		
Hair styling	4,162	5,561
Hospitality services	44,276	46,858
Property investments	15,395	15,865
Property project management	123	241
Money lending	18	23
	<hr/>	<hr/>
Total segment liabilities	63,974	68,548
Deferred tax liabilities	6,652	6,652
Bank borrowings	155,120	155,120
Other corporate and unallocated liabilities	18,889	19,966
	<hr/>	<hr/>
Consolidated total liabilities	<b>244,635</b>	<b>250,286</b>

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable segments other than financial assets at FVOCI, pledged bank deposits and short-term bank deposits which are managed on group basis and other corporate and unallocated assets; and
- all liabilities are allocated to reportable segments other than deferred tax liabilities and certain bank borrowings which are managed on group basis, and other corporate and unallocated liabilities.



## 5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

### (c) Other segment information

	Interest income		Finance costs		Additions to specified non-current assets		Depreciation and amortisation	
	Six months ended 30 June							
	2021 (Unaudited) HK\$'000	2020 (Unaudited) HK\$'000	2021 (Unaudited) HK\$'000	2020 (Unaudited) HK\$'000	2021 (Unaudited) HK\$'000	2020 (Unaudited) HK\$'000	2021 (Unaudited) HK\$'000	2020 (Unaudited) HK\$'000
Hair styling	-	-	79	141	17	8	1,566	1,705
Hospitality services	-	-	484	742	-	14,023	2,759	1,280
Property investments	-	1	137	141	-	-	85	85
	-	1	700	1,024	17	14,031	4,410	3,070
Unallocated	1,123	1,173	1,050	2,261	1	28	842	887
Total	1,123	1,174	1,750	3,285	18	14,059	5,252	3,957

### (d) Geographical information

The geographical location of the specified non-current assets (i.e. non-current assets excluding financial assets) is based on the physical location of the assets. The geographical location of customers is based on the location at which the services were provided or the goods were delivered.

The following is an analysis of the carrying amount of the specified non-current assets and revenue from external customers, analysed by the geographical location.

	Specified non-current assets		Revenue from external customers	
	As at 30 June 2021 (Unaudited) HK\$'000	As at 31 December 2020 (Audited) HK\$'000	Six months ended 30 June 2021 (Unaudited) HK\$'000	Six months ended 30 June 2020 (Unaudited) HK\$'000
Hong Kong (domicile)	280,232	285,382	16,879	14,457
Macau	85,375	85,460	1,414	1,462
	365,607	370,842	18,293	15,919

## 5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

### (e) Disaggregation of revenue

In the following table, revenue from contracts with customers is disaggregated by operating segments and timing of revenue recognition. Revenue from other sources are analysed in the table.

	<b>Six months ended 30 June</b>	
	<b>2021</b>	2020
	<b>(Unaudited)</b>	(Unaudited)
	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>Revenue from contracts with customers</b>		
<b>Timing of revenue recognition – Over time</b>		
Hair styling services	<b>7,820</b>	7,345
Hospitality services	<b>5,921</b>	2,589
Property project management services	<b>428</b>	1,800
<b>Timing of revenue recognition – At a point in time</b>		
Product sales under hair styling services	<b>444</b>	416
<b>Revenue from other sources</b>		
Rental income	<b>2,141</b>	2,182
Interest income from money lending	<b>4</b>	–
Securities Investments	<b>1,535</b>	1,587
	<b>18,293</b>	15,919

## 6. LOSS BEFORE INCOME TAX

Loss before income tax is arrived at after charging/(crediting) the following:

	Six months ended 30 June	
	2021 (Unaudited) HK\$'000	2020 (Unaudited) HK\$'000
(a) Finance costs		
Interest on borrowings	1,389	2,966
Other finance costs	361	319
	<hr/>	<hr/>
Total finance costs recognised in profit or loss	<b>1,750</b>	<b>3,285</b>
(b) Other items		
Fair value (gain)/loss on financial assets at fair value through profit or loss	(5,198)	17,950
Depreciation and amortisation	5,252	3,957
	<hr/>	<hr/>

## 7. INCOME TAX CREDIT

No provision for Hong Kong profits tax has been made as the Group did not derive any assessable profit for the six months ended 30 June 2021 and 2020.

The Group has available tax losses as at 31 December 2020 for offsetting against future profits. No deferred tax assets have been recognised as the directors consider that it is uncertain that they will crystallize in the foreseeable future.

Pursuant to the tax rules and regulations of Macau, the subsidiaries in Macau are liable to Macau Profits Tax at the rate of 12%. No provision for Macau profits tax has been made for the six months ended 30 June 2021 and 2020.

## 8. DIVIDENDS

The directors do not recommend the payment of any interim dividend for the six months ended 30 June 2021 (six months ended 30 June 2020: Nil).

## 9. LOSS PER SHARE ATTRIBUTABLE TO THE OWNERS OF THE COMPANY

The calculation of basic loss per share attributable to the owners of the Company for the period is based on the loss attributable to the Company's owner of HK\$337,000 (six months ended 30 June 2020: HK\$27,514,000) and the weighted average of 326,077,423 (six months ended 30 June 2020: 326,077,423) shares in issue during the six-month period.

No adjustment has been made to basic loss per share as the outstanding share options had anti-dilutive effect on the basic loss per share for the period ended 30 June 2021 and 30 June 2020.

## 10. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	<b>30 June 2021 (Unaudited) HK\$'000</b>	31 December 2020 (Audited) HK\$'000
Trade receivables	93	123
Other receivables, deposits and prepayments	<u>5,892</u>	<u>8,054</u>
	<b><u>5,985</u></b>	<b><u>8,177</u></b>

The majority of the Group's revenue is on cash basis. The remaining balances of revenue are on credit terms of thirty-sixty days. At 30 June 2021, the ageing analysis of the trade receivables is as follows:

	<b>30 June 2021 (Unaudited) HK\$'000</b>	31 December 2020 (Audited) HK\$'000
0 – 30 days	1	1
31 – 60 days	–	–
61 – 90 days	–	10
More than 90 days	<u>92</u>	<u>112</u>
	<b><u>93</u></b>	<b><u>123</u></b>

## 11. TRADE PAYABLES

As at 30 June 2021, the ageing analysis (based on invoice date) of the Group's trade payables is as follows:

	<b>30 June 2021 (Unaudited) HK\$'000</b>	31 December 2020 (Audited) HK\$'000
0 – 30 days	148	139
31 – 60 days	49	50
61 – 90 days	<u>1</u>	<u>–</u>
	<b><u>198</u></b>	<b><u>189</u></b>

## **BUSINESS REVIEW**

### **Overall Performance**

For the six months ended 30 June 2021, the Group recorded a turnover of HK\$18,293,000, representing an increase of 15% from the corresponding period of last year (1H2020: HK\$15,919,000). The increase is mainly attributed to hostel operation in North Point commenced in May 2020 which has operation for six months for the period under review compared to two months' operation for the same period last year. Gross profit for the period under review was HK\$6,343,000 representing an increase of 9% from the corresponding period of last year (1H2020: HK\$5,838,000).

The Group delivered a net loss of HK\$1,290,000, decreased 95% from the corresponding period of last year (1H2020: loss of HK\$27,925,000). The substantial decrease was mainly attributed to fair value gain of HK\$5,198,000 on financial assets at fair value through profit or loss instead of fair value loss of HK\$17,950,000 on financial assets at fair value through profit or loss for the same period last year. Similarly there was a turnaround of unrealized exchange gain of HK\$1,409,000 from our RMB deposits for the period under review versus unrealized loss of HK\$1,672,000 for the corresponding period of last year. In addition, due to reduced bank loan interest rate in the continued low interest rate environment, the finance costs reduced 47% to HK\$1,750,000. Before fair value gain/loss on financial assets at fair value through profit or loss and the unrealized exchange gain/loss, the Group incurred a loss of HK\$7,897,000 versus loss of HK\$8,303,000 the same period last year.

### **Property Investment Business**

During the first half of 2021, our properties portfolio in Macau and Hong Kong contributed rental income of HK\$2,141,000 to the Group decreased 2% compared to the same period last year. Similar to the interim period last year there is no valuation gain or loss on investment properties during the period under review. All investment properties are anticipated to serve as a stable income base to the Group.

There is no addition or disposal of investment properties during the period under review. Under the continuing effect of the COVID-19, there was slight decrease in market rental rate on tenancy renewal of some residential properties in Hong Kong. For Macau, there is one residential unit and one office unit which have been vacant since Q3 2020 and Q2 2021 respectively due to lease expiry or early termination by the tenant. Leasing market has been difficult as Macau tightens travel restrictions on visitors from some parts of Mainland China where mini lockdowns have been imposed amid the recent virus resurgence. As for Hong Kong property market, despite the uncertain outlook brought by the pandemic, the residential property market has demonstrated resilience and robustness primarily due to limited supply, solid pent up demand driven by local end-users and prevailing low interest rate environment. The Group will continue focusing in leasing out the vacant properties and will consider disposing some of its non-core investment properties upon attractive offers to enhance its investment portfolio.

### **Hair Styling Business**

Hair styling business continues to be a stable contributor to the revenue of the Group. For the first half of 2021, the hair styling business segment reported a turnover of HK\$8,264,000 representing an increase of 6% when compared to the corresponding period last year of which turnover on service income and product sales increased 6% and 7% respectively. Segment net profit for the period is HK\$51,000 decreased 69% compared to the same period in 2020 (1H 2020: HK\$162,000) which was mainly attributable to the rental concession and government subsidies received for the same period last year but not for the period under review. Our product sales has continued to attain a promising growth rate during 1H 2021.

To keep our competitive edge, in addition to continuing to enhance operational efficiency and implement stringent cost control, it is time for us to build an even stronger brand reputation by enhancing our customer services. We analyze our customer data and strategically create new experiences and source new products that catered to the rehabilitated consumer behaviour. While social media remains to be our key marketing strategies, we will explore to broaden the promotion offer through other means. Remote working and service as well as online shopping have become a new trend under the pandemic. To be prepared to operate in the “new normal” post COVID era, the hair styling business segment successfully applied last year the Distance Business (D-Biz) Programme launched by the Hong Kong government to supporting enterprises to adopt IT solutions to sustain their business and services during the epidemic. Upon granted the government subsidy, the Group has been working with the IT professionals to establish a web portal that caters to provide existing/potential customers with information on our salon ambience, stylists profile, services rendered and updated promotional offers of e-coupon, loyalty programme etc. The portal also allows customers to shop and buy online our variety of products from hair/hair related products to non-hair products. This brand new e-platform is now in its final stage of completion and targeted to be launched before end of the year.

## **Hospitality Service Business**

For the period under review, turnover of the hospitality service is HK\$5,921,000 increased 129% compared to the corresponding period last year. The increase in turnover is mainly attributed to hostel operation in North Point commenced in May 2020 which has operation for six months for the period under review compared to two months' operation for the same period last year. Turnover of Sheung Wan boutique hotel increased 8% (six months basis) and North Point hostel increased 61% (monthly average basis) compared to the corresponding period last year. The segment loss is HK\$1,317,000 decreased by 4% against the same period last year which was a big improvement taking into account that there was no government subsidies received and substantially less rental concessions granted by landlords during the period under review.

Due to the outbreak of COVID-19 and continued lockdowns as well as travel and tourism restrictions imposed across countries, the business focus was still mainly on locals. We offered attractive package and joined promotion programs with online travel agencies to increase our exposure and income. The co-living business received positive market responses and has been building up our long stay local customer base.

To keep abreast of the industry in such a critical and unfavourable business surrounding in which only the fittest survives, we have been closely observed the latest trends in the pandemic, customers' behaviour, competitors' approach as well as travel arrangements of respective countries and authorities such that we can timely implement our business development plan or have it modified and adjusted accordingly.

## **Securities Investments Business**

As at 30 June 2021, the Group had financial assets at fair value through profit or loss of approximately HK\$76,244,000 comprising mainly stocks of a reputable Hong Kong based world leading retail-focused real estate investment trust and other utilities blue chips. Interest income and dividend income derived from the segment amounted to HK\$1,535,000 in aggregate were recorded in the period under review. The group recorded fair value gain on financial assets at fair value through profit or loss of HK\$5,198,000.

The Group's significant investments (i.e. investment with carrying amount exceeding 5% of the total assets of the Group) held as at 30 June 2021 are as follows:

Company name/(stock code)	No. of shares held	Approximate percentage held to the total issued share capital of the company/ investment %	Investment cost/cost of acquisition HK\$'000	Dividend income for the period ended 30 June 2021 HK\$'000	Fair value gain for the period ended 30 June 2021 HK\$'000	Fair value at 30 June 2021 HK\$'000	Approximate percentage of total assets of the Group at 30 June 2021 %
Link Real Estate Investment Trust (823)	704,583	0.034%	66,549	1,039	3,276	53,020	9.4%

*Note 1:* Link Real Estate Investment Trust is a Hong Kong-based real estate investment trust (REIT). The investment objectives of REIT are to deliver sustainable growth and to create long-term value for its unit holders. It invests in a portfolio of properties, including retail facilities, markets, car parks and offices in Hong Kong, tier-one cities in Mainland China, London and Sydney. Its investment properties include destination shopping centers in Hong Kong, community shopping centers in Hong Kong, office and shopping malls in Beijing, Shanghai, Guangzhou, Shenzhen, among others.

*Note 2:* During the period under review, there was no movement on the number of shares held.

*Note 3:* The Group will hold the investment for dividend income and to reduce the investment when the unit price increases to a reasonable level.

## Property Project Management Business

During the period under review, there was one office project in progress with 53% completion which generated HK\$428,000 revenue with segment loss of HK\$35,000.

As the economy revives, we strive to expand the scale of the business segment by collaborating with local renowned architect/interior designer to explore into new projects.

## Other Business Segments

The money lending business recorded one personal loan with total revenue of HK\$4,000 and segment loss of HK\$11,000 during the period under review.



## **Corporate Social Responsibility**

The Group is always firmly committed to operating as a socially-responsible company across all of its business operations. It has made strenuous effort to perform its obligations as a corporate citizen. It was honoured as a Caring Company by The Hong Kong Council of Social Services for 13 years in succession. It also has received other various commendations including Good MPF Employer, Manpower Developer, Social Capital Builder, Hong Kong Green Organisation and Happy Company.

## **FINANCIAL REVIEW**

### **Liquidity and Financial Resources**

As at 30 June 2021, the Group had a cash and bank balance including pledged bank deposit of HK\$112,988,000 and net current liabilities of HK\$28,301,000. The current ratio (calculated as the current assets to the current liabilities) of the Group as at 30 June 2021 was approximately 0.87 (31 December 2020: 0.87).

The sales and purchase of the Group are mainly denominated in Hong Kong dollars. The Group has significant portion of RMB bank deposit which is exposed to the RMB exchange rate fluctuation in view of the recent RMB exchange rate fluctuation. The Directors consider that in long run the RMB exchange rate will be stable. Other than this the Group's exposure to fluctuations in exchange rates was minimal.

During the period under review, the Group's certain investment properties and certain bank deposits were pledged to banks to secure the bank borrowing of approximately HK\$203,078,000, which is denominated in Hong Kong dollars and bearing interest at floating rate. Neither the Company nor the Group had any significant contingent liabilities as at 30 June 2021 (31 December 2020: Nil). The Group had no significant capital commitments as at 30 June 2021 (31 December 2020: Nil). There were no material acquisitions during the period under review.

### **Capital Structure of the Group**

During the period under review, the Group had total equity of HK\$321,467,000, fixed rate liability of HK\$14,830,000, floating rate liability of HK\$203,078,000 and interest-free liabilities of HK\$26,727,000, representing 5%, 63% and 8% of the Group's total equity respectively. The gearing ratio (calculated as the total long term loan to the total shareholders' equity) of the Group as at 30 June 2021 was approximately 4% (31 December 2020: 6%).

## **Interim Dividend**

The Directors do not recommend the payment of an interim dividend for the six months ended 30 June 2021.

## **Employee and Remuneration Policy**

For the period ended, the Group employed approximately a total of 44 employees (30 June 2020: 45) with staff costs excluding directors' emoluments amounted to HK\$6,167,000 (30 June 2020: HK\$5,560,000).

The Group's emoluments policies are formulated on the performance of individuals and are competitive to the market. Employee remuneration is reviewed and determined by management annually based on both employees' individual and Group's overall performance. Under the share option scheme of the Company, options may be granted to the directors and employees of the Group to subscribe for the shares of the Company.

## **PROSPECTS**

For more than a year now COVID-19 has continued to make its presence felt across the globe. At the moment the world is grappling with a highly transmissible Delta variant of COVID-19 that has caused a renewed surge in infections around the world. Although vaccination programs have been launched across the globe during the year, herd immunity will take time to come into effect. It is anticipated that COVID-19 containment measures will continue in the foreseeable future.

Vaccination is believed by far the most effective means to contain the pandemic and as the vaccination rate has been boosted recently by various encouragement programs launched in Hong Kong such as lotteries and lucky draws, 59.9% of the population are already vaccinated with at least one dose and 48.3% are fully vaccinated. Macau achieves even more delighted figures. The Group has also undertaken initiatives to encourage our staff in both Hong Kong and Macau to get vaccinated with cash incentives and paid leave.

Despite the gravity of the pandemic challenges leading to significant uncertainties to the business environment, Hong Kong's economy (one of the core markets of the Group other than Macau) has shown encouraging signs of improvement with 1H2021 GDP rising 7.8% year on year given the falling local COVID case counts. As the coronavirus subsides, the economy and the market sentiment is expected to gradually recover. Retail sales will be most likely dependent on local consumption over the next one year or so and the rollout of the Consumption Voucher Scheme by both the Hong Kong and Macau government no doubt help stimulating local consumption.

None of us could have envisaged that the impact of COVID-19 would be so severe, prolonged and widespread. The Group's hospitality service business, currently comprising two operations located in Sheung Wan and North Point, have been operating in adversity under the restrictions of travel and tourism as well as stringent social distancing measures. Nonetheless the Group has managed to sustain the business and achieve a relatively better than market performance from increasing local demand of long stay guests following our flash sale promotion packages. Looking ahead, the increasing intake of vaccinations both in our home markets and major developed countries create a positive tailwind on the industry's recovery giving a glimmer of hope that travel and tourism restrictions could gradually ease. The expansion of "Return2HK scheme" has been adding fuel to the Hong Kong hospitality business. Our July business turnover has shown encouraging pick up as room tariffs and occupancy rates were pushed up from stay of Mainland Chinese business travellers, overseas students entering Hong Kong whom yet to find a permanent homestay before starting their new school year in September as well as returnees that needed to undergo self-quarantine. In order to further promote public awareness of our hospitality service operation riding on business opportunities arisen from organizing local group tours, Hong Kong Macau Travel Limited, a wholly owned subsidiary of the Group, has joined the Green Lifestyle Local Tour Incentive Scheme launched by the Hong Kong government which is expected to be coupled with the recent resumption of cruise travel for "cruise-to-nowhere" itineraries aiming to promote local economic activities as well as to support travel and tourism industries.

The Group will review and recalibrate its business development plan from time to time to ensure that it could be implemented when economy and market sentiment start recovering. We will also continue to explore different locations in Hong Kong and Macau for business expansion and remain on the lookout for property owners to whom we can provide hospitality management services.

Stepping into the "new normal" 2021, there was seen rebound in business levels principally in the Mainland China and US but the outlook for global economic recovery is still filled with uncertainties and volatilities attributing to the growing concern of Delta variant which has not been under control, global inflationary pressure brought up by quantitative easing policy as well as geopolitical risks, in particular, Sino-US tensions. The Group will remain alert to the evolving global economic environment and be prudent by taking the following measures refining its operations to ensure long term sustainability:

- Adjust frontline workforce level to its optimum with flexibility to cater for the yet to rebound in business activities
- Implement stringent cost controls across all operations
- Postpone dispensable capital expenditures
- Realize non-core investment properties if attractive offers are made

## **EVENTS AFTER THE REPORTING PERIOD**

There are no significant events subsequent to 30 June 2021 which would materially affect the Group's operating and financial performance as at the date of this announcement.

## **PURCHASE, SALES OR REDEMPTION OF LISTED SECURITIES**

The Company has not redeemed any of its shares during the period. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the period.

## **CORPORATE GOVERNANCE**

### **Compliance with the Code of Best Practice of the Listing rules**

The Company has complied with the Code on Corporate Governance Practices (the "Code") in Appendix 14 of the Listing Rules during the period under review, save for the deviations set out below.

As at 30 June 2021, Mr. TSANG Chiu Mo Samuel is the Executive Chairman of the Company and no Chief Executive Officer has been appointed. The responsibilities of Chief Executive Officer have been carried out by Mr. TSANG Chiu Mo Samuel. The Board believes that it is in the best interest of the Company and the shareholders as a whole for Mr. TSANG Chiu Mo Samuel, who is knowledgeable in the business of the Group and possesses the essential leadership skills to guide discussions of the Board in an effective manner, to continue to carry out the responsibilities of Chief Executive Officer, which ensures on the effectiveness and efficiency of the decision making process of the Board.

## **AUDIT COMMITTEE**

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed risk management, internal controls and financial reporting matters including a review of the unaudited condensed financial statements for the six months ended 30 June 2021 with the directors.

## **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code set out in Appendix 10 of the Listing Rules. Upon enquiry by the Company, all Directors have confirmed that they have complied with the required standards set out in the Model Code throughout the six months ended 30 June 2021.

## **PUBLICATION OF THE UNAUDITED INTERIM RESULTS AND INTERIM REPORT**

This interim results announcement is published on the websites of the Stock Exchange (<https://www.hkexnews.hk>) and the Company (<http://www.clh.com.hk>). The interim report of the Company for the period ended 30 June 2021 will be dispatched to the shareholders of the Company and will be available on the aforesaid websites in due course.

By Order of the Board  
**Century Legend (Holdings) Limited**  
**CHU MING TAK EVANS TANIA**  
*Executive Director*

Hong Kong, 27 August 2021

*As at the date hereof, the board of directors of the Company comprises of six directors, of which three are executive directors, namely Mr. Tsang Chiu Mo Samuel, Ms. Tsang Chiu Yuen Sylvia and Ms. Chu Ming Tak Evans Tania; and three are independent non-executive directors, namely Mr. Hui Yan Kit, Mr. Lau Pui Wing and Ms. Ho Ting Mei.*