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## ALLTRONICS HOLDINGS LIMITED

華訊股份有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 833)**

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

The board (the “**Board**”) of directors (the “**Directors**”) of Alltronics Holdings Limited (the “**Company**”) is pleased to present the unaudited interim condensed consolidated results of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 June 2021 (the “**Period**”) together with comparative figures for the corresponding period in 2020 as follows:

#### CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

*For the six months ended 30 June 2021*

	<i>Notes</i>	<b>For the six months ended 30 June</b>	
		<b>2021 (Unaudited) HK\$'000</b>	<b>2020 (Unaudited) HK\$'000</b>
Revenue	4	<b>860,382</b>	722,812
Cost of sales		<b>(718,772)</b>	(575,530)
Gross profit		<b>141,610</b>	147,282
Distribution costs		<b>(14,318)</b>	(13,653)
Administrative expenses		<b>(43,496)</b>	(42,733)
Other operating (expenses)/income, net		<b>(12,665)</b>	3,783
Operating profit		<b>71,131</b>	94,679
Impairment losses on financial assets, net		<b>(7)</b>	(19,717)
Written-off of long term receivables		<b>–</b>	(5,213)
Share of profits and losses of associates		<b>(920)</b>	(2,052)
Finance income		<b>699</b>	1,690
Finance costs	6	<b>(5,725)</b>	(8,021)

		<b>For the six months ended</b>	
		<b>30 June</b>	
	<i>Notes</i>	<b>2021</b>	2020
		<b>(Unaudited)</b>	(Unaudited)
		<b>HK\$'000</b>	<b>HK\$'000</b>
Profit before tax	5	<b>65,178</b>	61,366
Income tax expense	7	<b>(17,663)</b>	(17,273)
<b>PROFIT FOR THE PERIOD</b>		<b><u>47,515</u></b>	<b><u>44,093</u></b>
<b>Attributable to:</b>			
Owners of the Company		<b>48,072</b>	42,325
Non-controlling interests		<b>(557)</b>	1,768
		<b><u>47,515</u></b>	<b><u>44,093</u></b>
<b>EARNINGS PER SHARE</b>			
<b>ATTRIBUTABLE TO ORDINARY EQUITY</b>			
<b>HOLDERS OF THE COMPANY</b>	8	<i>HK cents</i>	<i>HK cents</i>
Basic and diluted		<b><u>5.08</u></b>	<b><u>4.47</u></b>

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

*For the six months ended 30 June 2021*

	<b>For the six months ended</b>	
	<b>30 June</b>	
	<b>2021</b>	<b>2020</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
<b>PROFIT FOR THE PERIOD</b>	<b>47,515</b>	<b>44,093</b>
<b>Other comprehensive income</b>		
<i>Other comprehensive income/(loss) that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of foreign operations	<b>19,680</b>	6,034
Share of other comprehensive income/(loss) of an associate	<b>746</b>	(682)
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	<b>20,426</b>	5,352
<i>Other comprehensive loss that will not be reclassified to profit or loss:</i>		
Changes in fair value of financial asset at fair value through other comprehensive income (“FVOCI”)	–	(655)
<b>Other comprehensive income for the period, net of tax</b>	<b>20,426</b>	4,697
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>67,941</b>	<b>48,790</b>
<b>Attributable to:</b>		
Owners of the Company	<b>68,676</b>	46,895
Non-controlling interests	<b>(735)</b>	1,895
	<b>67,941</b>	<b>48,790</b>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

	<i>Notes</i>	<b>30 June 2021 (Unaudited) HK\$'000</b>	31 December 2020 (Audited) HK\$'000
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		<b>209,299</b>	214,023
Right-of-use assets		<b>82,686</b>	93,975
Investments in associates		<b>32,473</b>	32,647
Goodwill		<b>11,672</b>	11,672
Financial assets at fair value through profit or loss ("FVTPL")		<b>21,352</b>	6,021
Deferred tax assets		<b>13,266</b>	16,487
		<hr/>	<hr/>
<b>Total non-current assets</b>		<b>370,748</b>	374,825
<b>CURRENT ASSETS</b>			
Inventories		<b>335,026</b>	337,739
Trade receivables	<i>10</i>	<b>318,151</b>	346,139
Prepayments, other receivables and other assets		<b>81,932</b>	103,524
Pledged deposits		<b>4,810</b>	4,805
Cash and cash equivalents		<b>212,843</b>	189,991
		<hr/>	<hr/>
<b>Total current assets</b>		<b>952,762</b>	982,198

	<i>Notes</i>	<b>30 June 2021 (Unaudited) HK\$'000</b>	31 December 2020 (Audited) HK\$'000
<b>CURRENT LIABILITIES</b>			
Trade and bills payables	<i>11</i>	<b>290,913</b>	305,445
Other payables and accruals		<b>154,169</b>	214,170
Interest-bearing bank and other borrowings		<b>221,995</b>	232,256
Lease liabilities		<b>20,132</b>	21,258
Tax payable		<b>51,209</b>	39,272
<b>Total current liabilities</b>		<b>738,418</b>	812,401
<b>NET CURRENT ASSETS</b>		<b>214,344</b>	169,797
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>585,092</b>	544,622
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities		<b>65,329</b>	74,253
Deferred tax liabilities		<b>5,099</b>	4,724
<b>Total non-current liabilities</b>		<b>70,428</b>	78,977
<b>NET ASSETS</b>		<b>514,664</b>	465,645
<b>EQUITY</b>			
Share capital		<b>9,461</b>	9,461
Reserves		<b>492,328</b>	442,574
Equity attributable to owners of the Company		<b>501,789</b>	452,035
<b>Non-controlling interests</b>		<b>12,875</b>	13,610
<b>TOTAL EQUITY</b>		<b>514,664</b>	465,645

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 1 CORPORATE AND GROUP INFORMATION

Alltronics Holdings Limited was incorporated in the Cayman Islands on 24 July 2003 as an exempted company with limited liability under the Companies Law. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") since 15 July 2005.

The Company is an investment holding company. The principal activities of the Company and its subsidiaries are the manufacture and trading of electronic products, plastic moulds, plastic and other components for electronic products, the trading of biodiesel products and the provision of energy efficient gas stoves, and the provision of energy saving business solutions. The address of the Company's registered office is Cricket Square, Hutchins Drive, P. O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and its principal place of business is Unit 408, 4/F, Citicorp Centre, 18 Whitfield Road, Hong Kong.

The Group is controlled by Profit International Holdings Limited (incorporated in the British Virgin Islands), which owns 46.48% of the Company's issued shares as at 30 June 2021 (At 31 December 2020: 46.48%). In the opinion of the Directors, the Company's ultimate holding company is Profit International Holdings Limited and the ultimate controlling party is Mr. Lam Yin Kee.

The interim condensed consolidated financial information for the six months ended 30 June 2021 were approved for issue by the Board on 30 August 2021.

## 2 BASIS OF PREPARATION

The interim condensed consolidated financial information of the Group for the six months ended 30 June 2021 has been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2020, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**").

### 3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2020, except for the adoption of new and amended standards and interpretations effective as of 1 January 2021 noted below. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

#### 3.1 New and amended standards adopted by the Group

Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	<i>Interest Rate Benchmark Reform – Phase 2</i>
Amendments to HKFRS 16	<i>Covid-19-Related Rent Concessions</i>

The adoption of these new and amended standards had no material impact on the Group's financial position and performance for the current and prior periods and/or on the disclosures set out in the interim condensed consolidated financial information.

#### 3.2 Issued but not yet effective HKFRSs

At the date of authorisation of these interim condensed consolidated financial information, certain new and amended HKFRSs have been published but are not yet effective, and have not been adopted early by the Group.

HKFRS 17	<i>Insurance Contracts and related amendments<sup>2</sup></i>
Amendments to HKFRS 3	<i>Reference to the Conceptual Framework<sup>4</sup></i>
Amendments to HKFRS 10 and HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture<sup>3</sup></i>
Amendments to HKFRS 16	<i>COVID-19-Related Rent Concessions beyond 30 June 2021<sup>5</sup></i>
Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)<sup>2</sup></i>
Amendments to HKAS 1 and HKFRS Practice Statement 2	<i>Disclosure of Accounting Policies<sup>2</sup></i>
Amendments to HKAS 8	<i>Definition of Accounting Estimates<sup>2</sup></i>
Amendments to HKAS 12	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction<sup>2</sup></i>
Amendments to HKAS 16	<i>Property, Plant and Equipment – Proceeds before Intended Use<sup>1</sup></i>
Amendments to HKAS 37	<i>Onerous Contracts – Cost of Fulfilling a Contract<sup>1</sup></i>
Amendments to HKFRSs	<i>Annual Improvements to HKFRS Standards 2018-2020<sup>1</sup></i>
Accounting Guideline 5 (Revised)	<i>Merger Accounting for Common Control Combination<sup>4</sup></i>

- <sup>1</sup> Effective for annual periods beginning on or after 1 January 2022
- <sup>2</sup> Effective for annual periods beginning on or after 1 January 2023
- <sup>3</sup> Effective date not yet determined
- <sup>4</sup> Effective for business combination/common control combination for which the acquisition/combination date is on or after the beginning of the first annual period beginning on or after 1 January 2022
- <sup>5</sup> Effective for annual periods beginning on or after 1 April 2021

The Directors anticipate that all of the pronouncements will be adopted in the Group's accounting policy for the first period beginning on or after the effective date of the pronouncement. Information on new and amended HKFRSs that are expected to have impact on the Group's accounting policies is provided below. Other new and amended HKFRSs are not expected to have a material impact on the Group's consolidated financial statements.

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

The amendments to HKAS 1 require entities to disclose material accounting policy information instead of significant accounting policies in its financial statements. The amendments also provide some guidance on how material policy information is being identified and provide some examples of when accounting policy information is likely to be material.

In March 2021, HKICPA issued HKFRS Practice Statement 2 "Making Materiality Judgements" to provide entities with non-mandatory guidance on how to make materiality judgements when preparing their general purpose financial statements in accordance with HKFRS. HKFRS Practice Statement 2 was subsequently revised to provide guidance and examples on how to apply the concept of materiality to accounting policy disclosures.

The amendments to HKAS 1 are effective for annual reporting period beginning on or after 1 January 2023 and are applied prospectively. Earlier application is permitted. Except for the disclosures of accounting policies may need to be revised to cope with the above changes, the Directors expect that the amendments have no other material impact on the interim condensed consolidated financial statements.

*Amendments to HKAS 8 "Definition of Accounting Estimates"*

The amendments clarify how entities should distinguish changes in accounting policies from changes in accounting estimates by introducing a definition for accounting estimates, which is now defined as "monetary amounts in the financial statements that are subject to measurement uncertainty".

Besides, the amendments also clarify the relationship between accounting policies and accounting estimates by specifying that an entity develops an accounting estimate to achieve the objective set out by an accounting policy. Accounting estimates typically involve the use of judgements or assumptions based on latest available reliable information. A change in accounting estimate that results from new information or new development is not correction of an error. Therefore, the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors. In addition, two illustrative examples are added to illustrate how to apply the new definition of accounting estimates.

The amendments are effective for annual reporting period beginning on or after 1 January 2023 and are applied prospectively. Earlier application is permitted. The Directors expect that the amendments have no material impact on the condensed consolidated interim financial statements.

#### **4 OPERATING SEGMENT INFORMATION**

The Group identified the operating segments based on the reports reviewed by executive Directors of the Company for their strategic decisions and review of the performance of those components.

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

- (i) the electronic products segment – the manufacture and trading of electronic products, plastic moulds, plastic and other components for electronic products;
- (ii) the biodiesel products segment – the trading of biodiesel products and provision of energy efficient gas stoves in Hong Kong; and
- (iii) the energy saving business segment – the provision of energy saving business solutions to customers.

Revenue is allocated based on the places/countries in which the customers are located.

Management assesses the performance of the operating segments based on a measure of operating profit/loss (before interest and tax and unallocated operating costs). Other information provided is measured in a manner consistent with that in the interim condensed consolidated financial information.

All sales between segments are eliminated on consolidation. All segment revenue reported is derived from external parties. The revenue from external parties reported to the Directors is measured in a manner consistent with that in the interim condensed consolidated financial information.

Segment assets exclude cash and cash equivalents, prepayments and deposits and financial assets at FVTPL as these assets are managed on a group basis.

Segment liabilities exclude accruals and other payables as these liabilities are managed on a group basis.

**Period ended 30 June 2021 (Unaudited)**

	<b>Electronic products HK\$'000</b>	<b>Biodiesel products HK\$'000</b>	<b>Energy saving business HK\$'000</b>	<b>Total HK\$'000</b>
<b>Segment revenue</b>				
Sales to external customers	859,944	241	197	860,382
Revenue from services	–	–	–	–
Total revenue	<u>859,944</u>	<u>241</u>	<u>197</u>	<u>860,382</u>
<b>Segment results</b>				
Operating profit/(loss) before interest and tax	75,268	(340)	(2,591)	72,337
Share of losses of associates	(920)	–	–	(920)
Finance costs (other than lease liabilities)	(3,611)	–	–	(3,611)
Finance income	672	–	27	699
Income tax expense	(17,663)	–	–	(17,663)
Unallocated operating costs	53,746	(340)	(2,564)	<u>50,842</u> <u>(3,327)</u>
Profit for the year				<u>47,515</u>
<b>Segment assets</b>	<b>1,279,591</b>	<b>1,113</b>	<b>20,406</b>	<b>1,301,110</b>
Unallocated:				
Cash and cash equivalents				58
Prepayments and deposits				990
Financial assets at FVTPL				<u>21,352</u>
Total assets				<u>1,323,510</u>
<b>Segment liabilities</b>	<b>799,110</b>	<b>528</b>	<b>408</b>	<b>800,046</b>
Unallocated:				
Other payables and accruals				<u>8,800</u>
Total liabilities				<u>808,846</u>

**Period ended 30 June 2020 (Unaudited)**

	<b>Electronic products HK\$'000</b>	<b>Biodiesel products HK\$'000</b>	<b>Energy saving business HK\$'000</b>	<b>Total HK\$'000</b>
<b>Segment revenue</b>				
Sales to external customers	720,999	993	–	721,992
Revenue from services	–	–	820	820
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenue	<u>720,999</u>	<u>993</u>	<u>820</u>	<u>722,812</u>
<b>Segment results</b>				
Operating profit/(loss) before interest and tax	78,176	(21)	(6,885)	71,270
Share of losses of associates	(2,052)	–	–	(2,052)
Finance costs (other than lease liabilities)	(6,703)	–	–	(6,703)
Finance income	558	–	1,132	1,690
Income tax expense	(17,273)	–	–	(17,273)
	<hr/>	<hr/>	<hr/>	<hr/>
Unallocated operating costs	52,706	(21)	(5,753)	46,932
				<hr/>
Profit for the year				<u>44,093</u>

**At 31 December 2020 (Audited)**

<b>Segment assets</b>	1,308,978	1,024	39,374	1,349,376
Unallocated:				
Cash and cash equivalents				773
Prepayments and deposits				853
Financial asset at FVTPL				6,021
				<hr/>
Total assets				<u>1,357,023</u>
<b>Segment liabilities</b>	882,501	625	477	883,603
Unallocated:				
Other payables and accruals				7,775
				<hr/>
Total liabilities				<u>891,378</u>

## Geographical information

### (a) Revenue from external customers

	For the six months ended	
	30 June	
	2021	2020
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
The United States	555,690	488,827
Hong Kong	63,987	87,213
Europe	127,517	80,874
The People's Republic of China (the "PRC")	79,488	49,725
Other countries	33,700	16,173
	<u>860,382</u>	<u>722,812</u>

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

### (b) Non-current assets

	30 June	31 December
	2021	2020
	(Unaudited)	(Audited)
	HK\$'000	HK\$'000
Hong Kong	220,445	207,037
The PRC	115,685	145,280
	<u>336,130</u>	<u>352,317</u>

The non-current assets information above is based on the locations of the assets and excludes deferred tax assets and financial assets at FVTPL.

## Information about major customers

For the six months ended 30 June 2021, revenues from customers which individually contributed over 10% of the Group's revenue is as follows:

	For the six months ended	
	30 June	
	2021	2020
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Customer A	295,423	256,713
Customer B	151,158	144,496

These revenues were attributable to the electronic products segment.

**Disaggregated revenue information for revenue from contracts with customers**

**For the six months ended 30 June 2021 (Unaudited)**

<b>Segments</b>	<b>Electronic products HK\$'000</b>	<b>Biodiesel products HK\$'000</b>	<b>Energy saving business HK\$'000</b>	<b>Total HK\$'000</b>
<b>Type of goods or services</b>				
Sale of industrial products	859,944	241	197	860,382
Maintenance services	—	—	—	—
Total revenue from contracts with customers	<u>859,944</u>	<u>241</u>	<u>197</u>	<u>860,382</u>
<b>Timing of revenue recognition</b>				
Goods transferred at a point in time	859,944	241	197	860,382
Services transferred over time	—	—	—	—
Total revenue from contracts with customers	<u>859,944</u>	<u>241</u>	<u>197</u>	<u>860,382</u>

**For the six months ended 30 June 2020 (Unaudited)**

<b>Segments</b>	<b>Electronic products HK\$'000</b>	<b>Biodiesel products HK\$'000</b>	<b>Energy saving business HK\$'000</b>	<b>Total HK\$'000</b>
<b>Type of goods or services</b>				
Sale of industrial products	720,999	993	—	721,992
Maintenance services	—	—	820	820
Total revenue from contracts with customers	<u>720,999</u>	<u>993</u>	<u>820</u>	<u>722,812</u>
<b>Timing of revenue recognition</b>				
Goods transferred at a point in time	720,999	993	—	721,992
Services transferred over time	—	—	820	820
Total revenue from contracts with customers	<u>720,999</u>	<u>993</u>	<u>820</u>	<u>722,812</u>

## 5 PROFIT BEFORE TAX

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

	For the six months ended 30 June	
	2021	2020
	(Unaudited)	(Unaudited)
	<i>HK\$'000</i>	<i>HK\$'000</i>
Cost of inventories sold and services provided	<b>509,895</b>	427,243
Auditors' remuneration	<b>931</b>	1,030
Depreciation of property, plant and equipment	<b>10,322</b>	10,208
Depreciation of right-of-use assets	<b>11,832</b>	11,271
Amortisation of prepayments	<b>741</b>	634
Provision of warranty	<b>8,631</b>	–
Changes in fair value of financial assets at FVTPL	<b>3,579</b>	–
Impairment of trade receivables	<b>7</b>	8,202
Impairment of amounts due from associates	–	11,515
Written-off of long term receivables	–	5,213
Written-back of inventories to net realisable value	<b>(1,938)</b>	(7,167)
Wages and salaries (including directors' emoluments)	<b>127,566</b>	111,306
Foreign exchange differences, net	<b>10,409</b>	(2,584)
Gain on disposals of property, plant and equipment	<b>(335)</b>	–
Interest income from long term receivables	–	(1,115)
Interest income from bank deposits	<b>(158)</b>	(67)
Other interest income	<b>(541)</b>	(508)

## 6 FINANCE COSTS

An analysis of finance costs is as follows:

	For the six months ended 30 June	
	2021	2020
	(Unaudited)	(Unaudited)
	<i>HK\$'000</i>	<i>HK\$'000</i>
Interest on bank loans and bank overdrafts	<b>3,611</b>	6,615
Interest on lease liabilities	<b>2,114</b>	1,318
Interest on other loans	–	88
Total finance costs	<b>5,725</b>	8,021

## 7 INCOME TAX EXPENSE

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

Hong Kong profits tax has been provided at the rate of 16.5% (2020: 16.5%) on the estimated assessable profits arising in Hong Kong during the Period, except for one subsidiary of the Group which is qualifying entity under the two-tiered profits tax rates regime. Under the two-tiered profits tax rates regime, the first HK\$2,000,000 (2020: HK\$2,000,000) of assessable profits of qualifying entity is taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The provision for Hong Kong profits tax for this subsidiary was calculated at the same basis in 2020.

Pursuant to the PRC Income Tax Law and the respective regulations, the subsidiaries which operate in the PRC are subject to Corporate Income Tax at a rate of 25% (2020: 25%) on the taxable income.

	For the six months ended 30 June	
	2021 (Unaudited) HK\$'000	2020 (Unaudited) HK\$'000
Current – Hong Kong	7,830	7,847
Current – PRC	6,333	9,574
Over-provision in prior periods	(103)	(41)
Deferred	3,603	(107)
	<hr/>	<hr/>
Total tax charge for the period	<b>17,663</b>	17,273

## 8 EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings per share amount is based on the profit for the period attributable to owners of the Company of HK\$48,072,000 (Six months ended 30 June 2020: HK\$42,325,000), and the weighted average number of ordinary shares of 946,116,360 (Six months ended 30 June 2020: 946,116,360) in issue during the six months ended 30 June 2021.

The Group had no potential dilutive ordinary shares in issue for the six months ended 30 June 2021 and 2020 and therefore, diluted earnings per share equals to basic earnings per share.

## 9 INTERIM DIVIDEND

	For the six months ended 30 June	
	2021 (Unaudited) HK\$'000	2020 (Unaudited) HK\$'000
Interim dividend, proposed, of HK\$0.01 (2020: HK\$0.015) per ordinary share	9,461	14,192

The Board recommends the payment of an interim dividend of HK\$0.01 per ordinary share for the six months ended 30 June 2021. The interim condensed consolidated financial information does not reflect the above proposed dividend as dividend payable but account for it as proposed dividend from the reserves. The declaration of the interim dividend for the six months ended 30 June 2021 has been approved by the Board on 30 August 2021.

## 10 TRADE RECEIVABLES

	<b>30 June 2021 (Unaudited) HK\$'000</b>	31 December 2020 (Audited) HK\$'000
Trade receivables	337,831	365,812
Less: ECL allowances	<u>(19,680)</u>	<u>(19,673)</u>
	<b><u>318,151</u></b>	<b><u>346,139</u></b>

The Group's trading terms with its customers are mainly on credit. The credit period is generally 30 to 90 days. As at 30 June 2021, the Group's largest customer accounted for approximately 16.3% of total trade receivables (At 31 December 2020: 33.0%). This customer has long term trading relationship with the Group with no defaults in the past and hence the Group does not consider there is any significant credit risk in this regard. The Group's other trade receivables related to a large number of diversified customers. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

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

	<b>30 June 2021 (Unaudited) HK\$'000</b>	31 December 2020 (Audited) HK\$'000
Within 1 month	135,782	152,750
1 to 2 months	93,986	129,258
2 to 3 months	56,423	51,903
Over 3 months	<u>31,960</u>	<u>12,228</u>
Total	<b><u>318,151</u></b>	<b><u>346,139</u></b>

## 11 TRADE AND BILLS PAYABLES

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

	<b>30 June 2021 (Unaudited) HK\$'000</b>	31 December 2020 (Audited) HK\$'000
Within 1 month	127,212	110,644
1 to 2 months	107,538	110,300
2 to 3 months	39,468	73,717
Over 3 months	<u>16,695</u>	<u>10,784</u>
Total	<u><b>290,913</b></u>	<u>305,445</u>

Trade payables are non-interest bearing and are normally settled on terms of 30 to 90 days.

## INTERIM DIVIDEND

The Board declared an interim dividend of HK1.0 cent per ordinary share for the six months ended 30 June 2021, payable on or about 28 October 2021, to the shareholders whose names appear on the register of members of the Company on 30 September 2021.

## CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 28 September 2021 to 30 September 2021, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the interim dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on 27 September 2021.

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS AND FINANCIAL REVIEW

#### Revenue

Total turnover for the six months ended 30 June 2021 (the "Period") had increased by 19.0% to HK\$860 million, as compared to HK\$723 million for the same period in 2020. The increase in turnover was due to the increase in sales of electronic products during the Period.

The turnover analysis by business segments for the two periods is as follows:

	<b>For the six months ended</b>	
	<b>30 June</b>	
	<b>2021</b>	<b>2020</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Revenue from sales of electronic products	<b>859,944</b>	720,999
Revenue from biodiesel products and energy efficient gas stoves	<b>241</b>	993
Revenue from energy saving business	<b>197</b>	820
	<b><u>860,382</u></b>	<b><u>722,812</u></b>

Sales of electronic products comprise sales of finished electronic products; plastic moulds and components; and other components for electronic products. Although the global economy continued to be affected by the new coronavirus (the “**COVID-19**”), total sales revenue from electronic products during the Period had increased by 19.3% from HK\$721 million to HK\$860 million. The sales of the Group’s irrigation controller products had increased by approximately HK\$38 million to HK\$295 million, as compared to HK\$257 million for the same period in 2020. The sales of electrostatic disinfectant sprayers had remained stable at approximately HK\$150 million during the Period. Sales of walkie-talkie products had increased slightly by approximately HK\$4 million. On the other hand, sales of electronic component products had increased by approximately HK\$50 million.

The operation of the biodiesel products and energy efficient gas stoves business segment in Hong Kong continued to be affected by the COVID-19 and had remained at a low level during the Period, with total revenue of approximately HK\$0.2 million.

Regarding the energy saving business segment, as the installation work at the retail stores of Suning.com Co., Ltd. (“**Suning**”) had ceased since last year, total sales revenue for the Period were HK\$0.2 million.

In terms of geographical market, customers in the United States continued to be the major market for the Group’s products which accounted for approximately 64.6% of the total revenue for the Period (2020: 67.6%). Management expected that United States will continue to be the dominant market for the Group’s products during the second half of the year.

### **Gross profit**

The overall gross profit margin had reduced from 20.4% for the six months period ended 30 June 2020 to 16.5% for the Period. The drop was mainly due to the increase in unit costs of certain raw materials including chips and plastic resins, and the increase in average labour costs and overheads as it is becoming more difficult to recruit sufficient number of skilled workers to cope with production needs.

### **Expenses and finance costs**

Distribution costs and administrative expenses were comparable to prior period with slight increases of HK\$0.7 million and HK\$0.8 million respectively. Total administrative staff costs for the Period, including directors’ emoluments, had increased by approximately HK\$2.8 million when compared to prior period.

Finance costs had decreased by HK\$2.3 million which was mainly due to the decrease in interest rates and the reduction in overall bank borrowings when compared to prior period.

### **Other operating income/expenses**

During the Period, other operating losses amounted to approximately HK\$12.7 million which was mainly due to exchange losses and changes in fair value of financial asset at FVTPL.

### **Profit attributable to owners of the Company**

The profit for the Period attributable to owners of the Company was HK\$48.1 million, compared to HK\$42.3 million for the same period in 2020. The improvement in net profit was mainly due to the reduction in impairment losses on financial assets and there was no write-off of long term receivables during the Period.

## **PRODUCTION FACILITIES**

The Group currently has three production facilities in the PRC for the manufacturing of electronic products and components, two of which are located in Shenzhen, and one in Yichun. During the Period, the Group spent approximately HK\$4.9 million to acquire property, plant and equipment to enhance its production capacity.

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

At 30 June 2021, the Group's total cash and cash equivalents, net of current bank overdrafts, amounted to HK\$212.8 million. The net funds are sufficient to finance the Group's working capital and capital expenditure plans.

At 30 June 2021, total borrowings of the Group amounted to HK\$222.0 million, comprising bank loans of HK\$220.9 million and trust receipt loans of HK\$1.1 million, of which HK\$37.9 million were denominated in United States dollars, HK\$136.1 million were denominated in Hong Kong dollars and HK\$48.0 million were denominated in Renminbi respectively.

The Group's trade receivable turnover, inventory turnover and trade payable turnover were approximately 70 days, 85 days and 106 days respectively for the Period. These turnover periods are consistent with the respective policies of the Group on credit terms granted to customers and obtained from suppliers.

As at 30 June 2021, the Group's total current assets were HK\$952.8 million compared to HK\$982.2 million as at 31 December 2020, and the Group's total current liabilities were HK\$738.4 million compared to HK\$812.4 million as at 31 December 2020. The current ratio (current assets/current liabilities) as at 30 June 2021 was 1.29 times, compared to 1.21 times as at 31 December 2020.

During the Period, the Company had not issued any new shares and had not repurchased any of its own shares on the Stock Exchange.

At 30 June 2021, the Company had in issue a total of 946,116,360 ordinary shares. A new share option scheme (the “**2016 Share Option Scheme**”) has been adopted by the shareholders of the Company at the annual general meeting of the Company held on 7 June 2016. There were no share options granted, exercised, lapsed or cancelled since the adoption of the 2016 Share Option Scheme. As at 30 June 2021, the Company did not have any share options outstanding.

## **CASH FLOWS**

The net balance of cash, cash equivalents and bank overdrafts at 30 June 2021 was HK\$212.8 million, which had increased by HK\$22.8 million compared to the balance at 31 December 2020.

The net cash generated from operating activities for the Period was HK\$87.1 million. The net cash used in investing activities amounted to HK\$23.4 million, which was mainly due to HK\$4.9 million being paid for the acquisition of property, plant and equipment and HK\$18.9 million being paid for the acquisition of financial assets at fair value through profit or loss.

On the other hand, there was a net cash outflow of HK\$40.1 million from financing activities. During the Period, new borrowings of HK\$57.0 million were obtained, and HK\$78.2 million was used to repay borrowings and principal repayment of lease liabilities. Total dividend paid during the Period amounted to HK\$18.9 million.

## **CAPITAL EXPENDITURE**

During the Period, the Group acquired property, plant and equipment at a total cost of HK\$4.9 million, mainly financed by internal resources of the Group.

## **PLEDGE OF ASSETS**

At 30 June 2021, the Group had total bank borrowings of HK\$222.0 million, out of which HK\$96.7 million were secured by the land and buildings and right-of-use assets of HK\$164.2 million in aggregate, HK\$2.4 million were secured by short-term bank deposits of HK\$4.8 million and HK\$6.0 million were secured by plant and machinery of HK\$11.9 million.

## **DEBT POSITION AND GEARING**

As at 30 June 2021, the Group has net debts (being total bank and other borrowings excluding trade debts and net of cash and cash equivalents) of approximately HK\$8.1 million (At 31 December 2020: HK\$40.2 million). The total equity was approximately HK\$514.7 million (At 31 December 2020: HK\$465.6 million). The gearing ratio as at 30 June 2021 was approximately 1.6% (At 31 December 2020: 8.6%).

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the maintaining appropriate debt and equity balance. The directors of the Company review the capital structure of the Group on a regular basis. As part of this review, the directors consider the cost of capital and the risks associates with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through various alternatives including the payment of dividends, new share issues and share buy-backs as well as the issue of new debts or the redemption of existing debts.

## **LITIGATIONS AND CONTINGENT LIABILITIES**

During the Period and as at 30 June 2021 and 31 December 2020, the Group was not a defendant in any of the legal proceedings against the Group. The Group did not have any material contingent liabilities as at both 30 June 2021 and 31 December 2020.

During the fourth quarter of 2020, the Group was informed by the customer of its electrostatic disinfectant sprayer product that a fire was occurred at a school in the United States involving an electrostatic disinfectant sprayer manufactured by the Group. Based on preliminary investigations subsequently conducted by the insurance company, the customer and some experts, and other information available, the Group believes that the root cause of the fire is most likely the defective design and manufacturing of the lithium-ion battery pack which powers the sprayer. The battery pack was designed and manufactured by a supplier designated by the customer. However, not all the electrostatic disinfectant sprayers sold by the customer were embedded with the subject lithium-ion battery pack. The customer also informed the Group that there were some other reports of property damage but no reports of injury involving the subject lithium-ion battery pack. In February 2021, in view of the potential risk that the battery pack can overheat and melt and potentially causing a fire or an explosion, the customer decided to recall voluntarily in the market four models of electrostatic sprayers embedded with the subject lithium-ion battery pack.

Management currently is of the view that the issue is the direct result of the defective design and manufacturing of the lithium-ion battery pack and the customer is well aware that the Group had no involvement with the design and manufacturing of the subject battery pack. The supplier of the subject battery pack was chosen and introduced to the Group by the customer and the Group cannot change the supplier of the subject battery pack unless written consent from the customer is obtained. Management believes that the Group does not have any significant potential liability on this issue. The Group has engaged a lawyer firm and a cause and origin expert in the United States to handle the issue. The Company will closely monitor the situation and announcement(s) will be made by the Company to keep its shareholders and potential investors informed of any material development as and when appropriate.

## UPDATE ON SETTLEMENT OF OVERDUE CONSIDERATION AND DEBT

On 15 April 2019, the Group has completed a very substantial disposal transaction (the “**VSD Transaction**”) in relation to the disposal of the Group’s investment properties business segment. On 15 July 2020, the Group has engaged a solicitor firm at Beijing to commence arbitration proceedings against the purchaser (the “**Purchaser**”) and the guarantor (the “**Guarantor**”) for collection of the overdue consideration of RMB100 million (the “**Consideration**”) and accrued interests in relation to the VSD Transaction. On 12 March 2021, the arbitration hearing was conducted at the Beijing Arbitration Commission (the “**BAC**”) and the arbitral award has been issued by the BAC on 5 August 2021. Under the arbitral award, it was decided by the BAC that, amongst other things, (i) the Purchaser and the Guarantor pay the overdue Consideration and accrued interests thereon to the Group, (ii) the Purchaser and the Guarantor bear the arbitration fees and the legal and other costs related to the arbitration, and (iii) the Purchaser and the Guarantor should settle all the amounts due to the Group within fifteen days from the date the arbitral award is delivered to the Purchaser and the Guarantor. As at the date of this announcement, the Group has not received the overdue Consideration and accrued interests thereon from the Purchaser and the Guarantor.

Alltronics Energy Saving (Shenzhen) Limited (“**Alltronics Energy Saving**”, being an indirect wholly-owned subsidiary of the Group) has filed an official civil complaint\* (民事起訴狀) (the “**Complaint**”) at the Shenzhen Intermediate People’s Court\* (深圳市中級人民法院, the “**Shenzhen court**”) on 2 January 2020. Under the Complaint, Alltronics Energy Saving requested for immediate settlement of the debt of approximately RMB212 million (the “**Debt**”) and accrued interests thereon from the borrower (the “**Borrower**”) and the Guarantor in relation to the VSD Transaction.

On 28 April 2021, Alltronics Energy Saving has entered into a settlement agreement (the “**Settlement Agreement**”) with the Borrower and the Guarantor. Pursuant to the Settlement Agreement, the Borrower and the Guarantor have agreed to settle the Debt in accordance with the following schedule:

- (a) RMB20,000,000 on or before 31 May 2021;
- (b) RMB80,000,000 on or before 30 June 2021; and
- (c) the remaining balance on or before 31 December 2021.

Alltronics Energy Saving has submitted the Settlement Agreement to the Shenzhen Court for judicial recognition and confirmation. On 28 May 2021, the Shenzhen Court has delivered its judgement on the Settlement Agreement and it has become effective and legally binding on all parties. As at the date of this announcement, the Borrower and the Guarantor have not settled the first payment of RMB20,000,000 and the second payment of RMB80,000,000 in accordance with the repayment terms in the Settlement Agreement. The full amount of the Debt and the accrued interests thereon became due immediately. On 15 July 2021, Alltronics Energy Saving has applied to the Shenzhen Court for execution of the Settlement Agreement and the Shenzhen Court has accepted the application for execution of the Settlement Agreement.

The Group's legal advisers in Beijing and Shenzhen advised that Henan Luohe Intermediate People's Court \* (河南省漯河市中级人民法院) (the "**Henan Court**") has accepted an application for bankruptcy liquidation against the Guarantor and a bankruptcy administrator of the Guarantor has been appointed by the Henan Court on 5 July 2021. The Group's legal advisers in Beijing and Shenzhen have already filed the relevant documents for the declaration of creditor's right to the bankruptcy administrator of the Guarantor to declare and to register all the amounts due from the Guarantor to the Group so as to protect the interests of the Group.

The Group is in discussion with its legal advisers in Beijing and Shenzhen to consider the further actions available against the Purchaser, the Borrower and the Guarantor to recover the overdue Consideration and the Debt and accrued interests thereon.

Full impairment losses on the Consideration and the Debt have been made in the Group's audited consolidated financial statements for the year ended 31 December 2019. The Company will closely monitor the situation and further announcement(s) will be made by the Company to keep its shareholders and potential investors informed of any material development as and when appropriate.

## **EMPLOYEES**

At 30 June 2021, the Group had 3,041 employees, of which 71 were employed in Hong Kong and 2,970 were employed in the PRC. Salaries of employees are maintained at competitive levels. The Group operates a defined contribution mandatory provident fund retirement benefits scheme for all its employees in Hong Kong, and provides its PRC employees with welfare schemes as required by the applicable laws and regulations in the PRC. The Group also offers discretionary bonuses to its employees by reference to the performance of individual employees and the overall performance of the Group.

No share options had been granted, exercised, lapsed or cancelled since the adoption of the 2016 Share Option Scheme. As at 30 June 2021, there were no share options remained outstanding.

The Group did not experience any significant labour disputes or substantial changes in the number of its employees that led to any disruption of its normal business operations. The Board believes that the Group's management and employees are the most valuable asset of the Group and they have contributed to the success of the Group.

## **FOREIGN EXCHANGE EXPOSURE**

Most of the Group's sales are denominated in United States dollars and Renminbi, and most of the purchases of raw materials are denominated in Renminbi and Hong Kong dollars. Furthermore, most of the Group's monetary assets are denominated in Hong Kong dollars, United States dollars and Renminbi.

The Group's principal production facilities are located in the PRC whilst its sales proceeds are primarily settled in United States dollars, Hong Kong dollars or Renminbi. As such, management is aware of the potential foreign currency risk that may arise from the fluctuation of exchange rates between United States dollars, Hong Kong dollars and Renminbi. Management will consider various actions to minimise the risk, including the entering into forward foreign exchange contracts with major and reputable financial institutions to hedge its foreign exchange risk exposure. These were for hedging against foreign exchange risk exposure relating to the production costs and certain outstanding payables denominated in Renminbi. As at 30 June 2021, the Group did not have any outstanding forward foreign exchange contracts. Management will continue to evaluate the Group's foreign currency exposure and take further actions as appropriate to minimise the Group's exposure whenever necessary.

## **OUTLOOK**

### **Electronic products segment**

Although most of the major economies worldwide have implemented COVID-19 vaccination programs since the beginning of this year, the impacts of the COVID-19 continue to pose threats to the global economy. The overall performance of the Group during the first half of the year has improved when compared to prior year. However, management will keep alert and has to remain cautious on the performance in the second half of the year. Besides the uncertainties of the COVID-19, the ongoing trade disputes between the United States and the PRC may further escalate geopolitical tensions and may lead to negative impact to the global economy. The effects of the various sanctions imposed or to be imposed on Hong Kong by the United States and other countries are still challenging. On the other hand, the risk of fluctuation in exchange rate of Renminbi against United States dollars and Hong Kong dollars and the risk of fluctuation in interest rate will also affect the performance of the Group's electronic products segment. The management of the Group is of the view that the difficult business environment may last for some time. The Group will continue its efforts to manage these factors and to tighten controls over production costs and overheads, and to improve production efficiency so as to maximise the gross profit margin.

In terms of products, the outbreak of COVID-19 in last year had led to significant increase in demand for the Group's electrostatic disinfectant sprayers during the second half of last year. However, the demand for these products seems to have lost the acute growth momentum since the beginning of this year. Management expected that the total sales revenue from electrostatic disinfectant sprayers for this year is unlikely to maintain at the same level of last year. Despite the expected drop in turnover for electrostatic disinfectant sprayers, management expected that the performance of the Group's irrigation controller products for this year will remain strong with steady growth. The demand for other electronic products will also remain stable. Management is also striving to launch new products in the fourth quarter of the year so as to provide new momentum for growth in revenue. However, in view of the uncertainties on COVID-19 pandemic and the pace of recovery of the global economy, it is yet difficult to predict the overall performance of the electronic products segment for the year 2021.

In terms of geographical market, the Group foresees that United States will continue to be the major market for its products in 2021, as the customers for irrigation controllers and electrostatic disinfectant sprayers are both located in the United States.

The COVID-19 pandemic has affected the business operations of the Group's associated companies and management expected that their business operations will remain stable during the second half of the year. The share of profits or loss from associated companies is not expected to be significant when compare to the results of the core electronic business of the Group.

The Group will continue to explore opportunities for new electronic products with other potential customers so as to broaden its revenue base and to maintain its growth momentum.

### **Biodiesel products and energy saving gas stoves segment**

The Group foresees that the revenue from biodiesel products and energy efficient gas stoves will remain at existing level during the second half of 2021.

### **Energy saving business**

The Group foresees that the revenue from the energy saving business will remain at a low level during the second half of 2021 as the Group has already ceased the installation work at Suning stores.

Looking forward, the Group will focus on its core electronic products segment and will continue to explore opportunities for new products and projects with existing and potential customers in Hong Kong, in the PRC and overseas to provide a better return to all shareholders.

## **CORPORATE GOVERNANCE**

The Board believes that corporate governance is essential to the success of the Group. The Group keeps abreast of the best practices in the corporate governance areas and strives to implement such practices as appropriate. None of the Directors of the Company is aware of any information that would reasonably indicate that the Company or any of its Directors is not or was not at any time during the Period and up to the date of this announcement, in compliance with the Corporate Governance Code and Corporate Governance Report as set out in Appendix 14 of the Listing Rules. The Board will review and update the current practices regularly to ensure compliance with the latest practices in corporate governance so as to protect and maximize the interests of shareholders.

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

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 of the Listing Rules as its code for dealing in securities of the Company by the Directors. Having made specific enquiry of all Directors of the Company, the Company confirms that all Directors of the Company have complied with the required standard set out in the Model Code during the Period.

## **AUDIT COMMITTEE**

The audit committee of the Company (the “**Audit Committee**”) was established with written terms of reference in compliance with the Listing Rules. The Audit Committee shall meet at least twice every year and currently comprises three members being the independent non-executive Directors of the Company, namely Mr. Pang Kwong Wah (Chairman), Mr. Yau Ming Kim, Robert and Mr. Yen Yuen Ho, Tony.

The interim condensed consolidated financial statements have been reviewed by the Audit Committee at a meeting held on 30 August 2021, which is of the opinion that the interim condensed consolidated financial statements complied with applicable accounting standards and legal requirements, and that adequate disclosures have been made.

## **REMUNERATION COMMITTEE**

The remuneration committee of the Company (the “**Remuneration Committee**”) was established with written terms of reference in compliance with the Listing Rules. The Remuneration Committee shall meet at least once every year and shall have a minimum of five members, comprising a majority of independent non-executive directors. The Chairman of the Remuneration Committee is Mr. Pang Kwong Wah and other current members include Mr. Lam Yin Kee, Ms. Yeung Po Wah, Mr. Yau Ming Kim, Robert and Mr. Yen Yuen Ho, Tony.

## **NOMINATION COMMITTEE**

The nomination committee of the Company (the “**Nomination Committee**”) was established with written terms of reference in compliance with the Listing Rules. The Nomination Committee shall meet at least once every year and shall have a minimum of five members, comprising a majority of independent non-executive directors. The Chairman of the Nomination Committee is Mr. Lam Yin Kee and other current members include Ms. Yeung Po Wah, Mr. Pang Kwong Wah, Mr. Yau Ming Kim, Robert and Mr. Yen Yuen Ho, Tony.

## **CHANGES IN INFORMATION OF DIRECTORS**

There were no changes in directors' information since publication of the 2020 annual report of the Company and there is no other information required to be disclosed pursuant to Rule 13.51B (1) of the Listing Rules.

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

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.

## **DISCLOSURE OF INFORMATION ON THE STOCK EXCHANGE'S WEBSITE**

This announcement is published on the website of the Stock Exchange (<http://www.hkexnews.hk>) and our Company's website (<http://www.irasia.com/listco/hk/alltronics/index.htm>). The interim report for the period ended 30 June 2021 containing the information required by Appendix 16 of the Listing Rules will be dispatched to shareholders and published on the websites of the Company and the Stock Exchange in due course.

\* *For identification purpose only*

By order of the Board  
**Alltronics Holdings Limited**  
**Lam Yin Kee**  
*Chairman*

Hong Kong, 30 August 2021

As at the date of this announcement, the Board of the Company comprises:

### *Executive Directors*

Mr. Lam Yin Kee, Mr. Lam Chee Tai, Eric, Ms. Yeung Po Wah, Mr. So Kin Hung and Ms. Lam Oi Yan, Ivy

### *Non-executive Director*

Mr. Fan, William Chung Yue

### *Independent Non-executive Directors*

Mr. Pang Kwong Wah, Mr. Yau Ming Kim, Robert, Mr. Yen Yuen Ho, Tony and Mr. Lin Kam Sui