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S.A.S. Dragon Holdings Limited

(incorporated in Bermuda with limited liability)

(Stock Code: 1184)

2022 INTERIM RESULTS ANNOUNCEMENT

FINANCIAL HIGHLIGHTS

	For the six months ended		Change
	2022	2021	
	(Unaudited)	(Unaudited)	
Revenue (<i>HK\$'000</i>)	14,996,092	17,180,654	-12.7%
Profit attributable to owners of the Company (<i>HK\$'000</i>)	300,663	426,571	-29.5%
Basic earnings per share (<i>HK cents</i>)	48.04	68.16	-29.5%
Interim dividend per share (<i>HK cents</i>)	10.00	15.00	-33.3%

The board of directors (the “**Board**”) of S.A.S. Dragon Holdings Limited (the “**Company**”) is pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (collectively the “**Group**”) for the six months ended 30 June 2022, together with comparative figures for the previous period, as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2022

	<i>Notes</i>	For the six months ended 30 June	
		2022	2021
		(Unaudited)	(Unaudited)
		HK\$’000	HK\$’000
Revenue	2	14,996,092	17,180,654
Cost of sales		(14,272,966)	(16,333,168)
Gross profit		723,126	847,486
Other income	4(b)	15,183	14,279
Other gains and losses, net	4(c)	(36,741)	35,690
Reversal of impairment losses under expected credit loss model, net		824	1,169
Distribution and selling expenses		(41,297)	(46,702)
Administrative expenses		(163,912)	(171,460)
Share of profit of associates		4,426	9,839
Share of profit of a joint venture		479	317
Finance costs		(21,681)	(17,930)
Loss from derecognition of trade receivables at fair value through other comprehensive income		(17,885)	(16,115)
Profit before tax		462,522	656,573
Income tax expense	3	(70,339)	(110,419)
Profit for the period	4(a)	392,183	546,154

		For the six months ended 30 June	
		2022	2021
		(Unaudited)	(Unaudited)
<i>Note</i>		HK\$'000	HK\$'000
Other comprehensive (loss) income:			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
	Change in fair value on trade receivables at fair value through other comprehensive income	(18,876)	(15,823)
	Reclassification adjustment for cumulative loss included in profit or loss upon disposal of trade receivable measured at fair value through other comprehensive income	17,885	16,115
	Other comprehensive income for the period	(991)	292
	Total comprehensive income for the period	391,192	546,446
Profit for the period attributable to:			
	Owners of the Company	300,663	426,571
	Non-controlling interests	91,520	119,583
		392,183	546,154
Total comprehensive income attributable to:			
	Owners of the Company	300,362	427,088
	Non-controlling interests	90,830	119,358
		391,192	546,446
Earnings per share (HK cents)			
	– basic and diluted	48.04	68.16

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2022

		30 June 2022 (Unaudited) <i>HK\$'000</i>	31 December 2021 (Audited) <i>HK\$'000</i>
	<i>Note</i>		
Non-current Assets			
Investment properties		812,768	810,300
Property, plant and equipment		391,464	408,208
Intangible assets		14,477	14,477
Right-of-use assets		174,439	178,207
Interests in associates		53,858	51,958
Interest in a joint venture		12,050	11,571
Financial assets at fair value through profit or loss		2,998	2,998
Finance lease receivables		6,062	9,986
Deferred tax assets		9,608	9,602
		1,477,724	1,497,307
Current Assets			
Inventories		2,892,841	2,654,073
Trade and other receivables	<i>7(a)</i>	1,554,732	2,125,160
Trade receivables at fair value through other comprehensive income	<i>7(b)</i>	1,270,457	1,127,877
Finance lease receivables		11,562	12,848
Amount due from associate		–	132
Derivative financial instruments		–	876
Financial assets at fair value through profit or loss		110,929	130,439
Taxation recoverable		1,567	894
Pledged bank deposits		34,254	25,366
Bank balances and cash		1,862,902	1,758,977
		7,739,244	7,836,642

		30 June 2022 (Unaudited) HK\$'000	31 December 2021 (Audited) HK\$'000
	<i>Note</i>		
Current Liabilities			
Trade and other payables	8	1,822,620	3,428,943
Contract liabilities		121,591	366,996
Lease liabilities due within one year		389	584
Tax liabilities		180,588	139,055
Amount due to associate		548	–
Derivative financial instruments		640	–
Bank and other borrowings due within one year		3,841,015	2,280,502
		5,967,391	6,216,080
Net Current Assets		1,771,853	1,620,562
Total Assets Less Current Liabilities		3,249,577	3,117,869
Non-current Liabilities			
Deferred tax liabilities		40,668	40,428
Lease liabilities due after one year		–	214
Bank and other borrowings due after one year		224,681	233,940
		265,349	274,582
Net Assets		2,984,228	2,843,287
Capital and Reserves			
Share capital		62,584	62,584
Share premium and reserves		2,439,919	2,327,762
Equity attributable to owners of the Company		2,502,503	2,390,346
Non-controlling interests		481,725	452,941
Total Equity		2,984,228	2,843,287

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1 BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Except as for the adoption of new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the HKICPA, which are effective for the Group’s financial year beginning 1 January 2022, the accounting policies applied in preparing this unaudited condensed consolidated financial information for the six months ended 30 June 2022 are consistent with those of the annual financial statements for the year ended 31 December 2021, as described in those annual financial statements. The condensed consolidated financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2021.

PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values as appropriate.

Other than new accounting policies resulting from application of amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) and application of certain accounting policies which became relevant to the Group, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2022 are the same as those presented in the Group’s annual financial statements for the year ended 31 December 2021.

Application of amendments to HKFRSs

In the current interim period, the Group has applied the following amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2022 for the preparation of the Group’s condensed consolidated financial statements:

Amendments to HKFRS 3	<i>Reference to the Conceptual Framework</i>
Amendments to HKFRS 16	<i>COVID-19-Related Rent Concessions beyond 30 June 2021</i>
Amendments to HKAS 16	<i>Property, Plant and Equipment – Proceeds before Intended Use</i>
Amendments to HKAS 37	<i>Onerous Contracts – Cost of Fulfilling a Contract</i>
Amendments to HKFRSs	<i>Annual Improvements to HKFRSs 2018–2020</i>

The application of the amendments to HKFRSs in the current period has had no material impact on the Group’s financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

2 REVENUE

(a) Disaggregation of revenue from contracts with customers

	For the six months ended 30 June	
	2022	2021
	HK\$'000	HK\$'000
Types of goods and services		
<i>Sales of goods</i>		
Sales of electronic components and semiconductors	14,919,387	17,111,032
Sales of business equipment and provision of related ancillary services	32,440	36,812
Sales and contract works of LED lighting and display products	30,855	20,053
	<hr/>	<hr/>
Revenue from contracts with customers	14,982,682	17,167,897
<i>Income from leasing activities</i>		
For operating leases — lease payment that are fixed:		
Rental income from investment properties	12,013	12,065
Rental income from LED lighting and display products	1,397	692
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	13,410	12,757
	<hr/>	<hr/>
Total revenue	14,996,092	17,180,654
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Geographical markets

For the six months ended 30 June 2022				
Segments	Sales of electronic components and semiconductors <i>HK\$'000</i>	Sales of business equipment and provision of related ancillary services <i>HK\$'000</i>	Sales and contract works of LED lighting and display products <i>HK\$'000</i>	Total <i>HK\$'000</i>
Hong Kong	10,112,421	31,707	18,012	10,162,140
Mainland China	3,724,009	–	5,518	3,729,527
Taiwan	723,103	–	19	723,122
Others	359,854	733	7,306	367,893
Revenue from contracts with customers	14,919,387	32,440	30,855	14,982,682
Rental income from investment properties				12,013
Rental income from LED lighting and display products				1,397
Total revenue				14,996,092

For the six months ended 30 June 2021				
Segments	Sales of electronic components and semiconductors <i>HK\$'000</i>	Sales of business equipment and provision of related ancillary services <i>HK\$'000</i>	Sales and contract works of LED lighting and display products <i>HK\$'000</i>	Total <i>HK\$'000</i>
Hong Kong	13,142,798	35,755	10,159	13,188,712
Mainland China	3,232,583	–	7,046	3,239,629
Taiwan	354,078	–	24	354,102
Others	381,573	1,057	2,824	385,454
Revenue from contracts with customers	17,111,032	36,812	20,053	17,167,897
Rental income from investment properties				12,065
Rental income from LED lighting and display products				692
Total revenue				17,180,654

	For the six months ended 30 June	
	2022	2021
	<i>HK\$'000</i>	<i>HK\$'000</i>
Timing of revenue recognition		
A point in time	14,960,915	17,158,668
Overtime	21,767	9,229
	<hr/>	<hr/>
Revenue from contracts with customers	14,982,682	17,167,897
Rental income from investment properties	12,013	12,065
Rental income from LED lighting and display products	1,397	692
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Total revenue	14,996,092	17,180,654
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(b) Information about major customer

Revenue from a customer individually contributing over 10% of the Group's revenue is as follows:

	For the six months ended 30 June	
	2022	2021
	<i>HK\$'000</i>	<i>HK\$'000</i>
Customer A	5,845,034	9,200,559
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3 INCOME TAX EXPENSE

	For the six months ended 30 June	
	2022	2021
	HK\$'000	HK\$'000
The charge comprises:		
Hong Kong Profits Tax	65,284	106,949
Taiwan Corporate Income Tax	4,533	2,734
PRC Enterprise Income Tax	499	848
Deferred tax	23	(112)
	<u>70,339</u>	<u>110,419</u>

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both periods.

Corporate Income Tax in Taiwan is charged at 20% for both periods.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both periods.

4 PROFIT FOR THE PERIOD/OTHER INCOME/OTHER GAINS AND LOSSES

	For the six months ended 30 June	
	2022	2021
	<i>HK\$'000</i>	<i>HK\$'000</i>
(a) Profit for the period		
Profit for the period has been arrived at after charging (crediting):		
Staff costs, including directors' remunerations		
– salaries and other benefits	58,624	55,647
– performance related incentive payments	20,442	36,032
– retirement benefits scheme contributions	7,017	6,328
	86,083	98,007
Depreciation of property, plant and equipment	19,216	19,370
Depreciation of right-of-use assets	3,767	3,753
Amortisation of intangible assets (included in administrative expenses)	–	563
(Reversal of) allowance of trade receivables, net	(824)	(1,169)
Cost of inventories recognized as an expense (including reversal of allowance of inventories of HK\$72,511,000 (2021: allowance of inventories of HK\$27,652,000))	14,263,619	16,333,168
	14,263,619	16,333,168
(b) Other income		
Dividend income from equity investments	2,085	2,412
Interest income on bank deposits	1,334	492
Interest income on finance leases	832	2,019
Others	10,932	9,356
	15,183	14,279
	15,183	14,279
(c) Other gains and losses		
Gain on disposal of available-for-sale investments	6,228	3,901
Gain (Loss) on disposal of property, plant and equipment	141	(13)
Fair value change in finance lease	–	339
Net (loss) gain on fair value change of derivative financial instruments	(1,516)	10,887
Net foreign exchange (losses) gains	(18,406)	1,386
Change in fair value of financial assets at fair value through profit or loss	(23,188)	19,190
	(36,741)	19,190
	(36,741)	35,690

5 DIVIDEND PAID

The final dividend of HK30.00 cents per share amounting to HK\$187,751,232 for the financial year ended 31 December 2021 was approved on 20 May 2022 and paid on 7 June 2022.

6 EARNINGS PER SHARE

The calculation of the basic earnings per share for the six months ended 30 June 2022 is based on the profit for the period attributable to owners of the Company of HK\$300,663,000 (2021: HK\$426,571,000) and on the weighted average number of 625,837,440 (2021: 625,837,440) ordinary shares in issued during the period.

7(a) TRADE AND OTHER RECEIVABLES

	30 June 2022	31 December 2021
	<i>HK\$'000</i>	<i>HK\$'000</i>
Trade receivables at amortised cost	1,453,280	1,861,771
Less: allowance for credit losses	(9,942)	(10,775)
	1,443,338	1,850,996
Other receivables	74,200	73,853
Prepayment and deposits paid	37,194	200,311
Total trade and other receivables	1,554,732	2,125,160

The Group allows credit period ranging from 30 days to 120 days to its trade customers.

An aged analysis of trade receivables by due dates (net of allowance for credit losses) is as follows:

	30 June 2022	31 December 2021
	<i>HK\$'000</i>	<i>HK\$'000</i>
Current	1,008,615	1,397,994
Within 30 days	255,202	316,151
More than 30 days and within 60 days	105,367	76,179
More than 60 days and within 90 days	15,933	6,781
More than 90 days	58,221	53,891
	<hr/>	<hr/>
Trade receivables	1,443,338	1,850,996
Other receivables	111,394	274,164
	<hr/>	<hr/>
	1,554,732	2,125,160
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During the period under review, the Group's five largest customers accounted for 60% (31 December 2021: 61%) of the Group's total revenue. Subsequent settlements after reporting period of the trade receivables from these major customers have been reviewed and are satisfactory requiring no provisions.

7(b) TRADE RECEIVABLES AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	30 June 2022	31 December 2021
	<i>HK\$'000</i>	<i>HK\$'000</i>
Trade receivables held for collecting contractual cash flows or factoring to banks	1,270,457	1,127,877
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8 TRADE AND OTHER PAYABLES

An aged analysis of trade payables by due date is as follows:

	30 June 2022 HK\$'000	31 December 2021 HK\$'000
Current	1,336,285	2,873,644
Within 30 days	113,160	137,034
More than 30 days and within 60 days	33,469	54,076
More than 60 days and within 90 days	32,911	44,183
More than 90 days	86,693	79,870
	<hr/>	<hr/>
Trade payables	1,602,518	3,188,807
Other payables	220,102	240,136
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	1,822,620	3,428,943
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INTERIM DIVIDEND

The Board has resolved to declare an interim dividend of HK10.0 cents (2021: HK15.0 cents) per share payable to the shareholders of the Company whose names appear on the register of members of the Company on 28 September 2022. The dividend warrants are expected to despatch to shareholders on or about 7 October 2022.

CLOSURE OF REGISTERS OF MEMBERS

The register of members of the Company will be closed from 26 September 2022 to 28 September 2022, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the interim dividend, all share transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited of 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on 23 September 2022.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Distribution of Electronic Components and Semiconductor

During the period under review, the resurgence of the COVID-19 pandemic, supply chains and logistics constraints, inflationary pressures and rising global recession risk have lowered consumer demand for mobile phones and other consumer electronic products across the world.

For the six months period ended 30 June 2022, the Group's component team recorded sales revenue of HK\$14.92 billion, decreased by 12.8% from HK\$17.11 billion recorded in the same period last year. We keep focusing on our strategy to provide comprehensive portfolio of design and supply chain services to our target customers in the Greater China region by broadening our world's leading semiconductor supplier base as well as expending our geographical sales network.

Mobile phone

According to Gartner, worldwide smartphone shipments in 2022 have not grown as forecasted and are expected to decrease 5.8% year over year. The demand for 5G phones is weak and is expected to pick up by end of 2022. During the period under review, the Group recorded significant revenue in mobile phone segment by delivering broader range of competitive products such as larger storage DRAM and NAND flash memory chips, full screen high resolution display panels, large megapixel camera CMOS sensors, auto focus actuators, mobile payment security ICs, fingerprint, force touch, multi-function motion sensors, high-speed and wireless charging solutions to those branded handset manufacturers, design houses and camera module factories in the Greater China region.

Consumer electronic

During the period under review, solid demand for true wireless stereo earbuds, cloud/edge computing, large datacenters, 5G base stations and servers, together with the growing demand for virtual reality headsets for immersive and virtual gaming, socialising and fitness experiences, led the Group recorded significant revenue in consumer electronics segment by delivering competitive system on chips, displays with high resolution and dynamic refresh rate, radio frequency modules, Bluetooth low energy solutions, larger storage memory chips, distance measurement and proximity sensors, optical couplers, frequency conversion ICs to our branded manufacturers.

LED Technology Solution Provider

During the period under review, macroeconomic uncertainties have deterred capital investment from various industries which negatively impacted our business. However our LED lighting team benefitted from the gradual business recovery in domestic and greater bay area markets and completed several medium size LED lighting and display projects with Jockey Club, banks, government departments, local and domestic property developers.

Distribution of Business Equipment and Provision of Related Ancillary Services

During the period under review, we focus on SHARP B2B business by offering competitive business solutions to enterprises and maintain our promotion and operation to low level. We will review our strategy when sign of the COVID-19 is being controlled and consumer spending returned.

Properties Investment

As of 30 June 2022, the Group carried the 18 units of investment properties (31 December 2021: 18 units) for commercial and industrial uses in Hong Kong and the PRC. The aggregate carrying value of investment properties amounted to HK\$813 million (31 December 2021: HK\$810 million). Such investment properties altogether generated rental income of HK\$12.0 million (2021: HK\$12.1 million) with an annualized return of 3.0% (2021: 3.0%).

OUTLOOK

Looking forward, unfavorable factors such as high inflation, supply chain disruptions, currency fluctuations and geopolitics conflict will persist, weakening demand for end products and further increase downside pressures on the global semiconductor industry. Facing many challenges ahead, we are monitoring our inventory level, controlling our operating costs and will devise counter measures if necessary.

We believe we are in a much better position than before against challenges and have confidence that the Group will maintain competitive in the Greater China region by virtue of our economies of scales, solid long-term customer relations supported by our strong financial strength, localized sales and engineers, competent inventory management and other value added services. By leveraging on our over 40 years of experience, industry expertise and market recognition (According to Gartner's data, in terms of revenue, the Group is ranked as top 9 global semiconductor distributor and the top China cum Hong Kong based semiconductor distributor in 2021), we are confident to pursue a healthy and sustainable business growth and generate more returns to our shareholders.

FINANCIAL REVIEW

Results

For the six month period ended 30 June 2022, the Group recorded revenue of HK\$14,996,092,000, decreased by 12.7% from HK\$17,180,654,000 recorded in the same period last year. The Group's gross profit was HK\$723,126,000 decreased by 14.7% from HK\$847,486,000 recorded last period and gross profit margin was 4.8%, compared with 4.9% recorded in the same period last year. Profit attributable to the shareholders of the Company for the period ended 30 June 2022 was HK\$300,663,000 decreased by 29.5% compared with HK\$426,571,000 recorded in the same period last year. Basic earnings per share was HK48.04 cents (2021: HK68.16 cents).

Liquidity, Financial Resources and Capital Structure

The Group's primary sources of funding included cash generated from operating activities and the credit facilities provided by the Group principal banks in Hong Kong.

As of 30 June 2022, the Group's current ratio was 130% (31 December 2021: 126%). The Group's net gearing ratio was 69% (31 December 2021: 21%), defined as the Group's net borrowings (calculated as total bank and other borrowings minus total cash and bank balances minus financial assets at fair value through profit or loss) of approximately HK\$2,054,613,000 (31 December 2021: HK\$596,662,000) over total equity of HK\$2,984,229,000 (31 December 2021: HK\$2,843,287,000).

The Group recorded debtors turnover of 33 days for the period under review (2021: 35 days) based on the amount of trade receivable as at 30 June 2022 divided by sales for the same period and multiplied by 181 days (2021: 181 days).

The Group recorded inventory turnover and average payable period of 37 days and 20 days respectively for the period under review (2021: 20 days and 29 days respectively) based on the amount of inventory and trade payables as at 30 June 2022, divided by cost of sales for the same period and multiplied by 181 days (2021: 181 days).

During the six months period ended 30 June 2022, the Group recorded net operating cash outflow of HK\$1,169,795,000 compared with net operating cash outflow of HK\$124,531,000 in same period last year.

Foreign Exchange Risk Management

The Group has foreign currency sales and purchases, bank deposits and borrowings primary in United States dollars and Renminbi which expose the Group to foreign currency risk.

The Group entered into short-term foreign currency forward contracts to hedge the currency risk related to its payable denominated in foreign currencies.

Pledge of Assets

As at 30 June 2022, certain of the Group's assets (including land and building, bank deposits and factored trade receivables) with the carrying value of totaling approximately HK\$1,262 million were pledged to banks to secure general banking facilities granted to the Group.

Employee and Remuneration Policy

At 30 June 2022, the Group employed approximately 450 employees in the Greater China region. The Group ensures that their employees are offered competitive remuneration packages. Other staff benefits include provident fund schemes and medical insurance. Also, discretionary bonus was granted to eligible employees based on the Group's financial results and individual performance.

CORPORATE GOVERNANCE

The Group has complied with the applicable code provisions in the Corporate Governance Code as contained in Appendix 14 to the Listing Rules (the “Code”) throughout the six months ended 30 June 2021, except for the following deviations:

Under the code provision A.1.8 of the Code, provides that an issuer should arrange appropriate insurance cover in respect of legal action against its directors. With regular and timely communications among the Directors and the management of the Group, the management of the Group believes that all potential claims and legal actions against the Directors can be handled effectively, and the possibility of actual litigation against the Directors is very low. The Company will consider to make such an arrangement as and when it thinks necessary.

Under the code provision A.2.1 of the Code, the roles of chairman and chief executive officer should be separate and should not performed by the same individual. Having considered the current business operation and the size of the Group, the Board is of the view that Dr. Yim Yuk Lun, Stanley *BBS JP* acting as both the Chairman and the Managing Director of the Group is acceptable and in the best interest of the Group.

Under the code provision A.4.1 of the Code, non-executive directors should be appointed for a specific term and subject to re-election. The non-executive directors have not been appointed for a specific term. However, according to the Bye-laws of the Company, one-third of the directors for the time being shall retire from office by rotation at each annual general meeting. As such, the Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are similar to those in the Code.

AUDIT COMMITTEE

The Audit Committee of the Company has reviewed with management the accounting principles and policies adopted by the Group, internal control, risk management and the unaudited interim financial statements for the six months ended 30 June 2022.

MODEL CODE

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Companies contained in Appendix 10 of the Listing Rules (the “**Model Code**”) as the code of conduct regarding directors’ securities transactions.

Having made specific enquiry of all Directors, the Company confirmed that all Directors have complied with the required standard set out in the Model Code throughout the six months ended 30 June 2022.

INTERIM REPORT

The 2022 Interim Report will be dispatched to shareholders and published on the website of the Stock Exchange of Hong Kong Limited (www.hkex.com.hk) and the website of the Company (www.sasdragon.com.hk) in due course.

APPRECIATION

On behalf of the Board of Directors, I would like to thank all our employees for their contribution and commitments during such complicated period. I also wish to extend my sincere gratitude to our shareholders, customers, suppliers and business partners for their long-term supports and dedication.

Finally, I wish you all stay healthy.

On behalf of the Board
S.A.S. Dragon Holdings Limited
Dr. Yim Yuk Lun, Stanley BBS JP
Chairman and Managing Director

Hong Kong, 23 August 2022

As at the date of this announcement, the Board comprises five executive directors, namely Dr. Yim Yuk Lun, Stanley BBS JP, Mr. Wong Sui Chuen, Mr. Yim Tsz Kit, Jacky, Mr. Wong Wai Tai and Mr. Tsui Chi Wing, Eric, one non-executive director namely Ms. Yim Kei Man, Carmen and four independent non-executive directors, namely Mr. Wong Tak Yuen, Adrian, Mr. Liu Chun Ning, Wilfred, Mr. Cheung Chi Kwan and Mr. Wong Wai Kin.