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TEXWINCA HOLDINGS LIMITED

德永佳集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 321)

Websites: <http://www.texwinca.com/>

<http://www.irasia.com/listco/hk/texwinca/>

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2022

RESULTS

The board of directors (the “Board”) of Texwinca Holdings Limited (the “Company”) has pleasure in presenting the unaudited interim condensed consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the six months ended 30 September 2022. The interim results have been reviewed by the Company’s audit committee.

Condensed Consolidated Statement of Profit or Loss

	Notes	Six months ended 30 September	
		2022 (Unaudited) HK\$'000	2021 (Unaudited) HK\$'000
REVENUE	4	3,397,908	4,172,121
Cost of sales		(2,422,083)	(2,994,871)
Gross profit		975,825	1,177,250
Other income and gains	5	75,442	61,720
Selling and distribution expenses		(480,558)	(601,714)
Administrative expenses		(398,660)	(455,719)
Other operating income/(expenses), net		(2,594)	1,866
Finance costs		(16,968)	(15,383)
Share of loss of an associate		—	(193)
PROFIT BEFORE TAX	6	152,487	167,827
Income tax expense	7	(41,941)	(30,584)
PROFIT FOR THE PERIOD		110,546	137,243
Attributable to:			
Ordinary equity holders of the Company		113,018	138,464
Non-controlling interests		(2,472)	(1,221)
		110,546	137,243

*For identification purpose only

		Six months ended	
		30 September	
	<i>Note</i>	2022	2021
		(Unaudited)	(Unaudited)
		HK\$'000	HK\$'000
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY			
Basic and diluted (<i>HK cents</i>)	9	8.2	10.0

Details of the dividends for the period are disclosed in note 8 to the interim condensed consolidated financial statements.

Condensed Consolidated Statement of Comprehensive Income

	Six months ended	
	30 September	
	2022	2021
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
PROFIT FOR THE PERIOD	110,546	137,243
OTHER COMPREHENSIVE INCOME/(LOSS)		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	<u>(297,597)</u>	28,110
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD, NET OF TAX	<u>(297,597)</u>	28,110
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD	<u>(187,051)</u>	165,353
Attributable to:		
Ordinary equity holders of the Company	(184,933)	166,578
Non-controlling interests	<u>(2,118)</u>	(1,225)
	<u>(187,051)</u>	165,353

Condensed Consolidated Statement of Financial Position

	<i>Notes</i>	30 September 2022 (Unaudited) HK\$'000	31 March 2022 (Audited) HK\$'000
NON-CURRENT ASSETS			
Property, plant and equipment	10	1,020,150	1,139,878
Right-of-use assets		478,060	524,651
Investment properties		532,077	532,077
Construction in progress		130,826	128,657
Trademarks		33,293	33,293
Prepayments		4,889	14,530
Long term rental deposits		85,139	69,518
Financial assets at fair value through profit or loss		39,028	50,786
Long-term debt instruments at amortised cost		14,791	30,102
Deferred tax assets		52,427	73,293
		<hr/>	
Total non-current assets		2,390,680	2,596,785
CURRENT ASSETS			
Inventories		2,086,263	2,484,148
Trade receivables	11	753,200	906,551
Bills receivable		188,737	219,877
Prepayments, deposits and other receivables		231,584	316,793
Financial assets at fair value through profit or loss		793,484	2,346
Debt instruments at amortised cost		86,572	79,009
Derivative financial assets		43,102	8,251
Cash and cash equivalents		615,277	2,363,988
		<hr/>	
Total current assets		4,798,219	6,380,963
CURRENT LIABILITIES			
Trade payables	12	525,722	908,449
Bills payable		—	10,108
Other payables and accrued liabilities		619,148	580,686
Lease liabilities		169,658	176,824
Derivative financial liabilities		39,411	5,395
Interest-bearing bank borrowings		253,083	1,308,278
Tax payable		14,615	42,875
		<hr/>	
Total current liabilities		1,621,637	3,032,615
NET CURRENT ASSETS			
		<hr/>	
		3,176,582	3,348,348
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<hr/>	
		5,567,262	5,945,133

	<i>Note</i>	30 September 2022 (Unaudited) HK\$'000	31 March 2022 (Audited) HK\$'000
NON-CURRENT LIABILITIES			
Other payables and accrued liabilities		8,642	9,160
Lease liabilities		354,427	400,412
Deferred tax liabilities		93,895	100,042
		<hr/>	<hr/>
Total non-current liabilities		456,964	509,614
		<hr/>	<hr/>
Net assets		5,110,298	5,435,519
		<hr/>	<hr/>
EQUITY			
Equity attributable to ordinary equity holders of the Company			
Issued capital		69,085	69,085
Reserves		4,907,016	5,230,119
Dividends declared	8	138,170	138,170
		<hr/>	<hr/>
Non-controlling interests		5,114,271 (3,973)	5,437,374 (1,855)
		<hr/>	<hr/>
Total equity		5,110,298	5,435,519
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Condensed Consolidated Statement of Changes in Equity

	Attributable to ordinary equity holders of the Company											
	Issued capital	Share premium account	Capital redemption reserve	Contributed surplus	Exchange fluctuation reserve	Asset revaluation reserve	Capital reserve	Retained profits	Dividends	Total	Non-controlling interests	Total equity
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 April 2022	69,085	703,365	1,695	3,986	209,716	99,246	375,180	3,836,931	138,170	5,437,374	(1,855)	5,435,519
Profit for the period	—	—	—	—	—	—	—	113,018	—	113,018	(2,472)	110,546
Other comprehensive income/(loss) for the period:												
Exchange differences on translation of foreign operations	—	—	—	—	(297,951)	—	—	—	—	(297,951)	354	(297,597)
Total comprehensive income/(loss) for the period	—	—	—	—	(297,951)	—	—	113,018	—	(184,933)	(2,118)	(187,051)
2021/2022 proposed final dividend declared	—	—	—	—	—	—	—	—	(138,170)	(138,170)	—	(138,170)
2022/2023 declared interim dividend	—	—	—	—	—	—	—	(138,170)	138,170	—	—	—
At 30 September 2022	69,085	703,365	1,695	3,986	(88,235)	99,246	375,180	3,811,779	138,170	5,114,271	(3,973)	5,110,298
At 1 April 2021	69,085	703,365	1,695	3,986	114,704	99,246	375,180	3,894,573	138,170	5,400,004	(251)	5,399,753
Profit for the period	—	—	—	—	—	—	—	138,464	—	138,464	(1,221)	137,243
Other comprehensive income/(loss) for the period:												
Exchange differences on translation of foreign operations	—	—	—	—	28,114	—	—	—	—	28,114	(4)	28,110
Total comprehensive income/(loss) for the period	—	—	—	—	28,114	—	—	138,464	—	166,578	(1,225)	165,353
2020/2021 proposed final dividend declared	—	—	—	—	—	—	—	—	(138,170)	(138,170)	—	(138,170)
2021/2022 declared interim dividend	—	—	—	—	—	—	—	(110,536)	110,536	—	—	—
At 30 September 2021	69,085	703,365	1,695	3,986	142,818	99,246	375,180	3,922,501	110,536	5,428,412	(1,476)	5,426,936

Condensed Consolidated Statement of Cash Flows

	Six months ended	
	30 September	
	2022	2021
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
NET CASH FLOWS FROM OPERATING ACTIVITIES	252,404	470,033
NET CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES	347,115	(830,416)
NET CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES	(1,118,518)	286,828
NET DECREASE IN CASH AND CASH EQUIVALENTS	(518,999)	(73,555)
Cash and cash equivalents at beginning of period	995,240	1,648,537
Foreign exchange adjustments	(61,599)	(6,299)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	414,642	1,568,683
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	414,642	409,138
Non-pledged time deposits with original maturity within three months when acquired	—	1,159,545
Non-pledged time deposits with original maturity over three months when acquired	200,635	764,102
Cash and cash equivalents as stated in the condensed consolidated statement of financial position	615,277	2,332,785
Less: Non-pledged time deposits with original maturity over three months when acquired	(200,635)	(764,102)
Cash and cash equivalents as stated in the condensed consolidated statement of cash flows	414,642	1,568,683

Notes to the Interim Condensed Consolidated Financial Statements

1. BASIS OF PREPARATION

The interim condensed consolidated financial statements are prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and Appendix 16 of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

These interim condensed consolidated financial statements 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 March 2022.

2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and basis of preparation adopted in the preparation of the interim condensed consolidated financial statements are the same as those used in the Group's annual financial statements for the year ended 31 March 2022, except in relation to the following new and revised Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, HKASs and Interpretations) issued by the HKICPA that affect the Group and are adopted for the first time for the current period's interim condensed consolidated financial statements:

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

The adoption of the above new and revised HKFRSs has had no significant financial effect on these interim condensed consolidated financial statements.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The judgments and estimates adopted in the preparation of the interim condensed consolidated financial statements are the same as those used in the Group's annual financial statements for the year ended 31 March 2022.

4. OPERATING SEGMENT INFORMATION

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

- (a) the production, dyeing and sale of knitted fabric, yarn and garments segment;
- (b) the retailing and distribution of casual apparel and accessories segment; and
- (c) the "others" segment comprises, principally, the provision of franchise services and property investment.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss) which is a measure of adjusted profit/(loss) before tax. The adjusted profit/(loss) before tax is measured consistently with the Group's profit before tax except interest income, non-lease related finance costs and share of profit/(loss) of an associate, are excluded from such measurement.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

	Production, dyeing and sale of knitted fabric, yarn and garments		Retailing and distribution of casual apparel and accessories		Others		Eliminations		Consolidated	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000
Segment revenue:										
Sales to external customers	2,577,274	3,040,170	819,841	1,131,315	793	636	—	—	3,397,908	4,172,121
Intersegment sales	60,122	89,053	7,991	—	4,289	4,332	(72,402)	(93,385)	—	—
Other revenue	28,155	28,120	21,961	4,167	13,093	17,260	(2,429)	(1,363)	60,780	48,184
	2,665,551	3,157,343	849,793	1,135,482	18,175	22,228	(74,831)	(94,748)	3,458,688	4,220,305
Segment results	251,240	321,320	(145,679)	(187,457)	19,534	25,039	20,617	(2,103)	145,712	156,799
<i>Reconciliation:</i>										
Interest income									14,662	13,536
Finance costs (other than interest on lease liabilities)									(7,887)	(2,315)
Share of loss of an associate									—	(193)
Profit before tax									152,487	167,827
Income tax expense									(41,941)	(30,584)
Profit for the period									110,546	137,243

5. REVENUE, OTHER INCOME AND GAINS

	Six months ended	
	30 September	
	2022	2021
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Revenue from contracts with customers		
Sales of goods	3,396,281	4,160,999
Rendering of yarn dyeing services and garment processing services	834	10,485
Franchise and royalty income	793	637
	3,397,908	4,172,121
<i>Disaggregated revenue information</i>		
Timing of revenue recognition		
At a point in time	3,397,115	4,171,484
Over time	793	637
	3,397,908	4,172,121
Other income and gains		
Interest income	14,662	13,536
Net fair value gains on foreign exchange derivative financial instruments	1,960	5,316
Net fair value gain on financial assets at fair value through profit or loss	3,424	—
Gross rental income from investment property operating leases	7,421	7,013
Compensation from suppliers for defective goods	3,445	4,451
Gain on disposal of items of property, plant and equipment	3,590	7,255
Government subsidies	16,429	3,334
Rental income from suppliers and others	5,576	4,656
Sales of scrap materials	12,749	10,198
Sales of steam	4,444	1,699
Sundry income	1,742	4,262
	75,442	61,720

6. PROFIT BEFORE TAX

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

	Six months ended	
	30 September	
	2022	2021
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Depreciation of property, plant and equipment	112,124	107,413
Depreciation of right-of-use assets	77,349	117,819
Reversal of write-down of inventories	(7,041)	(12,623)
Impairment/ (reversal of write-down) of trade receivables	(3,361)	436
Net gain on disposal of items of property, plant and equipment	(3,590)	(7,255)

7. INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (six months ended 30 September 2021: 16.5%) on the estimated assessable profits arising in Hong Kong during the period, except for a subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 (six months ended 30 September 2021: HK\$2,000,000) of assessable profits of this subsidiary is taxed at 8.25% (six months ended 30 September 2021: 8.25%) and the remaining assessable profits are taxed at 16.5% (six months ended 30 September 2021: 16.5%). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

	Six months ended 30 September	
	2022 (Unaudited) HK\$'000	2021 (Unaudited) HK\$'000
Current – Hong Kong and Mainland China:		
Charge for the period	39,861	38,767
Over-provision in prior years	—	(548)
Deferred	2,080	(7,635)
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Total tax charge for the period	41,941	30,584

8. DIVIDENDS

	Six months ended 30 September	
	2022 (Unaudited) HK\$'000	2021 (Unaudited) HK\$'000
Interim dividend	138,170	110,536
Interim dividend per ordinary share (HK cents)	10.0	8.0

9. 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 ordinary equity holders of the Company, and the weighted average number of ordinary shares of 1,381,696,104 (six months ended 30 September 2021: 1,381,696,104) in issue during the period.

The Company had no potentially dilutive ordinary shares in issue during the six months ended 30 September 2022 and 30 September 2021.

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2022, the Group acquired items of property, plant and equipment with a cost of HK\$80,989,000 (six months ended 30 September 2021: HK\$87,620,000). Items of property, plant and equipment with a net book value of HK\$6,168,000 (six months ended 30 September 2021: HK\$2,401,000) were disposed of during the six months ended 30 September 2022.

11. TRADE RECEIVABLES

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	30 September 2022 (Unaudited) HK\$'000	31 March 2022 (Audited) HK\$'000
Within 90 days	665,776	831,462
Over 90 days	87,424	75,089
	753,200	906,551

Payment terms of the Group's customers mainly range from "cash before delivery" to "90 days from the date of invoice". A significant portion of the customers trades with the Group under documentary credit terms. The Group seeks to maintain strict credit control on its outstanding receivables and has a policy to manage its credit risk. Since the Group's trade receivables relate to a large number of customers, there is no significant concentration of credit risk. The Group does not hold any collateral over its trade receivable balances, certain trade receivable balances are covered by trade insurance policy arranged by the Group for minimising the credit risk. Trade receivables are non-interest-bearing.

12. TRADE PAYABLES

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

	30 September 2022 (Unaudited) HK\$'000	31 March 2022 (Audited) HK\$'000
Within 90 days	492,580	860,984
Over 90 days	33,142	47,465
	525,722	908,449

At the end of the reporting period, the trade payables are non-interest-bearing and are normally settled on 90-day terms.

13. CONTINGENT LIABILITIES

(a) At the end of the reporting period, contingent liabilities not provided for in the interim condensed consolidated financial statements were as follows:

	30 September 2022 (Unaudited) HK\$'000	31 March 2022 (Audited) HK\$'000
Bank guarantees given in lieu of property rental deposits	5,682	5,130

- (b) In prior years, the Hong Kong Inland Revenue Department (the “IRD”) initiated a review on the tax affairs of certain subsidiaries of the Group for the years of assessment from 2005/2006 to 2018/2019 (the “Tax Affairs”). The Group purchased tax reserve certificates totaling HK\$619,497,000 for the protective tax assessments issued by the IRD for the years of assessment from 2005/2006 to 2016/2017.

During the six months ended 30 September 2021, the Group submitted a settlement proposal (the “Settlement Proposal”) to the IRD for compromising the Tax Affairs. With the Settlement Proposal accepted by the IRD, the Tax Affairs were fully and finally resolved. Based on the Settlement Proposal, the total net additional tax and interest payable in regard of the Tax Affairs was HK\$351,021,000. The Group had already made sufficient tax provisions for the Tax Affairs in the consolidated financial statement of previous years. After utilization of HK\$285,201,000 tax reserve certificates and HK\$65,820,000 provisional tax kept by the IRD for the additional tax charged, the IRD refunded the overpaid provisional tax and the unutilized amount of tax reserve certificates to the Group, totaling HK\$368,860,000.

14. CAPITAL COMMITMENTS

The commitments for capital expenditure of the Group at the end of the reporting period were as follows:

	30 September 2022 (Unaudited) HK\$'000	31 March 2022 (Audited) HK\$'000
In respect of property, plant and equipment, contracted but not provided for	102,103	55,798

15. RELATED PARTY TRANSACTIONS

- (a) During the period, the Group had the following related party transactions:

	<i>Note</i>	Six months ended 30 September 2022 (Unaudited) HK\$'000	2021 (Unaudited) HK\$'000
Rental expenses paid to related companies	(i)	7,011	12,357

Note:

- (i) *Rental expenses were paid to related companies, of which certain directors of the Company are also the directors and beneficial shareholders, for the provision of directors' quarters, retail outlets and a training centre for certain subsidiaries in Hong Kong and Mainland China. The directors considered that the monthly rentals were charged based on the prevailing market rates at the dates of entering into the tenancy agreements.*
- (b) On 26 January 2022, the Group entered into a lease agreement with Mountain Rich Limited (“Mountain Rich”), a company wholly-owned by Mr. Poon Bun Chak, an executive director and controlling shareholder of the Company, to lease a commercial building at 282 Bin Jiang Road, He Ping Qu, Tianjin, China from Mountain Rich as a retail outlet for the retail and distribution of apparel and accessories business of the Group for a term of two years commencing from 1 April 2022 at the monthly rent of RMB930,930. During the period, Mountain Rich waived the two-month rent and the Group paid to Mountain Rich operating lease rentals in respect of the above property of HK\$4,195,000 (six months ended 30 September 2021: HK\$9,554,000).

On 26 January 2022, the Group entered into a lease agreement with Latex (Hong Kong) Limited (“Latex”), a company wholly-owned by Mr. Poon Bun Chak, an executive director and controlling shareholder of the Company, to lease a property located at 22 Perkins Road, Jardine’s Lookout, Hong Kong from Latex as a director’s quarter of the Group for a term of two years commencing from 1 April 2022 at the monthly rent of HK\$400,000. During the period, the Group paid to Latex operating lease rentals in respect of the above property of HK\$2,400,000 (six months ended 30 September 2021: HK\$2,400,000).

On 26 January 2022, the Group entered into a lease agreement with Winson Link Enterprises Limited (“Winson Link”), a company wholly-owned by Mr. Poon Bun Chak, an executive director and controlling shareholder of the Company, to lease Room 4207B, 42nd Floor, Metroplaza Tower II, 223 Hing Fong Road, Kwai Chung, New Territories, Hong Kong as a training center of the Group and a car parking space at Ground floor, LMK Development Estate, 10-16 Kwai Ting Road, Kwai Chung, New Territories, Hong Kong from Winson Link for a term of two years commencing from 1 April 2022 at the monthly rent of HK\$69,280. During the period, the Group paid to Winson Link operating lease rentals in respect of the above property and car parking space of HK\$416,000 (six months ended 30 September 2021: HK\$403,000).

(c) Compensation of key management personnel of the Group:

	<i>Note</i>	Six months ended	
		30 September	
		2022	2021
		(Unaudited)	(Unaudited)
		HK\$’000	HK\$’000
Short term employee benefits		22,004	24,202
Post-employment benefits		9	9
		<hr/>	<hr/>
Total compensation paid to key management personnel		22,013	24,211
		<hr/>	<hr/>

16. FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

All assets and liabilities for which fair value is measured or disclosed in the interim condensed consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
- Level 3 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

	Carrying amounts		Fair values	
	30 September 2022 (Unaudited) HK\$'000	31 March 2022 (Audited) HK\$'000	30 September 2022 (Unaudited) HK\$'000	31 March 2022 (Audited) HK\$'000
Financial assets				
Derivative financial instruments	43,102	8,251	43,102	8,251
Financial assets at fair value through profit or loss	832,512	53,132	832,512	53,132
Long term debt instruments at amortised cost	14,791	30,102	14,213	30,528
	890,405	91,485	889,827	91,911
Financial liabilities				
Derivative financial instruments	39,411	5,395	39,411	5,395

Management has assessed that the fair values of cash and cash equivalents, trade receivables, bills receivable, short-term debt instruments at amortised cost, financial assets included in prepayments, deposits and other receivables, trade payables, bills payable, interest-bearing bank borrowings, and financial liabilities included in other payables and accrued liabilities approximate to their carrying amounts largely due to the short term maturities of these instruments.

The Group's finance department headed by the financial controller is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance department directly reports to the Board. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the Board.

The fair values of the financial assets and liabilities are included as the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of financial assets at fair value through profit or loss and debt instruments at amortised cost are estimated based on quoted prices.

The fair values of the long term rental deposits have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. Their carrying amounts approximately to their fair values. The Group's own non-performance risk for interest-bearing bank borrowings as at 30 September 2022 was assessed to be insignificant.

The Group enters into derivative financial instruments with various counterparties, principally financial institutions. Derivative financial instruments, including forward currency contracts, are measured using valuation techniques similar to forward pricing, using present value calculations. The models incorporate various market observable inputs including the credit quality of counterparties, foreign exchange spot and forward rates and interest rate curves. The carrying amounts of forward currency contracts are the same as their fair values.

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

Fair value measurement as at 30 September 2022 (Unaudited)			
Quoted prices in active markets (Level 1) <i>HK\$'000</i>	Significant observable inputs (Level 2) <i>HK\$'000</i>	Significant unobservable inputs (Level 3) <i>HK\$'000</i>	Total <i>HK\$'000</i>
Derivative financial assets	—	43,102	43,102
Financial assets at fair value through profit or loss	—	832,512	832,512
	—	875,614	875,614
Fair value measurement as at 31 March 2022 (Audited)			
Quoted prices in active markets (Level 1) <i>HK\$'000</i>	Significant observable inputs (Level 2) <i>HK\$'000</i>	Significant unobservable inputs (Level 3) <i>HK\$'000</i>	Total <i>HK\$'000</i>
Derivative financial assets	—	8,251	8,251
Financial assets at fair value through profit or loss	—	53,132	53,132
	—	61,383	61,383

Liabilities measured at fair value:

Fair value measurement as at 30 September 2022 (Unaudited)			
Quoted prices in active markets (Level 1) <i>HK\$'000</i>	Significant observable inputs (Level 2) <i>HK\$'000</i>	Significant unobservable inputs (Level 3) <i>HK\$'000</i>	Total <i>HK\$'000</i>
Derivative financial liabilities	—	39,411	39,411
Fair value measurement as at 31 March 2022 (Audited)			
Quoted prices in active markets (Level 1) <i>HK\$'000</i>	Significant observable inputs (Level 2) <i>HK\$'000</i>	Significant unobservable inputs (Level 3) <i>HK\$'000</i>	Total <i>HK\$'000</i>
Derivative financial liabilities	—	5,395	5,395

As at 30 September 2022 and 31 March 2022, the Group had no financial instruments measured at fair value under Level 3.

During the period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (six months ended 30 September 2021: nil).

Assets for which fair values are disclosed:

	Fair value measurement as at 30 September 2022 (Unaudited)			
	Quoted prices in active markets (Level 1) HK\$'000	Significant observable inputs (Level 2) HK\$'000	Significant unobservable inputs (Level 3) HK\$'000	Total HK\$'000
Long term debt instruments at amortised cost	14,213	—	—	14,213

	Fair value measurement as at 31 March 2022 (Audited)			
	Quoted prices in active markets (Level 1) HK\$'000	Significant observable inputs (Level 2) HK\$'000	Significant unobservable inputs (Level 3) HK\$'000	Total HK\$'000
Long term debt instruments at amortised cost	30,528	—	—	30,528

17. IMMEDIATE AND ULTIMATE HOLDING COMPANY

At the end of the reporting period, the directors consider the immediate holding company and the ultimate holding company of the Group to be Farrow Star Limited and Poon's Holdings Limited respectively, both of which are incorporated in the British Virgin Islands.

Management's Discussion and Analysis

INTERIM DIVIDEND

The Board has declared an interim dividend of HK10.0 cents (six months ended 30 September 2021: HK8.0 cents) per ordinary share for the six months ended 30 September 2022. The interim dividend will be payable on Friday, 6 January 2023 to shareholders registered on the Register of Members of the Company on Wednesday, 14 December 2022.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from Monday, 12 December 2022 to Wednesday, 14 December 2022 (both days inclusive) for the purpose of determining the entitlement to the interim dividend for the six months ended 30 September 2022. During which period no transfer of shares of the Company will be registered and no share will be allotted and issued. In order to qualify for entitlement to the interim dividend for the six months ended 30 September 2022, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrar and Transfer Office in Hong Kong, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Friday, 9 December 2022.

REVIEW OF BUSINESS AND FUTURE DEVELOPMENT

For the six months ended 30 September 2022, the Group's total turnover decreased by 18.6% to HK\$3,398 million (six months ended 30 September 2021: HK\$4,172 million). Profit for the period attributable to the ordinary equity holders of the Company amounted to HK\$113 million (six months ended 30 September 2021: HK\$138 million), a decrease of 18.1%. The Group's gross profit margin was 28.7% (six months ended 30 September 2021: 28.2%), an increase of 0.5 percentage points from last year. The Board has recommended an interim dividend of HK10.0 cents per ordinary share, an increase of 25.0% compared to last interim period's HK8.0 cents per ordinary share.

Textile business

Revenue of the business decreased by 15.2% to HK\$2,577 million (six months ended 30 September 2021: HK\$3,040 million). The amount was 75.8% (six months ended 30 September 2021: 72.9%) of the Group's total turnover. During the period, the lingering COVID-19 pandemic, the rising raw material and energy cost, the surge in interest cost posed significant negative impact on the global economic activities. Facing with weak consumer sentiment, most retailers tried to trim down their high inventory level and the demand of fabric during the period was thus weakened considerably. To lessen the impact of surge in production cost on the gross profit margin, the Group shared part of the increase in production cost to its customers. The gross profit margin decreased by 0.2 percentage points to 21.8%. To expand the production capacity and diversify the risk of this business, the Group will set up its textile factory in a nearby Southeast Asian country. The performance and the key financial ratios of the business were as below:

<i>(Amounts expressed in HK\$' million, unless specified)</i>	Six months ended 30 Sep 2022	Year ended 31 Mar 2022	Six months ended 30 Sep 2021	Year ended 31 Mar 2021	Year ended 31 Mar 2020
Net sales	2,577	5,544	3,040	4,644	4,919
Gross profit margin (%)	21.8	21.3	22.0	23.8	23.2
Operating profit (note 1)	251	564	321	567	540
EBITDA (note 1)	362	790	431	771	770
Return on total assets (%) <i>(annualised) (note 2)</i>	7.2	7.5	7.3	6.1	6.9
Return on sales (%) (note 2)	8.2	10.1	9.6	9.2	8.9
Return on equity (%) (annualised) <i>(note 2)</i>	9.2	11.4	11.5	9.1	10.8
Capital expenditure	111	251	160	126	76

Notes: (1) Exclude interest income, rental income, finance cost and loss of inventories due to a fire accident

(2) Exclude rental income.

Retail and distribution business

Sales of the business decreased by 27.5% to HK\$820 million (six months ended 30 September 2021: HK\$1,131 million). The sum represented 24.1% (six months ended 30 September 2021: 27.1%) of the Group's total turnover. For the mainland China market, as new cases were seen in individual provincial cities, the government continued to implement stringent COVID-19 control policies. The turnover of this market decreased by 37.2% to HK\$553 million and the gross profit margin increased by 3.7 percentage point to 45.5% (six months ended 30 September 2021: 41.8%). Since the outlook of this market remained sluggish and uncertain, the Group continued to reduce its retail network. During the period, the Group net reduced 176 self-operated shops in the mainland China and these represented 12.7% of the self-operated shops in this market. To control the operating cost and improve the results of this business, the Group will further reduce the number of physical shops and shift its focus to expand its online sales, consignment sales and franchising business. For the Hong Kong market, the crest of the fifth wave was reached in March 2022 and the daily COVID-19 confirmed cases started to slid afterward. However, the strict border control still deterred visitors from visiting Hong Kong and thus the sales rose slightly by 1.6% to HK\$255 million. The gross profit margin of this market was 49.2% (six months ended 30 September 2022: 50.1%). Near the end of the period, the government relaxed the social distancing measures and quarantine rules and launched the consumption vouchers, we expect the sales will grow in the second half of the year. The performance and the key financial ratios of this business were as below:

(a) the business performance and the key financial ratios were as follows:

<i>(Amounts expressed in HK\$'million, unless specified)</i>	Six months ended 30 Sep 2022	Year ended 31 Mar 2022	Six months ended 30 Sep 2021	Year ended 31 Mar 2021	Year ended 31 Mar 2020
Net sales	820	2,496	1,131	2,705	2,709
Gross profit margin (%)	47.8	45.3	45.0	44.1	47.5
Sales growth of comparable shops (%) (note 1)	(18.1)	(4.8)	2.1	(8.4)	(17.1)
Operating loss (note 2)	(146)	(289)	(187)	(199)	(316)
EBITDA (note 2)	(72)	(26)	(48)	108	3
Return on total assets (%) (annualised) (note 3)	(10.5)	(10.4)	(6.6)	(6.9)	(11.1)
Return on sales (%) (note 3)	(17.6)	(10.9)	(15.6)	(6.8)	(10.6)
Return on equity (%) (annualised) (note 3)	(92.3)	(73.4)	(38.5)	(29.6)	(53.4)
Capital expenditure	10	49	19	57	146

Notes : (1) Comparable shops include shops with full period/year operation during the period/year and the preceding period/year.

(2) Exclude interest income, rental income and finance cost.

(3) Exclude rental income.

(b) the analysis of turnover by major brand was as follows:

<i>(HK\$'million)</i>	Six months ended 30 Sep 2022	Year ended 31 Mar 2022	Six months ended 30 Sep 2021	Year ended 31 Mar 2021	Year ended 31 Mar 2020
Baleno	788	2,380	1,056	2,525	2,484
Others	32	116	75	180	225
Total	820	2,496	1,131	2,705	2,709

(c) the development in different markets was as follows:

Mainland China

	Six months ended 30 Sep 2022	Year ended 31 Mar 2022	Six months ended 30 Sep 2021	Year ended 31 Mar 2021	Year ended 31 Mar 2020
Net sales (<i>HK\$ million</i>)	553	1,936	880	2,184	2,085
Increase/(decrease) in net sales (%)	(37)	(11)	(1)	5	(25)
Retail floor area (<i>sq. ft.</i>) ^{*#}	1,342,605	1,554,031	1,698,568	1,867,355	1,690,117
Number of sales associates ^{*#}	2,319	3,319	3,764	3,919	3,446
Number of outlets ^{*△}	1,780	1,666	2,015	2,026	1,838

Hong Kong

	Six months ended 30 Sep 2022	Year ended 31 Mar 2022	Six months ended 30 Sep 2021	Year ended 31 Mar 2021	Year ended 31 Mar 2020
Net sales (<i>HK\$ million</i>)	255	552	251	521	624
Increase/(decrease) in net sales (%)	2	6	18	(17)	(8)
Retail floor area (<i>sq. ft.</i>) ^{*#}	91,692	91,597	91,981	96,516	90,281
Number of sales associates ^{*#}	398	407	375	377	288
Number of outlets ^{*#}	83	85	86	88	83

Others

	Six months ended 30 Sep 2022	Year ended 31 Mar 2022	Six months ended 30 Sep 2021	Year ended 31 Mar 2021	Year ended 31 Mar 2020
Net sales (<i>HK\$ million</i>)	12	8	—	—	—
Increase/(decrease) in net sales (%)	N/A	N/A	—	—	—
Retail floor area (<i>sq. ft.</i>) ^{*#}	14,777	11,679	—	—	—
Number of sales associates ^{*#}	76	62	—	—	—
Number of outlets ^{*#+}	5	4	—	—	—

* As at the end of the reporting period

For self-managed stores

△ Including self-managed stores, consignment stores and franchise stores

+ Outlets gradually opened since May 2021

FINANCIAL CONDITION

Liquidity and financial resources

The Group continued to maintain a sound financial position. The current ratio, the total bank borrowings and the gearing ratio as at the period end were 3.0, HK\$253 million and -0.1 (31 March 2022: 2.1, HK\$1,308 million and -0.2) respectively. Bank borrowings decreased substantially as the Group repaid its borrowings with cash generated from operating activities to alleviate the surge in interest cost due to interest rate hike. The gearing ratio refers to the ratio of the total interest-bearing debts, net of cash and cash equivalents, to the total equity.

During the period, the interest cover, the trade and bills receivables to turnover and the inventories to turnover were 10 times, 51 days and 112 days (six months ended 30 September 2021: 12 times, 59 days and 119 days) respectively. The Group mainly satisfied its funding requirements with cash inflow from its operating activities and bank borrowings. At the period end, the cash and cash equivalents, the equity attributable to ordinary equity holders of the Company and the unutilized banking facilities were HK\$615 million, HK\$5,110 million and HK\$6,149 million (31 March 2022: HK\$2,364 million, HK\$5,437 million and HK\$5,530 million), respectively. The substantial drop in cash and cash equivalents during the period by HK\$1,749 million was due to the net repayment of interest-bearing bank borrowings of HK\$1,055 million and the increase in short term financial assets at fair value through profit or loss of HK\$791 million.

Capital expenditure

The capital expenditure incurred by the Group during the period was HK\$121 million (six months ended 30 September 2021: HK\$179 million). The capital expenditure incurred by the textile business for the period was HK\$111 million (six months ended 30 September 2021: HK\$160 million) mainly for the addition of plant and machinery for the dyeing and knitting factory. Out of the capital expenditure incurred by the textile business, HK\$36 million (six months ended 30 September 2021: HK\$91 million) was used for development of “coal-to-gas” project. For the retail and distribution business, our capital expenditure incurred for the period amounted to HK\$10 million (six months ended 30 September 2021: HK\$19 million) mainly for the addition of leasehold improvements of the retail outlets.

Pledge of assets

No significant assets were pledged as at 30 September 2022 and 31 March 2022.

Contingent liabilities

Details of the contingent liabilities as at 30 September 2022 and 31 March 2022 have been set out in note 13 to the interim condensed consolidated financial statements.

Foreign exchange and interest rate risks

The Group continued to adopt a strict and prudent policy in managing its interest rate and currency exchange risks. The major interest bearing bank borrowings of the Group were HKD, USD and RMB fixed rate borrowings with maturity due within one year (31 March 2022: within one year). At the period end, the cash and cash equivalents, debt instruments at amortised cost and financial assets at fair value through profit or loss were mainly denominated in HKD, RMB and USD. The cash and cash equivalents were placed as fixed deposits with well established financial institutions at fixed interest rate with maturity due within one year (31 March 2022: within one year). And, the debt instruments at amortised cost and financial assets at fair value through profit or loss were mainly fixed or floating interest rate investments with maturity due within two years or at perpetuity (31 March 2022: within four years or at perpetuity). During the period, Federal Reserve of the United States sharply tightened its monetary policy to combat inflation, the USD and HKD interest rates rose drastically. To reduce the borrowing cost, the Group repaid its borrowings substantially during the period. The Group will continue to monitor the interest rate risk and arrange appropriate financial instruments to reduce its risk whenever appropriate.

During the period, the major assets, liabilities, revenue, expenses and procurements of the Group were denominated in HKD, USD, RMB and YEN and the Group had arranged foreign exchange forward contracts to reduce its currency exchange risk.

HUMAN RESOURCES

At the period end, the Group had about 10,903 (31 March 2022: 12,489) employees in the Greater China and Indonesia. The remuneration of the employees was largely based on industry practice and the performance of individual employee.

CORPORATE SOCIAL RESPONSIBILITY

As a responsible corporate citizen, the Group has been active in participating in charitable donation, caring for the needy people and supporting and sponsoring educational and environmental protection activities. In addition, we also encourage our employees, customers and business partners to partake in the aforesaid activities with a view to developing a better future for our community.

During the period, some of the activities/organisations the Group participated in/donated or sponsored to were:

- (1) Educational Fund in Dongguan City of Guangdong Province;
- (2) Sponsorship for Dongguan Dragon Boat Competition;
- (3) Sponsorship for university students in poverty;
- (4) Evangelical Lutheran Church Social Service – Hong Kong;
- (5) The Hong Kong Council of Social Service “Caring Company”; and
- (6) WWF-Hong Kong.

The Group believes that the development of a better future for our community relies on the participation of people, corporations and the government. Therefore, we will continue to invest resources in all major social, educational and environmental protection activities to strive for a better future for our community.

OUTLOOK

At the time of this interim results announcement, the global economy is facing high inflation rate, surging interest rate and uncertainty in controlling the spreading of omicron variants. The Group will continue to preserve ample financial resource for meeting all challenges and opportunities.

Other Information

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 September 2022, the interests and short positions of the directors in the shares and underlying shares of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Listing Rules, was as follows:

Long positions in ordinary shares of the Company:

Name of directors	Capacity	Note	Number of ordinary shares held	Percentage of the Company's issued share capital (Note 2)
Executive directors:				
Poon Bun Chak	Founder of a family trust	1	698,800,104	50.58
Ting Kit Chung	Beneficial owner		6,100,000	0.44

Notes:

1. Mr. Poon Bun Chak is a founder of a family trust and is deemed to be interested in 698,800,104 shares held under the family trust. For details, please refer to the section "Substantial shareholders' and other person's interests in shares and underlying shares" below.
2. The issued share capital of the Company is 1,381,696,104 shares as at 30 September 2022.

Save as disclosed above, as at 30 September 2022, none of the directors had registered an interest or short position in the shares, underlying shares of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES

At no time during the period were rights to acquire benefits by means of the acquisition of shares in the Company granted to any directors or their respective spouses or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSON'S INTERESTS IN SHARES AND UNDERLYING SHARES

As at 30 September 2022, the following interests of 5% or more of the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

Name	Capacity	Notes	Number of ordinary shares held	Percentage of the Company's issued share capital (Note 3)
UBS Trustees (B.V.I.) Limited	Trustee	1	698,800,104(L)	50.58
Poon's Holdings Limited	Through controlled corporation	1	698,800,104(L)	50.58
Farrow Star Limited	Directly owned	1	698,800,104(L)	50.58
Pandanus Associates Inc.	Through controlled corporations	2	125,528,000(L)	9.09
Pandanus Partners L.P.	Through controlled corporations	2	125,528,000(L)	9.09
FIL Limited	Through controlled corporations	2	125,528,000(L)	9.09
Brown Brothers Harriman & Co.	Approved lending agent		84,469,283(L) 84,469,283(P)	6.11 6.11
Fidelity Funds	Beneficial owner		83,640,000 (L)	6.05

L – Long position

P – Lending pool

Notes:

1. *UBS Trustees (B.V.I.) Limited, as a trustee of a family trust founded by Mr. Poon Bun Chak, holds the entire issued share capital of Poon's Holdings Limited through its nominee, UBS Nominees Limited. Poon's Holdings Limited holds the entire issued share capital of Farrow Star Limited. Farrow Star Limited in turn holds 698,800,104 shares of the Company. Therefore, each of Mr. Poon Bun Chak, UBS Trustees (B.V.I.) Limited, Poon's Holdings Limited and Farrow Star Limited is deemed to be interested in 698,800,104 Shares held by Farrow Star Limited.*
2. *Pandanus Associates Inc. has the entire control of Pandanus Partners L.P. which in turn owns 38.71% in FIL Limited. FIL Limited is deemed to be interested in 125,528,000 shares of the Company through a series of subsidiaries. Therefore, each of Pandanus Associates Inc., Pandanus Partners L.P. and FIL Limited is deemed to be interested in 125,528,000 shares of the Company.*
3. *The issued share capital of the Company is 1,381,696,104 shares as at 30 September 2022.*

Save as disclosed above, as at 30 September 2022, no person, other than the directors of the Company, whose interests are set out in the section "Directors' interests and short positions in shares and underlying shares" above, had registered an interest and short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the period.

AUDIT COMMITTEE

The Audit Committee (the "Committee") consists of the three independent non-executive directors of the Company namely Mr. Law Brian Chung Nin, Mr. Cheng Shu Wing and Mr. Ho Lai Hong. The Committee is chaired by Mr. Law Brian Chung Nin, a qualified accounting professional. The principal duties of the Committee include the review and supervision of the financial reporting process and internal controls of the Group.

For the interim period under review, the Committee has reviewed and discussed with the management the interim report and the risk management and internal controls of the Group and has made recommendations to the Board.

CORPORATE GOVERNANCE

In the opinion of the directors, the Company complied with all the code provisions set out in the Corporate Governance Code (the "CG Code") contained in Appendix 14 of the Listing Rules throughout the accounting period covered by the interim report, except for the following deviation:

Under code provision F.2.2 of the CG Code, the chairman of the Board should attend the annual general meeting of the Company.

The chairman of the Board has delegated the duty of attending the annual general meeting to one of the executive directors of the Company. The chairman considers the executive director a suitable person for taking up such duty as the executive director has good knowledge in each operating segment of the Group.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as the Company's code of conduct for dealings in securities of the Company by the directors. Based on specific enquiry of the Company's directors, they have all complied with the required standard set out in the Model Code throughout the accounting period covered by the interim report.

CHANGES IN INFORMATION OF DIRECTORS

Pursuant to Rule 13.51B(1) of the Listing Rules, changes in the information of directors of the Company since the date of 2022 annual report and up to the date of release of these interim results required to be disclosed are shown as follows:

1. Mr. Au Son Yiu retired as an independent non-executive director of the Company and ceased to be the chairman of the Remuneration Committee of the Company and a member of the Audit Committee and the Nomination Committee of the Company after the conclusion of the annual general meeting of the Company held on 31 August 2022 ("AGM").
2. Mr. Ho Lai Hong has been appointed as an independent non-executive director, the chairman of the Remuneration Committee and a member of each of the Audit Committee and Nomination Committee with effect from the conclusion of the AGM.

PUBLICATION OF FURTHER INFORMATION ON THE STOCK EXCHANGE'S WEBSITE

The Company's interim report for the six months ended 30 September 2022 will be despatched to the shareholders of the Company and available for viewing on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk under "Latest Listed Company Information" and on the website of the Company at www.texwinca.com under "Investor Relations" in due course.

On behalf of the Board

Poon Bun Chak

Executive Chairman

Hong Kong, 9 November 2022

As at the date of this announcement, the executive directors of the Company are Mr. Poon Bun Chak, Mr. Ting Kit Chung and Mr. Poon Ho Tak; the independent non-executive directors of the Company are Mr. Cheng Shu Wing, Mr. Law Brian Chung Nin and Mr. Ho Lai Hong.