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**ENM HOLDINGS LIMITED**

**安寧控股有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock code: 00128)**

## **INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2023**

The Board of Directors (the “Board”) of ENM Holdings Limited (the “Company”) herein presents the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 June 2023 together with the unaudited comparative amounts for the corresponding period in 2022.

The financial information set out below in this announcement represents an extract from the condensed consolidated financial statements for the six months ended 30 June 2023, which are unaudited, but have been reviewed by the Company’s external auditor, RSM Hong Kong, in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants, whose unmodified review report is included in the interim report to be sent to shareholders. The condensed consolidated financial statements for the six months ended 30 June 2023 have also been reviewed by the Company’s Audit Committee.

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
FOR THE SIX MONTHS ENDED 30 JUNE 2023**

	Note	Six months ended 30 June <u>2023</u> HK\$'000 <i>(unaudited)</i>	<u>2022</u> HK\$'000 <i>(unaudited)</i>
<b>Revenue</b>	4	<b>60,850</b>	40,966
Cost of sales		<u>(22,906)</u>	<u>(19,540)</u>
<b>Gross profit</b>		<b>37,944</b>	21,426
Other income		<b>693</b>	2,728
Selling and distribution costs		<b>(16,906)</b>	(18,712)
Administrative expenses		<b>(33,465)</b>	(32,049)
Depreciation of property, plant and equipment and amortisation		<b>(271)</b>	(739)
Other operating gains/(losses), net		<u><b>4,156</b></u>	<u>(83,571)</u>
<b>Loss from operations</b>		<b>(7,849)</b>	(110,917)
Fair value gains on investment properties, net		<b>300</b>	–
Finance costs	5	<u><b>(625)</b></u>	<u>(594)</u>
<b>Loss before tax</b>		<b>(8,174)</b>	(111,511)
Income tax expense	6	<u>–</u>	<u>–</u>
<b>Loss for the period</b>	7	<u><b>(8,174)</b></u>	<u>(111,511)</u>
<b>Attributable to:</b>			
Owners of the Company		<b>(8,548)</b>	(111,060)
Non-controlling interests		<u><b>374</b></u>	<u>(451)</u>
		<u><b>(8,174)</b></u>	<u>(111,511)</u>
		<b>HK\$</b> <i>(unaudited)</i>	<b>HK\$</b> <i>(unaudited)</i>
<b>Loss per share</b>			
- Basic	8(a)	<u><b>(0.52) cents</b></u>	<u>(6.73) cents</u>
- Diluted	8(b)	<u><b>N/A</b></u>	<u>N/A</u>

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME  
FOR THE SIX MONTHS ENDED 30 JUNE 2023**

	<b>Six months ended 30 June</b>	
	<b><u>2023</u></b>	<b><u>2022</u></b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>
<b>Loss for the period</b>	<u>(8,174)</u>	<u>(111,511)</u>
<b>Other comprehensive income/(loss):</b>		
<i>Items that will not be reclassified to profit or loss:</i>		
Fair value gain/(loss) on revaluation of the club property	(45,000)	83,000
<i>Items that may be reclassified to profit or loss:</i>		
Exchange differences on translating foreign operations	<u>(58)</u>	<u>(125)</u>
<b>Other comprehensive income/(loss) for the period, net of tax</b>	<u>(45,058)</u>	<u>82,875</u>
<b>Total comprehensive loss for the period</b>	<u><u>(53,232)</u></u>	<u><u>(28,636)</u></u>
<b>Attributable to:</b>		
Owners of the Company	(53,593)	(28,156)
Non-controlling interests	<u>361</u>	<u>(480)</u>
	<u><u>(53,232)</u></u>	<u><u>(28,636)</u></u>

**CONDENSED CONSOLIDATED STATEMENT OF  
FINANCIAL POSITION  
AT 30 JUNE 2023**

	Note	<b>30 June <u>2023</u> HK\$'000 (unaudited)</b>	31 December <u>2022</u> HK\$'000 (audited)
<b>Non-current assets</b>			
Property, plant and equipment		<b>380,935</b>	426,060
Right-of-use assets		<b>13,425</b>	18,241
Investment properties		<b>52,800</b>	52,500
Intangible assets		<b>324</b>	348
Financial assets at fair value through profit or loss	10	<b>51,360</b>	59,804
Total non-current assets		<b>498,844</b>	556,953
<b>Current assets</b>			
Inventories		<b>20,975</b>	22,511
Trade receivables	11	<b>1,647</b>	989
Prepayments, deposits and other receivables		<b>13,608</b>	12,034
Financial assets at fair value through profit or loss	10	<b>469,041</b>	457,895
Pledged bank deposits		<b>10,000</b>	10,000
Time deposits		<b>98,101</b>	89,368
Cash and bank balances		<b>18,960</b>	36,161
Total current assets		<b>632,332</b>	628,958
<b>Current liabilities</b>			
Trade and other payables	12	<b>24,413</b>	19,535
Lease liabilities		<b>9,752</b>	10,583
Interest-bearing bank borrowings		<b>5,255</b>	5,882
Total current liabilities		<b>39,420</b>	36,000
<b>Net current assets</b>		<b>592,912</b>	592,958
<b>Non-current liabilities</b>			
Lease liabilities		<b>2,973</b>	7,896
<b>NET ASSETS</b>		<b>1,088,783</b>	1,142,015

**CONDENSED CONSOLIDATED STATEMENT OF  
FINANCIAL POSITION (CONT'D)  
AT 30 JUNE 2023**

	<b>30 June <u>2023</u> HK\$'000 (<i>unaudited</i>)</b>	31 December <u>2022</u> HK\$'000 ( <i>audited</i> )
<b>Capital and reserves</b>		
Issued capital	1,206,706	1,206,706
Accumulated losses	(1,214,876)	(1,206,328)
Other reserves	<u>1,097,707</u>	<u>1,142,752</u>
Equity attributable to owners of the Company	1,089,537	1,143,130
Non-controlling interests	<u>(754)</u>	<u>(1,115)</u>
<b>TOTAL EQUITY</b>	<b><u><u>1,088,783</u></u></b>	<b><u><u>1,142,015</u></u></b>

*Notes:*

**1. Basis of Preparation**

These condensed consolidated financial statements have been 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 the applicable disclosures required by the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited.

The financial information relating to the year ended 31 December 2022 that is included in these unaudited condensed consolidated financial statements for the six months ended 30 June 2023 as comparative information does not constitute the statutory annual consolidated financial statements of the Company for that year but is derived from those consolidated financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

- The Company has delivered the consolidated financial statements for the year ended 31 December 2022 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance (Cap. 622).
- The Company’s auditor has reported on those consolidated financial statements. The auditor’s report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance (Cap. 622).

These condensed consolidated financial statements should be read in conjunction with the 2022 annual consolidated financial statements. Except as described below in note 2, the accounting policies (including the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty) and methods of computation used in the preparation of these condensed consolidated financial statements are consistent with those used in the annual consolidated financial statements for the year ended 31 December 2022.

**2. Adoption of New and Revised Hong Kong Financial Reporting Standards**

The Group has adopted Amendments to HKAS 12 “Deferred Tax related to Assets and Liabilities arising from a Single Transaction” from 1 January 2023. The amendments narrow the scope of the initial recognition exemption to exclude transactions that give rise to equal and offsetting temporary differences – e.g. leases.

## 2. Adoption of New and Revised Hong Kong Financial Reporting Standards (Cont'd)

Based on the management's assessment, there was immaterial impact on the condensed consolidated statement of financial position as at 1 January 2022, 31 December 2022 and 30 June 2023. There was also immaterial impact on the opening accumulated losses as at 1 January 2022 as a result of the change.

The change in accounting policy will also be reflected in the Group's consolidated financial statements as at and for the year ending 31 December 2023.

In addition to the adoption of the above amendments to standards, in the current period, the Group has adopted all other new and revised Hong Kong Financial Reporting Standards issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 January 2023. They do not have a material effect on the Group's condensed consolidated interim financial statements.

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2023 and earlier application is permitted. The Group has not adopted any of the forthcoming new or amended standards in preparing these condensed consolidated interim financial statements.

## 3. Segment Information

The Group has three reportable segments as follows:

Segment	Activity
Retail of fashion wear and accessories	The trading of fashion wear and accessories
Resort and recreational club operations	The provision of resort and recreational facilities including lodging and catering services
Investments	The holding and trading of investments for short term and long term financial returns

The Group's reportable segments are strategic business units that offer different products and services. Business units that have similar economic characteristics are combined in a single reportable segment. They are managed separately because each business requires different operating and marketing strategies.

Segment profits or losses do not include the following:

- Unallocated corporate administrative expenses;
- Fair value gains on investment properties, net;
- Finance costs; and
- Income tax expense.

Segment liabilities do not include interest-bearing bank borrowings.

### 3. Segment Information (Cont'd)

	Retail of fashion wear and accessories	Resort and recreational club operations	Investments	Total
	HK\$'000 ( <i>unaudited</i> )	HK\$'000 ( <i>unaudited</i> )	HK\$'000 ( <i>unaudited</i> )	HK\$'000 ( <i>unaudited</i> )
<b>6 months ended 30 June 2023:</b>				
Revenue from external customers	43,867	6,323	10,660	60,850
Segment profit/(loss)	(2,598)	(5,747)	2,597	(5,748)
<b>As at 30 June 2023:</b>				
Segment assets	50,221	381,937	699,018	1,131,176
Segment liabilities	<u>(21,838)</u>	<u>(3,337)</u>	<u>(11,963)</u>	<u>(37,138)</u>
<b>6 months ended 30 June 2022:</b>				
Revenue from external customers	31,853	3,054	6,059	40,966
Segment loss	(12,597)	(5,333)	(89,496)	(107,426)
<b>As at 31 December 2022:</b>				
Segment assets, audited	49,951	427,434	708,526	1,185,911
Segment liabilities, audited	<u>(25,093)</u>	<u>(2,896)</u>	<u>(10,025)</u>	<u>(38,014)</u>

#### Six months ended 30 June

<u>2023</u>	<u>2022</u>
HK\$'000	HK\$'000
( <i>unaudited</i> )	( <i>unaudited</i> )

#### Reconciliations of reportable segment profit or loss:

Total profit or loss of reportable segments	(5,748)	(107,426)
Unallocated corporate administrative expenses	(2,101)	(3,491)
Fair value gains on investment properties, net	300	–
Finance costs	<u>(625)</u>	<u>(594)</u>
Consolidated loss for the period	<u>(8,174)</u>	<u>(111,511)</u>

#### 4. Revenue

The principal activities of the Group are (i) retail of fashion wear and accessories, (ii) resort and recreational club operations, and (iii) investments. An analysis of revenue of the Group by operating activities and timing of revenue recognition is as follows:

	<b>Six months ended</b>	
	<b>30 June</b>	
	<u>2023</u>	<u>2022</u>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<i>(unaudited)</i>	<i>(unaudited)</i>
<i>Revenue from contracts with customer</i>		
(i) Retail of fashion wear and accessories		
Sale of fashion wear and accessories recognised at a point in time	<u>43,867</u>	<u>31,853</u>
(ii) Resort and recreational club operations		
Catering service income recognised at a point in time	4,241	1,709
Resort and club facilities and other services income recognised over time	925	217
Entrance fee and subscription fee income recognised over time	<u>1,157</u>	<u>1,128</u>
	<u>6,323</u>	<u>3,054</u>
<i>Revenue from other sources</i>		
(iii) Investments		
Dividend income arising from financial assets at fair value through profit or loss:		
- Listed equity investments	550	560
- Listed fund investments	219	201
- Unlisted fund investments	6,893	4,198
Interest income from:		
- Financial assets at fair value through profit or loss	803	590
- Other financial assets	<u>2,195</u>	<u>510</u>
	<u>10,660</u>	<u>6,059</u>
	<u>60,850</u>	<u>40,966</u>

## 5. Finance Costs

	Six months ended 30 June	
	<u>2023</u> HK\$'000 <i>(unaudited)</i>	<u>2022</u> HK\$'000 <i>(unaudited)</i>
Interest on bank loans	160	64
Interest expenses on lease liabilities	<u>465</u>	<u>530</u>
	<u><u>625</u></u>	<u><u>594</u></u>

## 6. Income Tax Expense

No provision for Hong Kong Profits Tax and overseas income tax has been made for the six months periods ended 30 June 2023 and 2022 since the Group has no assessable profit in Hong Kong and other countries in which the Group operates or has sufficient tax losses brought forward to set off against the assessable profits for both periods.

## 7. Loss for the Period

The Group's loss for the period is stated after charging/(crediting) the following:

	<b>Six months ended</b>	
	<b>30 June</b>	
	<u>2023</u>	<u>2022</u>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<i>(unaudited)</i>	<i>(unaudited)</i>
Cost of inventories sold <sup>#</sup>	22,835	19,540
Charge for inventories allowances	3,369	4,477
Depreciation of right-of-use assets	6,311	8,404
Depreciation of property, plant and equipment	247	715
Amortisation of intangible assets	24	24
Losses/(gains) from financial assets at fair value through profit or loss, net*:		
Fair value losses/(gains), net	(638)	71,650
Losses/(gains) on disposal, net	(2,805)	10,573
	(3,443)	82,223
Fair value gains on investment properties, net	(300)	–
Gains on disposal of property, plant and equipment, net*	–	(255)
Impairment loss of trade receivables	8	–
Write-back of accrued payables*	(466)	–
Foreign exchange losses/(gains), net*	(247)	1,603
	<u>                    </u>	<u>                    </u>

\* These amounts are included in “Other operating gains/(losses), net”.

# Cost of inventories sold included charge for inventories allowances of HK\$3,369,000 (30 June 2022: HK\$4,477,000).

## **8. Loss Per Share**

### **(a) Basic loss per share**

The calculation of basic loss per share is based on the loss for the period attributable to owners of the Company of HK\$8,548,000 (30 June 2022: loss of HK\$111,060,000) and the weighted average number of ordinary shares of 1,650,658,676 (30 June 2022: 1,650,658,676) in issue during the period.

### **(b) Diluted loss per share**

No diluted loss per share is presented as the Company did not have any dilutive potential ordinary shares during the six months periods ended 30 June 2023 and 2022.

## **9. Dividends**

The directors do not recommend the payment of any interim dividend to shareholders for the six months ended 30 June 2023 and 2022.

## 10. Financial Assets at Fair Value Through Profit or Loss

	<b>30 June <u>2023</u> HK\$'000 (<i>unaudited</i>)</b>	31 December <u>2022</u> HK\$'000 ( <i>audited</i> )
Financial assets at fair value through profit or loss:		
Equity investments, at fair value		
- Listed in Hong Kong	20,192	20,657
- Listed outside Hong Kong	15,969	24,246
	36,161	44,903
Fund investments, at fair value		
- Listed outside Hong Kong	25,815	31,082
- Unlisted	415,913	400,437
	441,728	431,519
Debt investments, at fair value		
- Listed in Hong Kong*	2,720	6,405
- Listed outside Hong Kong*	38,547	34,872
- Unlisted	1,245	–
	42,512	41,277
	<u>520,401</u>	<u>517,699</u>

\* Listed as selectively marketed securities on The Stock Exchange of Hong Kong Limited, The Singapore Exchange Securities Trading Limited and other overseas stock exchanges

The carrying amounts of the above finance assets are mandatorily measured at fair value through profit or loss in accordance with HKFRS 9.

	<b>30 June <u>2023</u> HK\$'000 (<i>unaudited</i>)</b>	31 December <u>2022</u> HK\$'000 ( <i>audited</i> )
Current assets – Financial assets at fair value through profit or loss		
- Listed equity investments	36,161	44,903
- Listed fund investments	25,815	31,082
- Unlisted fund investments	364,553	340,633
- Listed debt investments	41,267	41,277
- Unlisted debt investments	1,245	–
	469,041	457,895
Non-current assets – Financial assets at fair value through profit or loss		
- Unlisted fund investments	51,360	59,804
	<u>520,401</u>	<u>517,699</u>

## 11. Trade Receivables

The Group maintains a defined credit policy for its trade customers and the credit terms given vary according to the business activities. The financial strength of and the length of business relationship with the customers, on an individual basis, are considered in arriving at the respective credit terms. Overdue balances are reviewed regularly by management.

An ageing analysis of the trade receivables, based on the invoice date and net of impairment, is as follows:

	<b>30 June 2023 HK\$'000 (unaudited)</b>	31 December 2022 HK\$'000 (audited)
Within 1 month	767	960
2 to 3 months	877	28
Over 3 months	3	1
	<u>1,647</u>	<u>989</u>

## 12. Trade and Other Payables

Included in the Group's trade and other payables as at 30 June 2023 are trade and bills payables of HK\$4,626,000 (31 December 2022: HK\$3,955,000) and contract liabilities of HK\$1,458,000 (31 December 2022: HK\$1,349,000).

An ageing analysis of the trade and bills payables, based on the invoice date, is as follows:

	<b>30 June 2023 HK\$'000 (unaudited)</b>	31 December 2022 HK\$'000 (audited)
Within 1 month	4,485	2,925
2 to 3 months	66	929
Over 3 months	75	101
	<u>4,626</u>	<u>3,955</u>

### **13. Subsequent Events**

On 2 June 2023, the Company and Solution Bridge Limited (the “Offeror”) jointly published an announcement (the “Joint Announcement”) in relation to the proposal for the privatisation of the Company by the Offeror by way of a scheme of arrangement under section 673 of the Companies Ordinance (the “Scheme”) and for the withdrawal of the listing of the shares of the Company on the Stock Exchange (the “Proposal”).

Upon approval and implementation of the Proposal, the Offeror will pay to each scheme shareholder a cancellation price of HK\$0.58 per share in cash for the cancellation of such scheme shares. Upon the Scheme becoming effective, the listing of the Company’s shares on the Stock Exchange will be withdrawn.

For more details, please refer to the Joint Announcement published by the Company and the Offeror dated 2 June 2023, 21 June 2023, 21 July 2023 and 21 August 2023.

The above event is a non-adjusting event after the financial period end and does not result in any adjustments to the condensed consolidated financial statements for the period ended 30 June 2023.

## CHIEF EXECUTIVE OFFICER'S STATEMENT

### OVERVIEW

In the first six months of 2023, the Group achieved total revenue of HK\$60,850,000, an increase of HK\$19,884,000, or 49%, as compared to HK\$40,966,000 in the corresponding period last year. The loss attributable to the owners of the Company for the period ended 30 June 2023 was HK\$8,548,000, as compared to a loss of HK\$111,060,000 in the corresponding period last year.

The primary contributors to the uplift in the Group's revenue for the first half of this year are firstly, the stark difference in the trading environment compared to the same period last year and also the rebound in global investment markets. In early 2023, Hong Kong ended all its anti-pandemic measures and fully reopened its border to incoming travelers, whereas in the corresponding period of 2022, Hong Kong was battling the fifth wave of COVID-19. However, the significant reduction in losses in the first half of 2023 was mostly attributable to the Group's investment portfolio which returned a net realised and unrealised gain for the six months period up to 30 June 2023 versus a net realised and unrealised loss for the same period last year. This turnaround in the performance of the investment segment of the Group was the result of a significant improvement in the global financial markets in 2023, in particular the United States's equity market. In addition, the operating results of the Group's fashion retail business for the first half of 2023, as compared to the same period last year, had improved with the resumption of cross border travel between Chinese Mainland and Hong Kong and the return of tourists to Hong Kong.

As stated in the Annual Report 2022, the Company has commenced the land exchange application process through the Lands Department. Since the commencement of the process at the end of 2021, progress has been slower than anticipated and in common with all similar applications, exacerbated by the problems in the emergence of the relevant government agencies from COVID-19 restrictions and ongoing bouts of illness amongst their staff members. Furthermore, due to the unique location of the site, there are a number of matters raised by the Lands Department that require investigation and discussion with various relevant government departments, before the application process can proceed to the finalization of the terms for the new land grant. Based on the Company's latest communication with the Lands Department, the estimated completion of the land exchange process will be around the first quarter of 2026.

## FINANCIAL REVIEW

	Six months ended 30 June		Change + / (-)
	2023 HK\$'000	2022 HK\$'000	
<b>Revenue</b>	<b>60,850</b>	<b>40,966</b>	<b>49%</b>
Retail of fashion wear and accessories	43,867	31,853	38%
Resort and recreational club operation	6,323	3,054	107%
Dividend income	7,662	4,959	55%
Interest income	2,998	1,100	173%
<b>Loss from operations</b>	<b>(7,849)</b>	<b>(110,917)</b>	<b>93%</b>
Fair value gains on investment properties, net	300	-	NA
Finance costs	(625)	(594)	(5%)
<b>Loss for the period</b>	<b>(8,174)</b>	<b>(111,511)</b>	<b>93%</b>
<b>Loss attributable to shareholders</b>	<b>(8,548)</b>	<b>(111,060)</b>	<b>92%</b>
<b>Loss per share</b>	<b>HK (0.52) cents</b>	<b>HK (6.73) cents</b>	

The loss from operations for the period ended 30 June 2023 of HK\$7,849,000 (2022: loss of HK\$110,917,000) attributable to the Group's reportable segments was:

	Six months ended 30 June		Change + / (-)
	2023 HK\$'000	2022 HK\$'000	
Retail of fashion wear and accessories	(2,598)	(12,597)	79%
Resort and recreational club operations	(5,747)	(5,333)	(8%)
Investments	2,597	(89,496)	103%
Unallocated corporate income/expenses, net	(2,101)	(3,491)	40%
<b>Loss from operations</b>	<b>(7,849)</b>	<b>(110,917)</b>	<b>93%</b>

The Group's fashion retail business, SWANK reported an increase in revenue and gross profit of 38% and 72% respectively compared to the same period in 2022. The improvement in the performance of this business segment was primarily attributable to the ending of all anti-pandemic measures such as social distancing and quarantine in early 2023, which enabled the Hong Kong retail sector to gradually recover. The increase in gross profit of HK\$9,316,000 was contributed by the increase in revenue and gross margin through the shortening of sales discount period compared to the first six months of last year that had to be extended to boost sales and reduce inventory holding. Coupled with the application of tight control on expenditure, SWANK delivered a reduction in operating loss from HK\$12,597,000 for the six months ended 30 June 2022 to an operating loss of HK\$2,598,000 for the same period this year.

Revenue at Hill Top, the Group's resort and recreational club operation also reported an increase of HK\$3,269,000 or 107% (2022: HK\$3,054,000) and is mainly contributed by increase in dining patronage, wedding banquet and members' function, after all anti-pandemic social distancing measures were removed in early 2023. However, operating costs for the first half of 2023 compared to the same period in 2022 were higher because of the tight labour market for food and beverage staff, pushing up labour costs, plus the absence of Employment Support Scheme ("ESS") wage subsidies from the Hong Kong Government's anti-epidemic fund (2022: HK\$728,000). While Hill Top continued to maintain a high level of discipline on spending, the operating loss for the period ended 30 June 2023 of HK\$5,747,000 was 8% higher than for the same period last year of HK\$5,333,000.

The global financial markets staged a rebound in the first half year of 2023, after a year of continuous downturn in 2022, The investment portfolio of the Group, primarily comprised of marketable bond and equity funds investments, returned net realised and unrealised gains (before general and administrative expenses) of HK\$11,809,000 for the period ended 30 June 2023 (2022: net realised and unrealised losses of HK\$76,338,000) which included interest and dividend income of HK\$8,465,000 (2022: HK\$5,549,000), net gains on disposal of HK\$2,706,000 (2022: net losses on disposal of HK\$10,452,000) and net unrealised fair value gains of HK\$638,000 (2022: net unrealised fair value losses of HK\$71,435,000). Distributions and dividends received from our private equity fund investments in ASEAN China Investment Fund III L.P. and ASEAN China Investment Fund IV L.P. in the first half of 2023 were HK\$2,696,000 (2022: HK\$1,359,000) and HK\$Nil (2022: HK\$37,000) respectively. On the other hand, in 2022, we recorded a gain on disposal of Group's remaining PuraPharm Corporation shares to the amount of HK\$3,289,000 (2023: HK\$Nil). Overall, for the six months ended 30 June 2023, the Group's investments recorded a segment profit of HK\$2,597,000 (2022: a segment loss of HK\$89,496,000).

The Group's overall gross profit margin improved to 62.4% in the first half of 2023 compared to 52.3% in the same period of 2022, mostly attributable to the SWANK operation, achieved through not having to start the sales discount as early as for the first half of last year.

The Group's other income and expenditure for the six months ended 30 June 2023 included:

- Other income of HK\$693,000, which was HK\$2,035,000 (or 75%) lower compared to the HK\$2,728,000 in 2022, mainly comprising of:
  - rental income of HK\$492,000 (2022: HK\$490,000) from the Group's investment property situated in Hong Kong; and
  - ESS subsidies of HK\$Nil (2022: HK\$1,928,000) received/receivable from the Hong Kong Government.
- Selling and distribution expenses of HK\$16,906,000, being a 10% decrease compared to HK\$18,712,000 for 2022, mainly attributable to decrease in occupancy costs from the closure of Harbour City, Tsim Sha Tsui retail store in July 2022.

- Administrative expenses of HK\$33,465,000, a 4% increase from the 2022 amount of HK\$32,049,000, mainly attributable to:
  - legal and professional fees incurred in June 2023 in relation to a proposal for the privatization of the Company by way of a scheme of arrangement under Section 673 of the Companies Ordinance;
  - increase in casual labour costs and electricity expenses, from the ramped-up revenue of the Club with the increase in patronage of its facilities and services in the period under review;
  - resumption of overseas travel for the merchandising team of the fashion retail business to source merchandise in person.
  
- Depreciation for property, plant and equipment and amortisation expenses of HK\$271,000, being 63% reduction from HK\$739,000 in 2022, mainly attributable to having fully depreciated and impaired the cost of leasehold improvement and furniture and fixtures of Swank’s retail stores in December 2022.
  
- “Other operating gains/(losses), net” mainly comprised of net realised and unrealised fair value gains of HK\$3,344,000 (2022: net realised and unrealised fair value losses of HK\$81,887,000) from investment in financial instruments (before interest and dividend income which are included in “Revenue”) and exchange gains, net of HK\$247,000 (2022: exchange losses, net of HK\$1,603,000).

In accordance with the Hong Kong Financial Reporting Standards (“HKFRS”), and with advice from an independent and reputable valuer, the Group has valued the club property based on its highest and best use by comparing the value based on its current use as a recreational club and the value based on obtaining the approval to rezone the property for residential development, after factoring in the uncertainty and timing of the remaining steps required to carry out the redevelopment. This approach was first adopted for the year ended 31 December 2020. As at 30 June 2023, the fair value of the club property was HK\$380,000,000 (31 December 2022: HK\$425,000,000). The decrease in revalued amount of HK\$45,000,000 was recognised as other comprehensive loss for the period ended 30 June 2023 and accumulated in the property revaluation reserve which had no impact on the Group’s consolidated statement of profit or loss for the period.

For the period ended 30 June 2023, the Group’s finance cost included interest on bank loans of HK\$160,000 (2022: HK\$64,000) and interest expenses on lease liabilities of HK\$465,000 (2022: HK\$530,000). The increase in interest on bank loans of HK\$96,000 was driven by higher interest rates charged by banks on borrowings. On the other hand, interest expenses on lease liabilities under HKFRS 16 has decreased by HK\$65,000, mainly attributable to the lease for the Harbour City retail store not being renewed after its expiry in July 2022. Overall, the finance cost for the period ended 30 June 2023 was slightly higher by HK\$31,000 (or 5%) as compared to the same period of 2022.

## **BUSINESS REVIEW**

### **SWANK**

The Hong Kong Government started the relaxation of its COVID-19 anti-pandemic measures in September 2022, so tourist began to return to the city, and cross-border travels for Chinese Mainland also fully resumed from February 2023. These changes in the operating environment helped to deliver an uplift of nearly 40% to the sales revenue of SWANK for the first half of 2023, as compared to the same period in 2022 whereby the business was trading in a very different environment severely impacted by the fifth wave of COVID-19. Furthermore, the 2023 Spring Summer merchandise was the first season that we were able to partly select in person post pandemic with the resumption of overseas travel, allowing for better selection and increase in the amount of inventory purchased.

Paule Ka, our exclusive mono-brand boutique located in Chater House Central, offering chic Parisian elegance in ladies wear, had to vacate out of its store premises in July 2023 due to the landlord's refurbishment plan for the entire shopping podium. As we were unable to source an appropriate alternative store location, the Paule Ka brand has been incorporated into the SWANK flagship store in Central Building, as well as our exclusive ladies wear store at The Elements. As more countries globally emerge out of the COVID-19 pandemic and tourism resumes, the online shopping trend is slowing down. While SWANK's online sales volume for the first six months of 2023 remained at a similar level as the same period last year, it fell short of the anticipated volume to meet the sell through target for our 2023 Spring Summer inventory. On the other hand, our outlet store at Ap Lei Chau which is stocked with off-season merchandise performed well with the return of tourists and bargain hunters.

While SWANK was able to minimize the operating loss for the first half of 2023 to HK\$2,598,000, with the unexpected closure of the Paule Ka boutique, the operation will have approximately 1,200 square feet less of selling footage in the second half of the year which will be challenging to achieve similar sales revenue as the first six months of 2023. With the lease for one of the retail stores approaching the end of its current term before the end of 2023 and for the other two remaining retail stores, coming up for renewal in 2024, management will be conducting assessments of the future profitability of these stores for the Board to evaluate the appropriate strategy for the SWANK business going forward.

### ***Hill Top Country Club (“Hill Top” or “the Club”)***

In the second half of 2022, the Club laid the ground works to pave the way for better membership recruitment, delivery of higher quality banqueting and events, and more engaging activities for members. The Club also returned to attending Wedding expo to actively market its unique lawn wedding venue which is a scarcity in Hong Kong. Hence, following the cancellation of all anti-pandemic measures imposed by the government, including social distancing restrictions, from early 2023, patronage at the Club increased in leaps and bounds and Hill Top was able to uplift its revenue by 107% compared to the six months period last year.

However, as Hong Kong started to move towards returning to pre-COVID business environment, there was increase demand in the food and beverage labour market, coupled with inflationary pressure on material costs and the absence of a significant amount wage subsidies from the government, the Club recorded an operating loss for the six months ended June 2023 that was 8% higher than the same period last year. For the second half of 2023, Hill Top has secured a number of wedding and member functions which will hopefully keep the same revenue momentum as the first six months. The Club's Food and Beverage team will continue to provide attractive dining experience to members and their guests.

Going forward, the operating plan of Hill Top hinges on the progress of the land exchange process. The ongoing maintenance and upkeep, as well as the security of the Hill Top premises and grounds are required under the current land grant, and also for prudent management. The Board and management have made concerted efforts from time to time to reduce the losses of Hill Top and will continue to do so going forward. The Board evaluates periodically when will be the optimal time for the closure of the Club and its recreational operations.

### ***Investments***

The Group's investment in financial instruments mainly comprises of four categories: (A) Marketable Funds Investment including, unitized open-end bond, equity fund and money market investment; (B) Discretionary Investment Portfolios managed by three Private Banks under the control of the Group; (C) Listed Securities Investments; and (D) Other Fund Investments, including Private Equity Funds.

As of 30 June 2023, the total carrying value of the Group's investment portfolio in financial instruments was HK\$520,401,000 (31 December 2022: HK\$517,699,000), representing approximately 46.0% (31 December 2022: 43.7%) of the carrying value of the Group's total assets.

After the investment market meltdown in 2022 that was brought upon by the aggressive monetary tightening actions taken by the central banks of major developed countries and the worry over economic recession, the equity market staged a strong rebound while the fixed income market had a mild recovery in the first half of 2023. The global fixed income market, represented by the Bloomberg Global Aggregate Index, rose modestly by 1.4%, primarily supported by the softening of long-term treasury yield as bond investors expected the interest rate hikes by the United States ("US") Federal Reserve ("Fed") to be near the end in 2023.

Majority of the global equity markets had strong performance in the first half of 2023, in particular the US market, represented by the S&P 500 Index, registered an increase of 15.9%, despite the uncertainties over interest rate hike, economic recession, the collapse of three US regional banks and the US government debt ceiling dispute. In contrast, there were few exceptional markets that registered negative price changes in the period and China is one of them. The prices of onshore Chinese equity index CSI 300 Index and the offshore Hang Seng Index fell 0.8% and 4.4% respectively for the first half of 2023. Externally, the geopolitical

tension between the China and US has not thawed. Internally, the domestic economic recovery disappointed the market as the ailing property market and the weak employment market were more than offsetting the benefits from the post-COVID reopening. The mild and piece-meal stimulus measures by the central government are not strong enough to restore global investor confidence in the Chinese equity market.

With buoyant fixed income and equity markets, the Group's diverse investment portfolio, managed with a prudent investment approach, delivered a reasonable return for the period under review. This was achieved, besides adhering to cautious asset allocation approved by the Board and selection of investment managers approved by the Investment Committee, via closely monitoring the market conditions and taking timely action to adjust the asset allocation and investment strategies. As such, the Group's investment in financial instruments returned to a net gain of HK\$11,809,000 (2022: a net loss of HK\$76,338,000) for the six months ended 30 June 2023 before general and administrative expenses.

**A. Marketable Funds Investment Portfolio – including unitized open-end bond and equity fund and money market investment**

The marketable funds investment portfolio includes four primary investment strategies, namely money market investment, investment grade & high yield bond funds, enhanced yield funds and equity funds.

The total carrying value of the Group's investment in this category was HK\$308,714,000 as of 30 June 2023 (31 December 2022: HK\$290,832,000), representing approximately 27.3% of the carrying value of the Group's total assets; and the asset allocation in this portfolio was 0.4% in a money market investment, 54.6% in bond funds, 27.9% in enhanced yield funds and 17.1% in equity funds. This category of portfolio recorded a net gain of HK\$6,255,000 (or 2.0%) (2022: a net loss of HK\$43,421,000) for the six months ended 30 June 2023. The net gain was attributable to HK\$2,031,000 unrealised mark-to-market gain, HK\$56,000 realised gain on disposal and HK\$4,168,000 dividend and interest income received.

***Investment Grade & High Yield Bond Funds***

In this strategy, the Group held six bond funds which can be grouped into the categories of investment grade bond and high yield bond funds. As at 30 June 2023, the fair value of the Group's investment in this strategy was HK\$168,690,000, representing approximately 54.6% of the carrying value of the marketable funds investment portfolio and 14.9% of the carrying value of the Group's total assets. The net return on this investment was a HK\$5,700,000 gain (or 3.1%) for the six months ended 30 June 2023. Below are individual funds with fair value exceeding 5% of the carrying value of the Group's total assets.

### ***PIMCO GIS- Income Fund***

The PIMCO Income Fund is a portfolio that is actively managed and utilises a broad range of fixed income securities that seek to produce an attractive level of income with a secondary goal of capital appreciation. The fund (Institutional Income Class USD) has had a 5-year annualised return of 2.0% for the period of 2018 to 2022. As at 30 June 2023, the fair value of the Group's investment in this fund was HK\$66,156,000 (31 December 2022: HK\$66,093,000), representing approximately 5.8% of the carrying value of the Group's total assets. The net return of this fund was HK\$2,129,000 gain (or 3.2%) for the six months ended 30 June 2023, comprised of a HK\$63,000 unrealised mark-to-market gain and HK\$2,066,000 of dividend received. For 2023, we have elected to receive the dividend in cash rather than reinvest into the fund.

### ***Enhanced Yield Fund***

As at 30 June 2023, the Group held six funds in this strategy with a fair value of HK\$86,054,000, representing approximately 27.9% of the carrying value of the marketable funds investment portfolio and 7.6% of the carrying value of the Group's total assets. This portfolio consisted of one China long/short credit fund, one trend-following strategy fund, two private real estate funds and two private credit funds. The net return on investment was a HK\$203,000 gain (or 0.2%) for the six months ended 30 June 2023. The Group's investment in individual fund in this strategy did not exceed 5% of the carrying value of the Group's total assets.

### ***Equity Funds***

As of 30 June 2023, the Group held six equity-based funds with a fair value of HK\$52,655,000, representing approximately 17.1% of the carrying value of the marketable fund investment portfolio and 4.7% of the carrying value of the Group's total assets. This portfolio included one U.S. fund, one China offshore fund, two China A-share funds, one Asian (excluding Japan) fund and one global infrastructure fund. The net return on investment was a HK\$295,000 gain (or 0.6%) for the six months ended 30 June 2023. The Group's investment in individual fund in this strategy did not exceed 5% of the carrying value of the Group's total assets.

## **B. Discretionary Investment Portfolios managed by Morgan Stanley Asia International Limited ("MS Portfolio"), LGT Bank (Hong Kong) ("LGT Portfolio") and Bank Julius Baer & Co. Ltd. (Singapore) ("JB Portfolio")**

### ***MS Portfolio***

Morgan Stanley ("MS") offers a bespoke asset allocation solution based upon its Global Investment Committee Model. The Asia Investment Management Services team leverages the extensive research, investment expertise and execution capabilities of MS to invest in traditional and sophisticated multi-asset, equity and fixed income funds, Exchange-Traded Funds ("ETF") and money market instruments. As of 30 June 2023, the total carrying value of the MS Portfolio was HK\$61,874,000 (31 December 2022: HK\$60,260,000) with a total of 24 funds and ETF holdings, representing approximately

5.5% of the carrying value of the Group's total assets. The asset allocation in the portfolio comprised of 0.2% money market investment, 30.4% fixed income funds, 61.8% equity funds (including ETF) and 7.6% other investments. The MS Portfolio has been set up to gradually spread risk with a high flexibility to invest a significant proportion in the Money Market Investment awaiting suitable opportunities to reinvest in other asset classes. The MS Portfolio recorded a net gain of HK\$2,966,000 (or 4.5%) during the period under review.

### ***LGT Portfolio***

LGT offers a bespoke asset allocation solution based on recommendations from LGT's Investment Committee in Asia and dynamically incorporates monitoring of macroeconomic outlook, market conditions, and fundamentals of securities into the portfolio. Investments are largely in equity and fixed income securities, and to a smaller extent, in mutual funds or ETFs. As of 30 June 2023, the total market value of the LGT portfolio was HK\$58,778,000 (31 December 2022: HK\$67,271,000), with 28 fixed income securities, 46 equities, and 5 alternative (including hedge funds and REIT) fund holdings, representing in total approximately 5.2% of the carrying value of the Group's total assets. The asset allocation in the LGT portfolio as of 30 June 2023 was 70.1% in fixed income, 28.0% in equities, and 1.9% in alternative investments. The LGT portfolio has been set up to diversify risk and reduce volatility, thus with fixed income investment as the dominant asset class. The LGT portfolio recorded a net gain of HK\$7,060,000 (or 9.9%) during the period under review.

### ***JB Portfolio***

Julius Baer offers a bespoke asset allocation solution based upon assessment and recommendations of its Global Chief Investment Officer and dynamically incorporates monitoring of macroeconomic outlook, market conditions, and asset allocation strategy into the portfolio through ETF investment. As at 30 June 2023, the total carrying value of the JB Portfolio was HK\$19,582,000 (31 December 2022: HK\$19,042,000), comprised of three (or 35.4%) fixed income ETFs and six (or 64.6%) equity ETFs, representing in total approximately 1.7% of the carrying value of the Group's total assets. The JB Portfolio have been set up to diversify our investment portfolio to ETF investments and it returned a net gain of HK\$1,782,000 (or 9.0%) during the period under review.

## **C. Listed Securities**

The Group maintains its investment approach that minimises direct investment in individual listed equities. Hence, as of 30 June 2023, the Group had only one listed equity in its investment portfolio, namely China Motor Bus Company Limited ("CMB"), with a total carrying value of HK\$20,093,000 (31 December 2022: HK\$20,490,000), representing approximately 1.8% of the carrying value of the Group's total assets. The investment in CMB recorded a net loss of HK\$85,000 (2022: HK\$1,873,000 net loss), comprised of an unrealised fair value loss of HK\$397,000 and dividend income of HK\$312,000 for the six months ended 30 June 2023.

#### **D. Other Fund Investments - Private Equity Funds**

The total carrying value of the Group's investment in this category was HK\$51,360,000 as of 30 June 2023 (31 December 2022: HK\$59,804,000) and recorded a net loss of HK\$6,169,000 (2022: a net loss of HK\$3,646,000) for the six months ended 30 June 2023.

##### ***ASEAN China Investment Fund III L.P. ("ACIF III")***

The Group has made an investment commitment of US\$4,000,000 (equivalent to HK\$31,120,000) in ACIF III for a 1.532% shareholding. ACIF III is managed out of Singapore by United Overseas Bank Venture Management Private Limited ("UOBVM") and targets investments in growth-oriented companies operating in East and South East Asia countries and Mainland China. As of 30 June 2023, the Group invested a total of HK\$23,917,000 in this fund and its capital value was HK\$24,484,000 based on the management accounts it has provided. The total return on investment of ACIF III was a HK\$5,691,000 net loss for the six months ended 30 June 2023 (2022: net loss of HK\$5,713,000), comprised of HK\$8,387,000 fair value loss and HK\$2,696,000 distribution income. This fair value loss mainly stemmed from the fair value declines of the fund's listed and unlisted securities holdings in Mainland China and Indonesia. Despite this short-term setback, ACIF III is viewed as a long-term investment which helps to diversify the Group's investment portfolio with exposure to a wider range of potentially profitable private companies managed by a team of tried and tested Managers. Based on the update provided to the Limited Partners of the fund of which we are one, we have confidence in both its performance and upside prospects in the long run.

##### ***ASEAN China Investment Fund IV L.P. ("ACIF IV")***

With the success of ACIF III, the Group has made another capital commitment of US\$4,000,000 (equivalent to HK\$31,120,000) in ACIF IV for a 1.649% shareholding. ACIF IV is an exempted limited partnership incorporated in the Cayman Islands on 20 February 2018 and a closed-end private equity fund. The fund is also managed out of Singapore by the UOBVM team, and is a "follow-on" fund to its predecessors (ACIF I, ACIF II and ACIF III) and continues the focus of investing primarily via minority stakes in expansion stage capital opportunities through privately negotiated equity and equity related investments in small and medium sized growing companies that benefit from the continuing expansion of trade and investment among the ASEAN member-states and Mainland China, and their respective overseas trading partners. As at 30 June 2023, the Group invested a total of HK\$28,948,000 in this fund and its capital value was HK\$26,876,000 based on the management accounts it has provided. The total return of the Group's investment in ACIF IV was a HK\$478,000 net loss for the six months ended 30 June 2023 (2022 net gain: HK\$2,067,000). This fair value loss was primarily from the fair value declines of the fund's unlisted securities in Mainland China, Vietnam and Indonesia.

## **MATERIAL ACQUISITION AND DISPOSAL OF INVESTMENTS**

The Group had no material acquisition and disposal of subsidiaries, associates and joint ventures during the six months ended 30 June 2023.

## **TREASURY MANAGEMENT/POLICIES**

As part of the ordinary activities of the Group, Treasury actively projects and manages the cash balance and borrowing requirements of the Group to ensure sufficient funds are available to meet the Group's commitments and day-to-day operations. The Group's liquidity and financial requirements are reviewed regularly.

In order to minimise risk, the Group continues to adopt a prudent approach regarding cash management and foreign currency exposure. Treasury is permitted to invest cash in short-term deposits subject to specified limits and guidelines. Forward foreign exchange contracts are utilised when considered appropriate to mitigate foreign exchange exposures subject to specified limits and guidelines.

The Group's imported purchases are mainly denominated in Euro, with insignificant amounts in Japanese Yen, British Pounds and United States Dollars and a relatively small portion of the investment portfolio is denominated in currencies other than United States Dollars and Hong Kong Dollars. The Group has undertaken appropriate scale of hedging to protect its foreign currency exposure, especially with respect to Euro and will, from time to time, review its position and market conditions to determine the amount of hedging (if any) that is required. Typically, the Group purchases forward contract of Euro and Euro cash amounting to approximately half of its anticipated merchandise purchase requirements in each season for its fashion business.

## **LIQUIDITY AND FINANCIAL POSITION**

As at 30 June 2023, the Group was in a solid financial position with cash and non-pledged deposit holdings of HK\$117,061,000 (31 December 2022: HK\$125,529,000). Total borrowings and lease liabilities amounted to HK\$5,255,000 (31 December 2022: HK\$5,882,000) and HK\$12,725,000 (31 December 2022: HK\$18,479,000) respectively with HK\$15,007,000 (31 December 2022: HK\$16,465,000) repayment falling due within one year. As previously reported and elaborated in more detail above, the Group has invested a substantial proportion of the cash and non-pledged deposit holdings in unitized open-end equity and bond funds since the second half of 2018 which continued in this period. The Group will retain sufficient cash deposits for its regular operation activities in the treasury portfolio, and has chosen to invest a high proportion in marketable funds to ensure that there is more than adequate liquidity. As at 30 June 2023, the Group's gearing ratio (a comparison of total borrowings and lease liabilities with equity attributable to equity holders of the Company) was 1.7% (31 December 2022: 2.1%) and is in a sound financial position with its current ratio (current assets over current liabilities) standing at 16 times (31 December 2022: 17.5 times).

As all segments of the Group's operations were adversely impacted by COVID-19 in 2022 and recovery from the prolonged negative impacts remains uncertain, management will closely monitor the financial position and believes that while the near term remains challenging, our strong liquidity and tight-cost management will provide support for the long-term prospects of the Group.

As at 30 June 2023, the Group's bank balances and borrowings were denominated primarily in United States Dollars, Hong Kong Dollars and Euro and exchange differences were reflected in the unaudited condensed consolidated financial statements. All borrowings of the Group are on a floating interest rate.

## **PLEDGE OF ASSETS**

As at 30 June 2023, HK\$10,000,000 of the Group's fixed deposits (31 December 2022: HK\$10,000,000) were pledged to banks to secure trade banking facilities of up to HK\$30,000,000 (31 December 2022: HK\$30,000,000), and foreign exchange facilities.

## **IMPORTANT EVENTS AFTER THE FINANCIAL PERIOD**

On 2 June 2023, the Company and Solution Bridge Limited (the "Offeror") jointly published an announcement (the "Joint Announcement") in relation to the proposal for the privatisation of the Company by the Offeror by way of a scheme of arrangement under section 673 of the Companies Ordinance (the "Scheme") and for the withdrawal of the listing of the shares of the Company on the Stock Exchange (the "Proposal"). Upon approval and implementation of the Proposal, the Offeror will pay to each scheme shareholder a cancellation price of HK\$0.58 per share in cash for the cancellation of such scheme shares. Upon the Scheme becoming effective, the listing of the Company's shares on the Stock Exchange will be withdrawn.

For more details, please refer to the Joint Announcement published by the Company and the Offeror dated 2 June 2023, 21 June 2023, 21 July 2023 and 21 August 2023.

## **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 six months ended 30 June 2023.

## **CORPORATE GOVERNANCE CODE**

In the opinion of the Directors, the Company complied with all Code Provisions of the Corporate Governance Code set out in Appendix 14 of the Listing Rules throughout the six months ended 30 June 2023.

## **BOARD OF DIRECTORS**

As at the date of this announcement, the Executive Director is Mrs. Penny Soh Peng CROSBIE-WALSH (Chief Executive Officer), the Non-executive Directors are Mr. Hung Han WONG (Non-executive Chairman) and Mr. David Charles PARKER, and the Independent Non-executive Directors are Mr. Kin Wing CHEUNG, Mr. Kiu Sang Baldwin LEE, Mr. Ted Tak Tai LEE and Ms. Sarah Young O'DONNELL.

By order of the Board  
**Penny Soh Peng CROSBIE-WALSH**  
*Executive Director*  
*and Chief Executive Officer*

Hong Kong, 25 August 2023