

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



CHEVALIER INTERNATIONAL HOLDINGS LIMITED

其士國際集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 25)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021

The board of Directors (the “Board”) of Chevalier International Holdings Limited (the “Company”) is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (together, the “Group”) for the six months ended 30 September 2021, together with the comparative figures for the corresponding period in 2020 as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021

	Note	Unaudited Six months ended 30 September	
		2021 HK\$'000	2020 HK\$'000
Revenue	3(a)	4,221,533	3,227,537
Cost of sales		(3,678,422)	(2,790,012)
Gross profit		543,111	437,525
Other income, net	4	16,757	96,309
Other (losses)/gains, net	5	(12,304)	2,607
Gain on disposals of subsidiaries	5	10,122	–
Selling and distribution costs		(96,142)	(85,291)
Administrative expenses		(223,676)	(181,444)
Operating profit		237,868	269,706
Share of results of associates		66,730	105,809
Share of results of joint ventures		10,772	18,751
		315,370	394,266
Finance income	6	11,953	23,049
Finance costs	6	(37,777)	(42,580)
Finance costs, net	6	(25,824)	(19,531)
Profit before taxation	7	289,546	374,735
Taxation	8	(90,324)	(60,601)
Profit for the period		199,222	314,134
Attributable to:			
Shareholders of the Company		202,047	293,519
Non-controlling interests		(2,825)	20,615
		199,222	314,134
Earnings per share			
– basic and diluted (HK\$ per share)	9	0.67	0.97

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021**

	Unaudited	
	Six months ended 30 September	
	2021	2020
	HK\$'000	HK\$'000
Profit for the period	199,222	314,134
Other comprehensive income for the period		
Items that will not be reclassified to profit or loss		
Exchange difference attributable to non-controlling interests on translation of operations of overseas subsidiaries	5,409	10,686
Change in fair value of investments at fair value through other comprehensive income	27,513	23,812
Items that may be reclassified subsequently to profit or loss		
Exchange difference on translation of operations of overseas subsidiaries, associates and joint ventures	43,746	164,497
Fair value adjustments on the derivative financial instruments designated as cash flow hedge	58	200
Other comprehensive income for the period, net of tax	76,726	199,195
Total comprehensive income for the period	275,948	513,329
Attributable to:		
Shareholders of the Company	273,364	482,028
Non-controlling interests	2,584	31,301
	275,948	513,329

Note:

Items shown within other comprehensive income are disclosed net of tax.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2021**

	Note	Unaudited 30 September 2021 HK\$'000	Audited 31 March 2021 HK\$'000
Non-current assets			
Investment properties		3,926,258	3,661,401
Property, plant and equipment		3,236,797	3,254,284
Goodwill		635,147	629,796
Other intangible assets		27,131	37,919
Interests in associates		653,268	643,475
Interests in joint ventures		1,130,157	1,131,401
Investments at fair value through other comprehensive income		73,629	46,097
Investments at fair value through profit or loss		685,452	607,122
Investments at amortised cost		91,394	50,534
Properties under development		448,641	441,289
Deferred tax assets		51,327	49,184
Other non-current assets		108,159	89,442
		<u>11,067,360</u>	<u>10,641,944</u>
Current assets			
Amounts due from associates		21,773	29,219
Amounts due from joint ventures		100,792	118,867
Amounts due from non-controlling interests		28,853	46,835
Investments at fair value through profit or loss		544,616	387,100
Investments at amortised cost		–	15,554
Inventories		258,086	306,324
Properties for sale		1,578,511	258,097
Properties under development		870,235	2,200,966
Debtors, contract assets, deposits and prepayments	11	1,976,533	1,660,013
Derivative financial instruments		7	–
Prepaid tax		26,419	28,402
Bank balances and cash		2,913,018	2,782,183
		<u>8,318,843</u>	<u>7,833,560</u>
Assets held-for-sale		36,131	137,485
		<u>8,354,974</u>	<u>7,971,045</u>

		Unaudited 30 September 2021 HK\$'000	Audited 31 March 2021 HK\$'000
	Note		
Current liabilities			
Amounts due to joint ventures		6,764	6,581
Amounts due to non-controlling interests		258,673	258,585
Derivative financial instruments		47	106
Creditors, bills payable, deposits, contract liabilities and accruals	12	2,918,801	2,852,819
Unearned insurance premiums and unexpired risk reserves		240,630	174,944
Outstanding insurance claims		326,651	267,099
Current income tax liabilities		104,191	46,743
Bank and other borrowings		1,433,863	1,567,701
Lease liabilities		23,423	19,251
		<u>5,313,043</u>	5,193,829
Liabilities directly associated with assets held-for-sale		39,897	40,201
		<u>5,352,940</u>	5,234,030
Net current assets		<u>3,002,034</u>	2,737,015
Total assets less current liabilities		<u>14,069,394</u>	13,378,959
Capital and reserves			
Share capital		377,411	377,411
Reserves		9,707,826	9,552,109
Shareholders' funds		10,085,237	9,929,520
Non-controlling interests		597,644	639,705
Total equity		<u>10,682,881</u>	10,569,225
Non-current liabilities			
Amount due to a non-controlling interest		216,118	206,751
Unearned insurance premiums		271,053	224,362
Bank and other borrowings		2,424,376	1,931,123
Lease liabilities		82,243	61,241
Deferred tax liabilities		392,723	386,257
		<u>3,386,513</u>	2,809,734
Total equity and non-current liabilities		<u>14,069,394</u>	13,378,959

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1 BASIS OF PREPARATION

The unaudited condensed consolidated interim 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 (“HKICPA”) as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The condensed consolidated interim financial statements should be read in conjunction with the annual consolidated financial statements for the year ended 31 March 2021, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”).

The outbreak of the Novel Coronavirus (“COVID-19”) since January 2020, followed by declaration by the World Health Organisation as a “Global Pandemic” on 11 March 2020, to a certain extent, brought challenges to the Group’s business performance during the period and ahead. The Group’s businesses are diversified which enabled the Group to have a strong resilience to the impact of economic downturns. The Directors have considered the existing and potential impact arising from the outbreak of COVID-19 in the preparation of the condensed consolidated financial statements. The Directors will remain cautious on the ongoing development of COVID-19 that may cause further volatility and uncertainty in the global financial market and economy, and will take necessary measures to address the impact arising therefrom.

2 PRINCIPAL ACCOUNTING POLICIES

Except as described below, the accounting policies applied in these condensed consolidated interim financial statements are consistent with those as described in the annual consolidated financial statements for the year ended 31 March 2021.

Taxes on income in the interim periods are accrued using the tax rates that would be applicable to expected total annual earnings.

The HKICPA has issued the amendments to existing standards which are relevant to the Group’s operation and also mandatory for the financial year of the Group beginning on 1 April 2021:

- HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16 (amendments), “Interest Rate Benchmark Reform – Phase 2”
- HKFRS 16 (2021 amendment), “Covid-19 – Related Rent Concessions beyond 30 June 2021”

The adoption of the above amendments to existing standards had no material impact on the condensed consolidated financial statements in the current and prior periods. Their impacts on presentation and disclosures, if any, will be reflected on the consolidated financial statements for the year ending 31 March 2022.

The following new standard, amendments and interpretation to existing standards, that are relevant to the Group's operation, have been issued but not yet effective or early adopted for the financial year of the Group beginning on 1 April 2021:

- HKAS 1 (amendments), "Classification of Liabilities as Current or Non-current"²
- HKAS 1 (amendments), "Disclosure of Accounting Policies"²
- HKAS 8 (amendments), "Definition of Accounting Estimates"²
- HKAS 12 (amendments), "Deferred Tax related to Assets and Liabilities arising from a Single Transaction"²
- HKFRS 3, HKAS 16 and HKAS 37 (amendments), "Narrow-scope amendments"¹
- HKFRS 10 and HKAS 28 (amendments), "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"³
- HKFRS 17, "Insurance Contracts"²
- HK Int 5 (2020), "Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause"²
- Annual Improvements Project (amendments) – "Annual Improvements to HKFRSs 2018–2020"¹

¹ Effective for annual periods beginning on or after 1 January 2022

² Effective for annual periods beginning on or after 1 January 2023

³ Effective for annual periods beginning on or after a date to be determined

HKFRS 17, "Insurance Contracts" ("HKFRS 17")

HKFRS 17 will replace the current HKFRS 4, "Insurance Contracts". HKFRS 17 includes some fundamental differences to current accounting in both insurance contract measurement and profit recognition. The general model is based on a discounted cash flow model with a risk adjustment and deferral of unearned profits. A separate approach applies to insurance contracts that are linked to returns on underlying items and meet certain requirements. Additionally, HKFRS 17 requires more granular information and a new presentation format for the consolidated statement of comprehensive income as well as extensive disclosures. The Group is yet to undertake a detailed assessment of the new standard.

Other than the above, the Group anticipates that the application of new standard, amendments and interpretation to existing standards that have been issued but are not yet effective may have no material impact on the results of operations and financial position.

The preparation of condensed consolidated interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual consolidated financial statements for the year ended 31 March 2021.

3 SEGMENT INFORMATION

(a) Revenue and results

The Board reviewed the Group's internal reports to assess the Group's performance and to allocate resources.

Reportable segment information is presented below:

	Construction and engineering HK\$'000	Property investment HK\$'000	Property development and operations HK\$'000	Healthcare investment HK\$'000	Car dealership HK\$'000	Others HK\$'000	Total HK\$'000
For the six months ended							
30 September 2021							
REVENUE							
Total revenue	1,639,714	69,456	720,260	413,900	898,170	599,042	4,340,542
Inter-segment revenue	(62,185)	(187)	(34,799)	-	(865)	(20,973)	(119,009)
Group revenue	1,577,529	69,269	685,461	413,900	897,305	578,069	4,221,533
Share of revenue of associates and joint ventures	933,127	-	51,645	60,919	227,001	47,044	1,319,736
Proportionate revenue from a joint venture eliminated	(366)	-	-	-	-	-	(366)
Segment revenue	2,510,290	69,269	737,106	474,819	1,124,306	625,113	5,540,903
Revenue from contracts with customers:							
- recognised at a point in time	6,128	-	523,457	-	887,555	282,727	1,699,867
- recognised over time	1,571,401	-	159,898	413,900	-	21,569	2,166,768
Revenue from other sources	-	69,269	2,106	-	9,750	273,773	354,898
Group revenue	1,577,529	69,269	685,461	413,900	897,305	578,069	4,221,533
RESULTS							
Segment profit/(loss) before finance costs, net	133,800	33,674	173,579	3,419	(17,283)	14,017	341,206
Finance income	1,083	310	4,848	18	974	937	8,170
Finance costs	(153)	(324)	(99)	(30,870)	(3,911)	(670)	(36,027)
Segment profit/(loss) after finance costs, net	134,730	33,660	178,328	(27,433)	(20,220)	14,284	313,349
Included in segment profit/(loss) are:							
Share of results of associates	67,999	-	(3)	-	-	(1,266)	66,730
Share of results of joint ventures	(5)	-	(3,253)	15,619	(1,589)	-	10,772
Depreciation and amortisation, net of amounts allocated to contract work	(3,830)	(312)	(30,814)	(42,797)	(19,269)	(8,449)	(105,471)
Unrealised gain on derivative financial instruments	9	-	-	-	-	-	9
Unrealised loss on investments at fair value through profit or loss	-	-	-	-	-	(36,130)	(36,130)
Provision (recognised)/written back for inventories to net realisable value, net	(3)	-	-	-	(395)	440	42
Provision written back/(recognised) on trade and other debtors, net	58	-	(251)	(7,565)	-	(651)	(8,409)

	Construction and engineering HK\$'000	Property investment HK\$'000	Property development and operations HK\$'000	Healthcare investment HK\$'000	Car dealership HK\$'000	Others HK\$'000	Total HK\$'000
For the six months ended							
30 September 2020							
REVENUE							
Total revenue	1,115,029	70,180	219,539	504,030	975,747	401,886	3,286,411
Inter-segment revenue	-	-	(22,068)	-	-	(36,806)	(58,874)
Group revenue	1,115,029	70,180	197,471	504,030	975,747	365,080	3,227,537
Share of revenue of associates and joint ventures	881,781	-	23,357	58,764	264,004	25,647	1,253,553
Proportionate revenue from a joint venture eliminated	(11,344)	-	-	-	-	-	(11,344)
Segment revenue	1,985,466	70,180	220,828	562,794	1,239,751	390,727	4,469,746

Revenue from contracts with customers:							
- recognised at a point in time	10,563	-	27,400	-	969,569	209,479	1,217,011
- recognised over time	1,104,466	-	168,342	504,030	-	19,779	1,796,617
Revenue from other sources	-	70,180	1,729	-	6,178	135,822	213,909
Group revenue	1,115,029	70,180	197,471	504,030	975,747	365,080	3,227,537

RESULTS							
Segment profit before finance costs, net	202,212	52,337	38,753	70,053	9,729	40,631	413,715
Finance income	912	182	4,351	17	938	2,106	8,506
Finance costs	(250)	(388)	(268)	(31,664)	(2,353)	(196)	(35,119)
Segment profit after finance costs, net	202,874	52,131	42,836	38,406	8,314	42,541	387,102
Included in segment profit are:							
Share of results of associates	106,769	-	(2)	-	-	(958)	105,809
Share of results of joint ventures	304	-	(2,466)	15,095	5,818	-	18,751
Depreciation and amortisation, net of amounts allocated to contract work	(4,614)	(272)	(28,295)	(40,772)	(16,500)	(5,942)	(96,395)
Unrealised loss on derivative financial instruments	-	-	-	-	-	(242)	(242)
Unrealised loss on investments at fair value through profit or loss	-	-	-	-	-	(2,841)	(2,841)
Provision (recognised)/written back for inventories to net realisable value, net	(2)	-	-	-	(492)	783	289
Provision written back/(recognised) on trade and other debtors, net	219	6	-	(3,225)	-	1,737	(1,263)

Note:

Inter-segment revenue is charged at prices determined by management with reference to market prices.

Reconciliation of segment profit to profit before taxation is provided as follows:

	Six months ended 30 September	
	2021	2020
	HK\$'000	HK\$'000
Segment profit	313,349	387,102
Unallocated corporate expenses	(25,836)	(19,449)
Unallocated finance income	3,783	14,543
Unallocated finance costs	(1,750)	(7,461)
	<u>289,546</u>	<u>374,735</u>
Profit before taxation	<u>289,546</u>	<u>374,735</u>

(b) Assets and liabilities

	Construction and engineering HK\$'000	Property investment HK\$'000	Property development and operations HK\$'000	Healthcare investment HK\$'000	Car dealership HK\$'000	Others HK\$'000	Total HK\$'000
At 30 September 2021							
ASSETS							
Segment assets	<u>1,903,305</u>	<u>5,602,386</u>	<u>4,113,247</u>	<u>2,840,565</u>	<u>1,132,674</u>	<u>2,528,567</u>	<u>18,120,744</u>
Included in segment assets are:							
Interests in associates	635,364	-	-	-	-	17,904	653,268
Interests in joint ventures	13,824	-	347,608	685,611	83,114	-	1,130,157
Amounts due from associates	19,339	-	-	-	-	2,434	21,773
Amount due from a joint venture	-	-	100,792	-	-	-	100,792
Additions to non-current assets (note)	<u>6,650</u>	<u>255,549</u>	<u>284,112</u>	<u>55,021</u>	<u>12,011</u>	<u>52,172</u>	<u>665,515</u>
LIABILITIES							
Segment liabilities	<u>1,781,771</u>	<u>54,798</u>	<u>659,995</u>	<u>390,758</u>	<u>438,151</u>	<u>1,058,827</u>	<u>4,384,300</u>
Included in segment liabilities are:							
Amounts due to joint ventures	<u>-</u>	<u>-</u>	<u>6,515</u>	<u>-</u>	<u>249</u>	<u>-</u>	<u>6,764</u>

	Construction and engineering HK\$'000	Property investment HK\$'000	Property development and operations HK\$'000	Healthcare investment HK\$'000	Car dealership HK\$'000	Others HK\$'000	Total HK\$'000
At 31 March 2021							
ASSETS							
Segment assets	<u>1,755,370</u>	<u>4,019,187</u>	<u>5,387,486</u>	<u>2,930,281</u>	<u>1,167,264</u>	<u>2,085,114</u>	<u>17,344,702</u>
Included in segment assets are:							
Interests in associates	626,301	-	-	-	-	17,174	643,475
Interests in joint ventures	13,830	-	349,290	681,776	86,505	-	1,131,401
Amounts due from associates	24,091	-	-	-	-	5,128	29,219
Amounts due from joint ventures	299	-	118,568	-	-	-	118,867
Additions to non-current assets (note)	<u>4,189</u>	<u>19,874</u>	<u>298,679</u>	<u>176,986</u>	<u>203,275</u>	<u>21,273</u>	<u>724,276</u>
LIABILITIES							
Segment liabilities	<u>1,763,353</u>	<u>42,980</u>	<u>701,422</u>	<u>372,410</u>	<u>425,578</u>	<u>806,197</u>	<u>4,111,940</u>
Included in segment liabilities are:							
Amounts due to joint ventures	<u>-</u>	<u>-</u>	<u>6,407</u>	<u>-</u>	<u>174</u>	<u>-</u>	<u>6,581</u>

Note:

In this analysis, the non-current assets exclude financial instruments (including interests in associates and joint ventures) and deferred tax assets.

Reconciliation of segment assets and liabilities to total assets and liabilities is provided as follows:

	As at 30 September 2021 HK\$'000	As at 31 March 2021 HK\$'000
Segment assets	18,120,744	17,344,702
Prepaid tax	26,419	28,402
Unallocated bank balances and cash	1,210,124	1,176,731
Deferred tax assets	51,327	49,184
Other unallocated assets	13,720	13,970
Total assets	<u>19,422,334</u>	<u>18,612,989</u>
Segment liabilities	4,384,300	4,111,940
Current income tax liabilities	104,191	46,743
Bank and other borrowings	3,858,239	3,498,824
Deferred tax liabilities	392,723	386,257
Total liabilities	<u>8,739,453</u>	<u>8,043,764</u>

(c) **Geographical information**

The Group's operations in construction and engineering businesses are mainly carried out in Hong Kong, Mainland China, Macau and Australia. Property investment businesses are mainly carried out in Hong Kong, Mainland China, Canada, Singapore and United Kingdom. Property development and operations businesses are mainly carried out in Hong Kong, Mainland China and Canada. Healthcare investment businesses are carried out in Hong Kong and the US. Car dealership businesses are carried out in Mainland China and Canada. Other businesses are mainly carried out in Hong Kong, the US and Thailand.

The associates' and joint ventures' operations in construction and engineering businesses are mainly carried out in Hong Kong, Mainland China, Singapore and Macau. Property development and operations businesses are mainly carried out in Hong Kong and Mainland China. Healthcare investment businesses are carried out in the US. Car dealership businesses are carried out in Mainland China. Other businesses are mainly carried out in Hong Kong and Australia.

	Segment revenue by geographical areas							
	Six months ended 30 September 2021				Six months ended 30 September 2020			
	Company and subsidiaries HK\$'000	Associates and joint ventures HK\$'000	Total HK\$'000	%	Company and subsidiaries HK\$'000	Associates and joint ventures HK\$'000	Total HK\$'000	%
Hong Kong	1,878,600	361,234 ¹	2,239,834	40	1,209,900	310,297 ¹	1,520,197	34
Mainland China	1,246,726	751,503	1,998,229	36	859,767	770,903	1,630,670	36
The US	625,962	60,920	686,882	13	651,817	58,764	710,581	16
Canada	208,999	-	208,999	4	167,691	-	167,691	4
Macau	163,931	10,546	174,477	3	253,076	18,669	271,745	6
Singapore	6,335	128,380	134,715	2	6,199	78,742	84,941	2
Australia	63,694	6,574	70,268	1	52,530	4,583	57,113	1
Thailand	26,799	-	26,799	1	26,557	-	26,557	1
Others	487	213	700	-	-	251	251	-
	<u>4,221,533</u>	<u>1,319,370</u>	<u>5,540,903</u>	<u>100</u>	<u>3,227,537</u>	<u>1,242,209</u>	<u>4,469,746</u>	<u>100</u>

¹ The proportionate revenue from a joint venture is eliminated.

One customer within construction and engineering segment is accounted for HK\$449.7 million or 10.7% of the total revenue of the Group for the period ended 30 September 2021 (2020: nil).

4 OTHER INCOME, NET

	Six months ended 30 September	
	2021 HK\$'000	2020 HK\$'000
Included in other income, net are:		
(Loss)/gain on investments at fair value through profit or loss	(33,514)	1,870
Gain/(loss) on derivative financial instruments	9	(242)
Sales and marketing services income from an associate	18,112	17,280
Management fee income from an associate and joint ventures	11,295	11,184
Government grants	10,887	61,427
	<u>10,887</u>	<u>61,427</u>

5 OTHER (LOSSES)/GAINS, NET

	Six months ended 30 September	
	2021	2020
	HK\$'000	HK\$'000
Included in other (losses)/gains, net are:		
(Loss)/gain on disposal of property, plant and equipment	(7,453)	1,474
Provision recognised on trade and other debtors, net	(8,409)	(1,263)
Exchange gain	3,709	4,045
	<u>10,122</u>	<u>–</u>
Gain on disposals of subsidiaries	10,122	–

6 FINANCE COSTS, NET

	Six months ended 30 September	
	2021	2020
	HK\$'000	HK\$'000
Interest expenses on lease liabilities, bank overdrafts and bank and other borrowings	50,177	53,392
Less: Amounts capitalised to properties under development (note)	(12,400)	(10,812)
	<u>37,777</u>	<u>42,580</u>
Less: Interest income from bank deposits and a joint venture	<u>(11,953)</u>	<u>(23,049)</u>
	<u>25,824</u>	<u>19,531</u>

Note:

The interest rate applied to funds borrowed and used for the development of properties was 1.40% per annum during the six months ended 30 September 2021 (2020: between 1.19% and 3.00% per annum).

7 PROFIT BEFORE TAXATION

	Six months ended 30 September	
	2021	2020
	HK\$'000	HK\$'000
Profit before taxation has been arrived at after charging/(crediting) the following:		
Cost of inventories recognised as expenses	883,033	969,340
Cost of construction and engineering	1,478,221	1,109,263
Provision written back for inventories to net realisable value, net	(42)	(289)
Staff costs	684,546	632,114
Less: Amounts allocated to contract work	(115,200)	(96,321)
	569,346	535,793
Short term lease payments in respect of leasing of		
– premises	3,713	4,653
– equipment	1,260	1,676
	4,973	6,329
Depreciation of property, plant and equipment	94,926	87,173
Less: Amounts allocated to contract work	(690)	(1,402)
	94,236	85,771
Amortisation of other intangible assets	11,235	10,624
Government grants	(10,887)	(61,427)

8 TAXATION

	Six months ended 30 September	
	2021	2020
	HK\$'000	HK\$'000
Current tax		
Hong Kong	23,283	33,317
Mainland China	42,379	7,560
Overseas	24,981	17,031
Over-provision in prior years	(281)	(5,430)
	90,362	52,478
Deferred tax		
Origination and reversal of temporary differences	(38)	8,123
	90,324	60,601

Hong Kong profits tax is calculated at the rate of 16.5% (2020: 16.5%) on the estimated assessable profits. Taxation on Mainland China and overseas profits has been calculated on the estimated assessable profits for the period at the rates of taxation prevailing in the countries in which the Group operates.

9 EARNINGS PER SHARE

The earnings per share is calculated by dividing the profit attributable to shareholders of the Company of HK\$202,047,000 (2020: HK\$293,519,000) by the weighted average number of 301,928,440 (2020: 301,928,440) ordinary shares in issue during the period.

10 DIVIDEND

	Six months ended 30 September	
	2021	2020
	HK\$'000	HK\$'000
Interim dividend of HK\$0.15 (2020: HK\$0.16) per share	<u>45,289</u>	<u>48,309</u>

On 26 November 2021, the Board declared an interim dividend of HK\$0.15 per share. The interim dividend is not reflected as a dividend payable in these condensed consolidated interim financial statements, but will be reflected as an appropriation of the retained profits for the year ending 31 March 2022.

The 2020/21 final dividend of HK\$0.39 per share totaling HK\$117,752,000 was declared and approved at the annual general meeting held on 23 August 2021 and paid on 17 September 2021. The 2020/21 final dividend has been reflected as an appropriation of the retained profits for the six months ended 30 September 2021.

11 DEBTORS, CONTRACT ASSETS, DEPOSITS AND PREPAYMENTS

	As at	As at
	30 September	31 March
	2021	2021
	HK\$'000	HK\$'000
Trade debtors	807,570	764,507
Less: Provision for impairment	<u>(37,241)</u>	<u>(35,421)</u>
Trade debtors, net	770,329	729,086
Retention receivables	270,716	231,029
Less: Provision for impairment	<u>(8,597)</u>	<u>(8,597)</u>
Retention receivables, net	262,119	222,432
Contract assets	225,683	156,047
Other debtors, deposits and prepayments	<u>718,402</u>	<u>552,448</u>
	<u>1,976,533</u>	<u>1,660,013</u>

The Group has established different credit policies for customers in each of its core businesses. The average credit period granted to trade debtors is 60 days, except for insurance business where credit period granted to certain debtors is over 60 days.

The ageing analysis of trade debtors, net of impairment provision, is presented based on the invoice date as follows:

	As at 30 September 2021 HK\$'000	As at 31 March 2021 HK\$'000
0 – 60 days	566,977	556,048
61 – 90 days	91,938	49,810
Over 90 days	111,414	123,228
	<u>770,329</u>	<u>729,086</u>

12 CREDITORS, BILLS PAYABLE, DEPOSITS, CONTRACT LIABILITIES AND ACCRUALS

	As at 30 September 2021 HK\$'000	As at 31 March 2021 HK\$'000
Trade creditors and bills payable	524,034	287,718
Retention payables	214,944	191,464
Deposits received	76,793	49,839
Contract liabilities	236,066	465,530
Accrued contract costs	1,159,067	1,245,984
Other creditors and accruals	707,897	612,284
	<u>2,918,801</u>	<u>2,852,819</u>

The ageing analysis of trade creditors and bills payable is as follows:

	As at 30 September 2021 HK\$'000	As at 31 March 2021 HK\$'000
0 – 60 days	282,174	221,551
61 – 90 days	201,861	2,488
Over 90 days	39,999	63,679
	<u>524,034</u>	<u>287,718</u>

13 ACQUISITION AND DISPOSALS

(a) Acquisition of Roseville Wellness and Rehabilitations Management Limited (“Roseville”)

On 28 May 2021, the Group entered into an agreement to acquire 100% of a company, which operates a rehabilitation centre in Hong Kong at the consideration of HK\$8,900,000. The transaction was completed on 31 May 2021.

	2021
	HK\$'000
Purchase consideration satisfied by:	
Cash paid	<u>8,900</u>
Fair value of net assets acquired:	
Property, plant and equipment	6,445
Debtors, deposits and prepayments	798
Bank balances and cash	931
Creditors, deposits, accruals and lease liabilities	(3,206)
Goodwill	<u>3,932</u>
	<u>8,900</u>
Acquisition related expenses (included in administrative expenses)	<u>319</u>
Net cash outflow arising from the acquisition:	
Cash consideration paid	(8,900)
Bank balances and cash	<u>931</u>
	<u>(7,969)</u>

(b) Disposals of subsidiaries

In January 2020, the Group entered into a sale and purchase agreement (the “Agreement”) with an independent third party to dispose of the Group’s entire interest in eight companies (the “Disposal Group”, which owned seven senior housing properties and related assets and liabilities located in North Carolina, the US). Subsequent to the Agreement, there were further negotiations between the Group and the purchaser to extend the completion of the disposal due to changes in the market environment caused by the enduring impact of COVID-19 pandemic.

On 31 May 2021 and 29 June 2021, the Group and the purchaser, after further consideration of the adverse impacts of COVID-19 pandemic on the US economy, entered into the amendment agreements to further amend the terms of the agreements. The major amendments include (i) the number of target companies subject to disposal reduced from eight to six (the “Revised Disposal Group”), with the corresponding reduction in number of senior housing properties from seven to five; (ii) the consideration for the disposal being US\$22.5 million (equivalent to approximately HK\$175.5 million), subject to (a) downward adjustment for an amount equal to outstanding loan balance and accrued interest which shall remain with a target company (which is expected to be US\$5.1 million (equivalent to approximately HK\$39.78 million)), (b) upwards adjustment reflecting the capital expenditure which may be incurred on the five properties between the date of the agreement and the revised completion date; and (c) completion will be taken place in two separate closing. The first closing was completed on 30 June 2021 and the second closing is expected to complete in the second half of the financial year 2021/22.

The assets and liabilities of the remaining Revised Disposal Group as at 30 September 2021 was classified as assets held-for-sale and liabilities directly associated with the assets held-for-sale respectively.

The first closing was to dispose of the Group’s entire interest in four senior housing properties at a consideration of US\$17,266,000 (equivalent to approximately HK\$134,159,000). The transaction was completed on 30 June 2021.

	2021
	HK\$’000
Consideration received and receivables	134,159
Less: discount impact on consideration receivable (note)	(13,877)
Less: professional fees and other expenses	(2,307)
	<u>117,975</u>
Net assets disposed	(107,879)
Exchange fluctuation reserve released upon disposal	26
	<u>10,122</u>
Gain on disposal (note 5)	10,122
Taxation	(16,027)
	<u>(5,905)</u>
Loss on disposal, net of taxation	(5,905)
Net cash inflow arising from the disposal:	
Cash consideration received	95,542
Professional fees and other expenses	(2,307)
	<u>93,235</u>

The professional fees, other expenses and taxation are subject to finalisation.

Note:

The Group agrees to provide seller financing for a portion of the selling price in an amount equal to US\$4,970,000 (equivalent to approximately HK\$38,617,000). The maturity date of the seller financing shall be the date that is three years after the closing date, with a balloon payment of all principal and accrued and unpaid interest due at maturity, subject to two one-year extensions.

14 CONTINGENT LIABILITIES

The Group had contingent liabilities in respect of guarantees issued for utilised borrowings in relation to:

	As at 30 September 2021 HK\$'000	As at 31 March 2021 HK\$'000
Banking facilities granted to associates	996	1,462
Guarantees given to banks and housing retirement fund management centres for mortgage facilities granted to certain buyers of properties	<u>310,378</u>	<u>191,138</u>
	<u>311,374</u>	<u>192,600</u>

The Group's share of contingent liabilities of its joint ventures was as follows:

	As at 30 September 2021 HK\$'000	As at 31 March 2021 HK\$'000
Guarantees given to banks for mortgage facilities granted to certain buyers of the joint ventures' properties	<u>297</u>	<u>292</u>

15 COMMITMENT

The Group had commitment as follows:

	As at 30 September 2021 HK\$'000	As at 31 March 2021 HK\$'000
Contracted but not provided for in the condensed consolidated interim financial statements in respect of		
– property development projects	203,816	450,993
– acquisition of property, plant and equipment	<u>45,272</u>	<u>33,838</u>
	<u>249,088</u>	<u>484,831</u>

The Group's share of commitment of its joint ventures was as follows:

	As at 30 September 2021 HK\$'000	As at 31 March 2021 HK\$'000
Contracted but not provided for	<u>8,504</u>	<u>8,745</u>

INTERIM DIVIDEND

The Board has resolved to declare an interim dividend of HK\$0.15 (2020: HK\$0.16) per share for the six months ended 30 September 2021. The interim dividend will be payable on or about Thursday, 23 December 2021 to those shareholders whose names appear on the Register of Members of the Company on Monday, 20 December 2021.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from Wednesday, 15 December 2021 to Monday, 20 December 2021, both days inclusive, during which period no transfer of shares of the Company will be effected. In order to qualify for the above interim dividend, 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 Standard Limited, Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 14 December 2021.

MANAGEMENT DISCUSSION AND ANALYSIS

For the six months ended 30 September 2021, the Group's unaudited interim results reported a consolidated revenue HK\$4,222 million (2020: HK\$3,228 million), representing a growth of 31%. Excluding the financial effect of various governments' subsidies (including share of associates and joint ventures) amounting to approximately HK\$14 million (2020: HK\$87 million), the consolidated profit recorded HK\$185 million (2020: HK\$227 million), representing a drop of 19%. Such consolidated profit was reported mainly due to the sluggish performance of our various businesses and unrealised mark-to-market loss in investment during the period. Taking into account a contribution from the gain on disposal of residential properties for sale in Changchun and the share of revenue of associates and joint ventures, the Group's total revenue was HK\$5,541 million (2020: HK\$4,470 million), representing an increase of 24%. Profit attributable to the Company's shareholders decreased to HK\$202 million (2020: HK\$294 million) and hence, earnings per share was HK\$0.67 (2020: HK\$0.97) for the period under review.

CONSTRUCTION AND ENGINEERING

During the period under review, revenue of the Construction and Engineering segment (including share of associates and joint ventures) increased from HK\$1,985 million to HK\$2,510 million, representing a growth of 26%. Excluding the subsidies of employment and job support schemes received from various governments (including share of associates and joint ventures) amounting to HK\$3 million (2020: HK\$47 million), segment profit, before net finance costs, decreased from HK\$156 million to HK\$130 million, representing a drop of 17% as compared to the same period last year. The decline in profit was mainly due to the increase in both labour and material costs of various projects. As at 30 September 2021, the total value of the Group's outstanding construction and engineering contracts in hand amounted to HK\$7,339 million. Major contracts are:

1. Construction of the Third Runway Concourse and Apron Works;
2. Construction of the hotel redevelopment at K.I.L. 10633, Hung Hom;

3. Construction of the extension of the operating theatre block for Tuen Mun Hospital, New Territories;
4. Construction of the superstructure work at Y.L.T.L. 532, Tung Tau Industrial area, Yuen Long, New Territories;
5. Electrical works for MGM hotel, Macau;
6. Upgrade of Kwun Tong Preliminary Treatment Works;
7. Design, supply and installation of kitchen cabinets for the proposed residential development at N.K.I.L. 6575, Kai Tak, Kowloon;
8. Design, supply and installation of curtain walls, windows, metal claddings, acoustic panels and glass balustrades for the Third Runway Concourse, Apron Works and New Air Traffic Control Tower; and
9. Design, supply and installation of curtain walls, windows, metal claddings, acoustic panels and glass balustrades for the proposed residential development at No. 547 Castle Peak Road, Tuen Mun, New Territories.

To maintain its competitive edge in the challenging construction industry and to uphold the Group's corporate social responsibility, the Group has allocated sizable resources in advancing the Group's capability in innovative technologies such as the Modular Integrated Construction (MiC) and Design for Manufacturing and Assembly (DfMA) methods, as well as the development of Hybrid-MiC. The Group's MiC system has received "in-principle acceptance" from the Buildings Department of the HKSAR. By using these technologies, it is anticipated that construction time will be shortened, there will be improvement in building quality, enhancement of material efficiency and resolution of manpower shortage. Further site safety improvement will follow and at the same time, the Group can maximise its promotion of environmental sustainability.

PROPERTY INVESTMENT

The Property Investment segment comprising the property letting business recorded a slight decline in its revenue from HK\$70 million to HK\$69 million, representing a 1% decrease as compared to the corresponding period last year. Segment profit, before net finance costs, reported a decrease by 35% from HK\$52 million to HK\$34 million during the period under review. Decline in the segment profit was mainly due to the repair and maintenance spent on upgrading the cold storage facilities.

PROPERTY DEVELOPMENT AND OPERATIONS

This segment recorded encouraging results during the period. Both revenue and profit of this segment surged. Segment revenue surged from HK\$221 million to HK\$737 million, representing a significant growth of 233%, and segment profit, before net finance costs, from HK\$39 million to HK\$174 million, representing an increase of 346%. The strong performance was mainly contributed by the recognition of sale of units of Phase III of “Chevalier City” in Changchun amounting to HK\$492 million.

Almost all residential units in another Urban Renewal Authority (“URA”) project named “City Hub”, in which the Group has 50% equity interest, have been sold. Duplex residential units and a 15,000 square feet commercial area of “City Hub” are open for sale.

The Group’s first project in the “LE MOMENT” residential series, “SABLIER”, is a joint project with URA. “SABLIER”, located at No. 8 Fuk Chak Street, Tai Kok Tsui was launched for sale in October 2020. The handover of the units to respective buyers has started in October 2021. As at 30 September 2021, approximately 50% of the residential units were sold.

Another “LE MOMENT” series project located at 292A-D Prince Edward Road West is undergoing the superstructure construction work. The land is situated within a developed community with comprehensive amenities providing a wide variety of leisure and shopping choices for residents. The location also has the convenience of easy access, being only within several minutes ride to Mong Kok East MTR Station. The project occupies floor area approximately 39,000 square feet.

With No. 5 Hang Lok Lane, Shatin, the current plan is for it to be redeveloped into a luxurious low-density residential development with a site area of approximately 48,000 square feet.

HEALTHCARE INVESTMENT

The revenue of the Healthcare Investment segment during the reporting period recorded a drop from HK\$563 million to HK\$475 million, representing a decrease of 16% as compared to the corresponding period last year. Such decrease was mainly due to the end of a special arrangement with local US Government in providing special care and other related services to COVID-19 patients during COVID-19 pandemic last year. Segment profit, before net finance costs, also recorded a decline from HK\$70 million to HK\$3 million, representing a drop of 96% comparing to the corresponding period last year which was in line with the decline in the revenue during the period.

During the period, we have completed the disposals of 4 properties in North Carolina and 1 property in New Mexico. Relevant profit and loss, tax and accounting treatments of each property have been properly booked and be reported in the segment result according to the accounting standards and local tax laws.

As at 30 September 2021, the Group still owned 31 senior housing properties across 7 States in the US providing over 2,800 units/beds covering a wide spectrum of services including independent living, assisted living, memory care and skilled nursing. The Group also owns 3 medical office buildings located in New York, Pennsylvania and Rhode Island comprising a total gross floor area of approximately 428,000 square feet through a joint venture.

The Group is also engaged in the development of a senior housing project in Happy Valley, Hong Kong. The construction work of the superstructure is underway. The project is expected to complete in 2024.

Our healthcare investment has also extended to rehabilitation and wellness services in May 2021 as a result of the acquisition of a rehabilitation and wellness centre situated at Ho Man Tin, Kowloon. The transdisciplinary team of the rehabilitation centre is comprised of different specialties including geriatrics, physiotherapy, occupational therapy, nutrition and dietetics, podiatry, speech therapy, rehabilitation medicine, social work and skilled nursing which provides a comprehensive range of services covering neurology rehabilitation, orthopedic rehabilitation, pain management and prehab programme.

CAR DEALERSHIP

Revenue of this segment reported a decrease by 9% from HK\$1,240 million to HK\$1,124 million and the segment profit, before net finance costs, recorded a decline from a profit of HK\$10 million to a loss of HK\$17 million as compared to last period. The loss was caused by the ongoing worldwide electronic component shortage and the downturn in demand and subdued consumer sentiment resulting from the pandemic, extreme weather in the Mainland as well as the increase in operating cost.

OTHERS

Businesses of this segment cover computer and information technology, insurance and investment, freight logistic services, food trading and food and beverage. Segment revenue recorded a growth of 60% from HK\$391 million to HK\$625 million. Such improvement in performance was derived from the freight forwarding business and the increase in employees' compensation insurance of our insurance operation due to the increase of construction projects in Hong Kong. Segment profit, before net finance costs, declined from HK\$41 million to HK\$14 million, representing a drop of 66% during the reporting period. Such decrease was mainly due to the mark-to-market fair value loss in investment and the one-off set up cost for the opening of "Ikigai Concepts", a new multi-concept Japanese restaurant at Nina Mall 2, Tsuen Wan.

FUTURE PROSPECTS

Governments and health ministries around the world are working ardently to improve the COVID-19 vaccination rate. With the gradual rise in the global population having received at least one dose of the COVID-19 vaccine, the easing of border restrictions, together with the relaxation of restrictions such as social distancing measures to varying degree from country to country, signs of gradual recovery of economies are emerging slowly around the world. In Hong Kong, with the latest reported confirmed cases all being imported ones, a proof of success of the local COVID-19 restrictions, and the unemployment rate having dropped as compared to the percentage at the height of the pandemic, the local situation seems to be stabilising also, paving the way for the Hong Kong economy to return to normal. The general consensus is that once the border re-opens, the sentiment will be better.

The Chief Executive's 2021 Policy Address has once again focused on the supply of land and housing units in light of the lingering housing issue in Hong Kong. The HKSAR Government has announced a long-term strategy to increase land supply by means of development of various sites in the New Territories and brownfield sites, reclamation works and Artificial Islands and the adoption of the Land Sharing Pilot Scheme. The intention of the Government is not only to increase the supply of land but also to boost Hong Kong's businesses and economic development which would certainly be favourable to the construction industry in the years ahead by generating more job opportunities.

In order to increase the supply of public housing, the Government also strongly urged the adoption of innovative construction methods such as MiC in the public housing construction work flow with a view of cutting construction time whilst maintaining high quality standards. Our Group has invested considerable resources in the development of such innovative construction technology to ensure we meet the strong demand of the industry. The Chief Executive's 2021 Policy Address also highlighted the importance of tackling climate change and the determination to achieve Carbon Neutrality. As a responsible corporate citizen, the Group will strive to adopt environmentally friendly and sustainable measures in all our projects and operations with a view to play our part in the HKSAR's "Hong Kong's Climate Action Plan 2050".

The Legislative Council has been approving large- and small-scale public works projects expeditiously. We will actively pursue all suitable projects that will be rolled-out and capture all opportunities to increase the Group's market presence and to actively participate in building the future of Hong Kong. Our Property Development Division anticipates a resilient residential property market in light of positive signs of gradual recovery of our economy, the low interest rate environment and the continuous robust housing demand in the Hong Kong private sector.

The US booming elderly population, driven by factors such as the general increase in health awareness and the general sentiment to pursue quality of life, coupled with advanced medical technologies, has resulted in the rise of life expectancies and increased opportunities for players in the senior housing business. Although the US was one of the harder hit countries during the COVID-19 pandemic, we anticipate that as the economy recovers and with the continuous deployment of the COVID-19 vaccine, our healthcare investment in the US will recover and achieve steady occupancy rate growth.

Significant increase of logistics costs which was caused by lockdowns in countries during the pandemic has led to irregular shipping schedules and shortage of port workers. Moreover, the upsurge of equipment, goods, and raw and other materials costs have adversely affected various businesses of the Group. Nevertheless, given the relatively positive recovery momentum across the world, and the staunch support of the Central Government in the development of Hong Kong and the HKSAR Government's clear determination in implementing the multi-pronged land supply strategy in the coming years, we are optimistic about the prospect of the Group and will continue to adopt a pragmatic business strategy in capturing opportunities as they arise.

FINANCIAL REVIEW

As at 30 September 2021, the Group's net assets attributable to shareholders of the Company amounted to HK\$10,085 million, an increase of HK\$155 million when compared with 31 March 2021 of HK\$9,930 million. Such increase mainly resulted from the profit attributable to shareholders of the Company of HK\$202 million and exchange difference on translation of operations of overseas subsidiaries, associates and joint ventures of HK\$44 million offset by dividend payment of HK\$118 million.

As at 30 September 2021, the Group's bank and other borrowings increased to HK\$3,858 million (31 March 2021: HK\$3,499 million) as a result of drawdown of bank loan for acquiring an investment property offset by repayment of bank loan during the period. 62.2% and 30.0% of the balance as at 30 September 2021 (31 March 2021: 60.1% and 34.3%) were denominated in Hong Kong dollar and US dollar respectively.

The Group's bank and other borrowings due within one year was decreased from 44.8% as at 31 March 2021 to 37.2% as at 30 September 2021. As the Group did not fulfil certain required financial ratios associated with certain secured bank loans in the US, the outstanding loan balances with a carrying amount of HK\$647 million (31 March 2021: HK\$664 million), of which HK\$74 million (31 March 2021: HK\$349 million) was reclassified from non-current liabilities to current liabilities as at 30 September 2021.

EMPLOYEES AND REMUNERATION POLICIES

The Group employed approximately 3,700 full-time staff globally as at 30 September 2021. Total staff costs amounted to HK\$685 million for the period under review. The remuneration policies of the Group are reviewed periodically on the basis of the nature of job, market trend, company performance and individual performance. Other staff benefits include bonuses awarded on a discretionary basis, medical schemes and retirement schemes.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

There was no purchase, sale or redemption of listed securities of the Company by the Company or any of its subsidiaries during the six months ended 30 September 2021.

CORPORATE GOVERNANCE PRACTICES

In the opinion of the Directors, the Company has complied with the code provisions as set out in the Corporate Governance Code contained in Appendix 14 of the Listing Rules throughout the six months ended 30 September 2021, except for the following deviations:

Code Provision A.2.1 stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same person. The Chairman is responsible for overseeing the Board while the Managing Director is responsible for managing the Group's businesses. Mr. Kuok Hoi Sang serves as both the Chairman and Managing Director of the Company. The Board believes that with Mr. Kuok's comprehensive knowledge in the history of various business segments, and his extensive experience in the operation of the Group, vesting the roles of both Chairman and Managing Director in Mr. Kuok provides the Company with strong and consistent leadership and facilitates the implementation and execution of the Group's business strategies which is in the best interest of the Company.

Code Provision A.4.1 stipulates that Non-Executive Directors should be appointed for a specific term and subject to re-election. As stated in the Company's Annual Report 2021, all the Non-Executive Directors of the Company are not appointed for a specific term but are instead subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Company's Bye-Laws.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules. Following a specific enquiry of all Directors, each of the Directors confirmed that he/she has complied with the Model Code throughout the six months ended 30 September 2021.

AUDIT COMMITTEE

The Audit Committee comprises four Independent Non-Executive Directors of the Company, namely Mr. Yang Chuen Liang, Charles as Committee chairman, Professor Poon Chung Kwong, Mr. Irons Sze and Mr. Sun Leland Li Hsun as Committee members.

During the period, the Audit Committee has reviewed with the management the accounting policies and practices adopted by the Group and discussed the auditing, risk management and internal control systems of the Group and financial reporting matters including the review of the unaudited condensed consolidated interim financial statements of the Group for the six months ended 30 September 2021.

PUBLICATION OF INTERIM RESULTS ON THE STOCK EXCHANGE'S WEBSITE

The interim results announcement of the Company for the six months ended 30 September 2021 is published on the Stock Exchange's website at <http://www.hkexnews.hk> and the Company's website at <http://www.chevalier.com>. The interim report of the Company for the six months ended 30 September 2021 containing all applicable information required by the Listing Rules will be despatched to the shareholders of the Company and published on the above websites in due course.

APPRECIATION

On behalf of the Board, I would like to express my sincere gratitude to our shareholders, business partners and customers for their long-term support and trust to the Group, as well as our loyal staff for their hard work over this period.

By Order of the Board
Chevalier International Holdings Limited
KUOK Hoi Sang
Chairman and Managing Director

Hong Kong, 26 November 2021

As at the date of this announcement, the Board comprises Messrs Kuok Hoi Sang (Chairman and Managing Director), Tam Kwok Wing (Deputy Managing Director), Ho Chung Leung, Ma Chi Wing and Miss Lily Chow as Executive Directors; Mr. Yang Chuen Liang, Charles, Professor Poon Chung Kwong, Mr. Irons Sze and Mr. Sun Leland Li Hsun as Independent Non-Executive Directors; Mr. Chow Vee Tsung, Oscar as Non-Executive Director.

* *For identification purpose only*