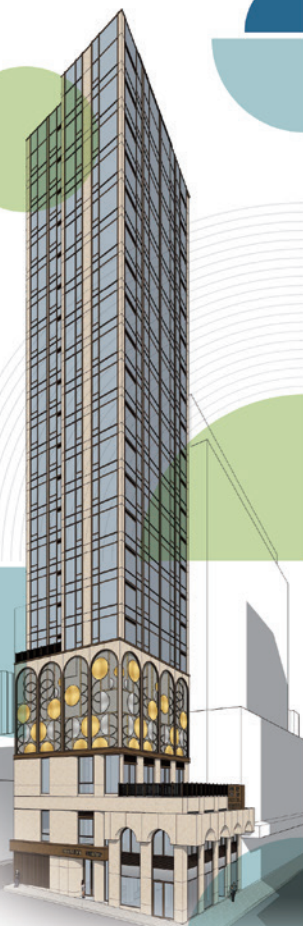




SOUTHEAST ASIA PROPERTIES & FINANCE LIMITED

Stock code : 252



2022/23
INTERIM REPORT

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CORPORATE INFORMATION

Board Of Directors

Executive Directors

Mr. Chua Nai Tuen

(Chairman and Managing Director)

Mr. Nelson Junior Chua

Mr. Richard Sy Tan

Non-Executive Directors

Mr. Chan Man Hon, Eric

Mr. Jimmy Siy Tiong

Mr. Tsai Han Yung

Ms. Vivian Chua

Independent Non-Executive Directors

Mr. Chan Siu Ting

Mr. James L. Kwok

Mr. Tsui Ka Wah

Mr. Luk Siu Chuen

Audit Committee

Mr. Chan Siu Ting *(Chairman)*

Mr. Chan Man Hon, Eric

Mr. James L. Kwok

Mr. Tsai Han Yung

Mr. Tsui Ka Wah

Mr. Luk Siu Chuen

Remuneration Committee

Mr. James L. Kwok *(Chairman)*

Mr. Chua Nai Tuen

Mr. Chan Man Hon, Eric

Mr. Chan Siu Ting

Mr. Luk Siu Chuen

Nomination Committee

Mr. Tsui Ka Wah *(Chairman)*

Mr. Chua Nai Tuen

Mr. Chan Man Hon, Eric

Mr. Chan Siu Ting

Mr. James L. Kwok

Principal Bankers

China CITIC Bank International Limited

China Construction Bank (Asia)

Corporation Limited

Hang Seng Bank Limited

OCBC Wing Hang Bank Limited

Solicitors

Vincent T. K. Cheung, Yap & Co.

Auditors

Grant Thornton Hong Kong Limited

Certified Public Accountants

Company Secretary

Mr. Lam Wing Yiu

Registered Office

Units 407–410, 4th Floor, Tower 2,

Silvercord, No. 30 Canton Road,

Tsimshatsui, Kowloon, Hong Kong

Share Registrar

Union Registrars Limited

Suites 3301–04, 33/F,

Two Chinachem Exchange Square,

338 King's Road,

North Point, Hong Kong

Stock Code

252

Website

<http://www.seapnf.com.hk>

The board (the “Board”) of directors (the “Directors”) of Southeast Asia Properties & Finance Limited (the “Company”) is pleased to announce the unaudited condensed consolidated financial statements of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 September 2022 (the “Reporting Period”), together with the comparative figures of the corresponding period in 2021 (the “Previous Reporting Period”) as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 September 2022

	Notes	Six months ended 30 September	
		2022 HK\$ (Unaudited)	2021 HK\$ (Unaudited)
Revenue	5	138,385,192	124,659,453
Cost of sales		(96,747,579)	(83,644,718)
Gross profit		41,637,613	41,014,735
Other revenue and other income	6	4,379,774	2,340,369
Gain arising from change in fair value of investment properties		4,172,927	51,046,782
Loss arising from financial assets at fair value through profit or loss (“FVTPL”)		(5,103,500)	(2,671,695)
Selling and distribution expenses		(5,602,275)	(3,891,244)
Administrative expenses		(28,011,764)	(24,877,100)
Other operating income/(expenses)		509,754	(250,574)
Finance costs	7	(3,506,426)	(2,372,633)
Share of results of associates		202,090	(690,638)
Impairment loss recognised in respect of amount due from an associate		(2,167,687)	(4,994,857)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (Continued)

For the six months ended 30 September 2022

		Six months ended 30 September	
		2022	2021
		HK\$	HK\$
		(Unaudited)	(Unaudited)
	Notes		
Profit before tax		6,510,506	54,653,145
Income tax expense	8	(1,975,099)	(2,365,985)
Profit for the period	9	4,535,407	52,287,160
Profit for the period attributable to:			
Owners of the Company		3,798,830	51,222,830
Non-controlling interests		736,577	1,064,330
		4,535,407	52,287,160
Earnings per share attributable to owners of the Company			
Basic and diluted (HK cents)	11	1.7	22.7

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME*For the six months ended 30 September 2022*

	Six months ended 30 September	
	2022 HK\$ (Unaudited)	2021 HK\$ (Unaudited)
Profit for the period	4,535,407	52,287,160
Other comprehensive (expense)/income: <i>Items that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of foreign operations	(14,807,753)	1,674,856
Other comprehensive (expense)/income for the period	(14,807,753)	1,674,856
Total comprehensive (expense)/income for the period	(10,272,346)	53,962,016
Total comprehensive (expense)/income attributable to:		
Owners of the Company	(10,125,800)	52,804,267
Non-controlling interests	(146,546)	1,157,749
	(10,272,346)	53,962,016

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2022

		30 September 2022 HK\$ (Unaudited)	31 March 2022 HK\$ (Audited)
	Notes		
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	12	161,925,135	164,552,045
Right-of-use assets		12,135,356	14,222,233
Investment properties	13	836,635,120	827,435,164
Interests in associates		13,459,986	13,340,173
Intangible assets		3,501,501	3,501,501
Other assets		2,700,000	2,700,000
Financial asset at fair value through other comprehensive income ("FVOCI") (non-recycling)	15	72,497,183	73,132,554
Loan receivables	14	44,148,447	41,883,085
Deferred tax assets		3,682,446	3,389,741
		1,150,685,174	1,144,156,496
Current assets			
Inventories		50,730,281	60,643,963
Trade and other receivables	16	105,627,949	154,769,751
Deposits and prepayments		5,200,587	5,114,367
Tax recoverable		208,052	2,000,686
Restricted cash		4,100,000	4,100,000
Financial assets at FVTPL	17	29,496,500	34,600,000
Trust accounts of shares dealing clients		72,206,031	88,603,357
Cash and cash equivalents		60,986,397	83,536,258
		328,555,797	433,368,382
Current liabilities			
Trade and other payables	18	106,484,053	145,006,871
Contract liabilities		934,385	1,228,797
Bank loans	19	232,348,868	337,169,106
Amount due to an associate		–	1,490,170
Lease liabilities		356,377	1,062,992
Tax payables		246,343	287,594
		340,370,026	486,245,530

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

As at 30 September 2022

	Notes	30 September 2022 HK\$ (Unaudited)	31 March 2022 HK\$ (Audited)
Net current liabilities		(11,814,229)	(52,877,148)
Total assets less current liabilities		1,138,870,945	1,091,279,348
Non-current liabilities			
Bank loan	19	57,066,263	–
Amount due to a non-controlling interest		3,270,000	3,270,000
Deferred tax liabilities		14,592,802	13,795,122
		74,929,065	17,065,122
Net assets		1,063,941,880	1,074,214,226
EQUITY			
Share capital	20	245,062,941	245,062,941
Reserves		808,693,551	818,819,351
Equity attributable to owners of the Company		1,053,756,492	1,063,882,292
Non-controlling interests		10,185,388	10,331,934
Total equity		1,063,941,880	1,074,214,226

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2022

	ATTRIBUTABLE TO OWNERS OF THE COMPANY								
	SHARE CAPITAL	FAIR VALUE			EXCHANGE RESERVE*	RETAINED PROFITS*	SUBTOTAL	NON- CONTROLLING INTERESTS	TOTAL
		RESERVE	PROPERTY						
		(NON- RECYCLING)*	REVALUATION RESERVE*						
HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$		
At 1 April 2021 (Audited)	245,062,941	-	4,278,755	36,600,148	752,063,413	1,038,005,257	11,204,508	1,049,209,765	
Profit for the period	-	-	-	-	51,222,830	51,222,830	1,064,330	52,287,160	
Other comprehensive income for the period	-	-	-	1,581,437	-	1,581,437	93,419	1,674,856	
Total comprehensive income for the period	-	-	-	1,581,437	51,222,830	52,804,267	1,157,749	53,962,016	
At 30 September 2021 (Unaudited)	245,062,941	-	4,278,755	38,181,585	803,286,243	1,090,809,524	12,362,257	1,103,171,781	
At 1 April 2022 (Audited)	245,062,941	1,236,002	4,278,755	41,491,065	771,813,529	1,063,882,292	10,331,934	1,074,214,226	
Profit for the period	-	-	-	-	3,798,830	3,798,830	736,577	4,535,407	
Other comprehensive expense for the period	-	-	-	(13,924,630)	-	(13,924,630)	(883,123)	(14,807,753)	
Total comprehensive (expense)/income for the period	-	-	-	(13,924,630)	3,798,830	(10,125,800)	(146,546)	(10,272,346)	
At 30 September 2022 (Unaudited)	245,062,941	1,236,002	4,278,755	27,566,435	775,612,359	1,053,756,492	10,185,388	1,063,941,880	

* The reserves accounts comprise the Group's reserves of HK\$808,693,551 (31 March 2022: HK\$818,819,351) in the condensed consolidated statement of financial position.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2022

	Six months ended 30 September	
	2022 HK\$ (Unaudited)	2021 HK\$ (Unaudited)
Net cash generated from/(used in) operating activities	49,506,690	(35,387,695)
Net cash used in investing activities	(13,416,312)	(96,368,139)
Net cash (used in)/generated from financing activities	(53,455,636)	35,165,140
Net decrease in cash and cash equivalents	(17,365,258)	(96,590,694)
Cash and cash equivalents at beginning of the period	83,536,258	159,575,769
Effect of foreign exchange rate changes, net	(5,184,603)	256,910
Cash and cash equivalents at end of the period	60,986,397	63,241,985

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2022

1. GENERAL INFORMATION

The Company is a limited liability company incorporated and domiciled in Hong Kong. The address of its registered office is Units 407–410, 4th Floor, Tower 2, Silvercord, No. 30 Canton Road, Tsimshatsui, Kowloon, Hong Kong and, its principal place of business is Hong Kong and the People's Republic of China (the "PRC"). The Company's shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The principal activities of the Group include investment holding, property investment, development and leasing, hotel operation, manufacturing and distribution of plastic packaging materials and broking and securities margin financing.

The consolidated financial statements are presented in Hong Kong dollar ("HK\$"), which is also the functional currency of the Company.

2. BASIS OF PREPARATION

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

The financial information relating to the year ended 31 March 2022 that is included in these condensed consolidated financial statements as comparative information does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those 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 (Chapter 622 of the Laws of Hong Kong) (the "Companies Ordinance") is as follows:

The Company has delivered the financial statements for the year ended 31 March 2022 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance (Cap. 622).

The Company's auditors has reported on those 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 Companies Ordinance.

2. BASIS OF PREPARATION *(Continued)*

The condensed consolidated financial statements have been prepared on the historical cost basis, except for investment properties, financial asset at FVOCI (non-recycling) and financial assets at FVTPL, which are measured at fair value.

The condensed consolidated financial statements should be read in conjunction with the annual financial statements of the Group for the year ended 31 March 2022.

In preparing the consolidated financial statements, the directors have given careful consideration to the future liquidity of the Group in light of the fact that, as of 30 September 2022, the Group's current liabilities exceeded its current assets by HK\$11.8 million. The directors are of the opinion that the Group will have sufficient working capital to finance its operations and continue as a going concern given that: (i) the Group had bank balances and cash of HK\$61.0 million as at 30 September 2022 which enable the Group to meet its payment obligations at all times; (ii) as at 30 September 2022, the Group had undrawn facilities totalling HK\$257.2 million which were the overdraft and the revolving loan facilities granted by the banks; (iii) the directors have reviewed the likelihood of renewal of the term loan of approximately HK\$166.0 million, which the directors believed that the term loan can be renewed upon the expiry; and (iv) the management has prepared cash flow forecasts which demonstrated that the Group had sufficient working capital over the next twelve months from the reporting date. After taking into account the above, the directors of the Company are satisfied that the Group will be able to meet their financial obligations when they fall due. Accordingly, the directors of the Company are of the opinion that the consolidated financial statements have been prepared on a going concern basis.

3. PRINCIPAL ACCOUNTING POLICIES

The accounting policies and methods of computation used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 March 2022 except as stated below.

The adoption of amendments to standards and framework

The Group adopted the following amendments to standards and framework, which are relevant to its operations.

Amendments to HKFRS 3	Reference to the Conceptual Framework
Amendments to HKAS 16	Property, plant and Equipment: Proceeds before Intended Use
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract
Amendments to HKFRSs	Annual Improvements to HKFRSs 2018–2020

The above amendments to standards and framework did not have significant impact on the Group's accounting policies and did not require retrospective adjustments.

4. SEGMENT INFORMATION

The Group determines operating segments based on internal reports that are regularly reviewed by the chief operating decision maker (“CODM”) for the purpose of resource allocation and assessment of segment performance between segments and that are used to make strategic decisions.

The CODM has been identified as the directors of the Company. The CODM review the Group’s internal reporting for the purposes of resources allocation and the assessment of segment performance and have determined the operating segments based on these reports.

The CODM consider the business from both a geographic and product perspective. From geographic and product perspective, the CODM assess as the performance of (i) property investment, development and leasing/hotel operation, (ii) manufacturing and distribution of plastic packaging materials and (iii) broking and securities margin financing.

In a manner consistent with the way in which information is reported internally to the CODM for the purposes of resources allocation and assessment of segment performance, the Group is currently organised into the following operating segments:

Property investment, development and leasing/ hotel operation	Provision of hotel services in Hong Kong and investing, developing and leasing properties in Hong Kong and the PRC
Manufacturing and distribution of plastic packaging materials	Manufacturing and distribution of plastic packaging materials
Broking and securities margin financing	Provision of stock and futures broking and provision of securities margin financing

4. SEGMENT INFORMATION (Continued)

(I) Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable segment.

	Property investment, development and leasing/ hotel operation		Manufacturing and distribution of plastics packaging materials		Broking and securities margin financing		Consolidated	
	Six months ended 30 September		Six months ended 30 September		Six months ended 30 September		Six months ended 30 September	
	2022 HK\$ (Unaudited)	2021 HK\$ (Unaudited)	2022 HK\$ (Unaudited)	2021 HK\$ (Unaudited)	2022 HK\$ (Unaudited)	2021 HK\$ (Unaudited)	2022 HK\$ (Unaudited)	2021 HK\$ (Unaudited)
Segment revenue — from external customers	6,075,948	6,332,571	123,657,078	107,599,251	8,652,166	10,727,631	138,385,192	124,659,453
Segment results	(3,690,958)	(3,571,343)	13,893,774	13,819,609	(2,393,214)	1,416,225	7,809,602	11,664,491
Gain arising from change in fair value of investment properties	4,172,927	51,046,782	-	-	-	-	4,172,927	51,046,782
Profit/(Loss) from operations	481,969	47,475,439	13,893,774	13,819,609	(2,393,214)	1,416,225	11,982,529	62,711,273
Unallocated finance costs							(3,506,426)	(2,372,633)
Share of results of associates							202,090	(690,638)
Impairment loss recognised in respect of amount due from an associate							(2,167,687)	(4,994,857)
Profit before income tax							6,510,506	54,653,145
Income tax expense							(1,975,099)	(2,365,985)
Profit for the period							4,535,407	52,287,160
Interest income	253,000	188,930	80,925	270,663	253,677	152,751	587,602	612,344
Depreciation of right-of-use assets	11,543	11,543	964,412	911,705	-	-	975,955	923,248
Depreciation of property, plant and equipment	1,872,387	2,093,382	2,467,100	2,772,148	137,461	131,627	4,476,948	4,997,157
Gain arising on change in fair value of investment properties	(4,172,927)	(51,046,782)	-	-	-	-	(4,172,927)	(51,046,782)
Bad debt recovered	-	-	-	-	(24,000)	(24,000)	(24,000)	(24,000)

Southeast Asia Properties & Finance Limited

4. SEGMENT INFORMATION (Continued)

(II) Segment assets and liabilities

	Property investment, development and leasing/hotel operation		Manufacturing and distribution of plastics packaging materials		Broking and securities margin financing		Consolidated	
	30 September 2022 HK\$ (Unaudited)	31 March 2022 HK\$ (Audited)	30 September 2022 HK\$ (Unaudited)	31 March 2022 HK\$ (Audited)	30 September 2022 HK\$ (Unaudited)	31 March 2022 HK\$ (Audited)	30 September 2022 HK\$ (Unaudited)	31 March 2022 HK\$ (Audited)
Assets								
Reportable segment assets	977,853,806	997,286,128	219,671,114	231,219,260	217,274,726	283,178,666	1,414,799,646	1,511,684,054
Unallocated corporate assets							64,441,325	65,840,824
Total assets							1,479,240,971	1,577,524,878
Liabilities								
Reportable segment liabilities	25,228,887	31,135,083	22,077,648	35,485,880	78,577,425	99,520,583	125,883,960	166,141,546
Unallocated corporate liabilities							289,415,131	337,169,106
Total liabilities							415,299,091	503,310,652
Additions to non-current assets (other than financial instruments and deferred tax assets)	11,347,332	21,676,114	1,199,003	2,485,456	6,880	101,422	12,553,215	24,262,992

4. SEGMENT INFORMATION (Continued)

(III) Geographical segment

The Group's revenues from external customers and its non-current assets (other than financial instruments and deferred tax assets) are divided into the following geographical areas. The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of the non-current assets is based on the physical location of the assets in case of property, plant and equipment, right-of-use assets and investment properties, the location of operation to which they are allocated in case of intangible assets, and the location of operation in case of interests in associates.

	Revenue from external customers		Non-current assets	
	Six months ended 30 September		30 September	31 March
	2022	2021	2022	2022
	HK\$	HK\$	HK\$	HK\$
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Hong Kong (domicile)	31,178,970	42,201,215	960,143,198	931,808,792
PRC	38,602,168	19,201,481	114,361,941	91,159,642
Japan	27,705,269	24,210,875	–	–
Oceania	24,782,937	21,326,053	–	–
North America	9,833,020	9,721,152	–	–
Europe	6,282,828	7,998,677	–	–
	138,385,192	124,659,453	1,074,505,139	1,022,968,434

(IV) Information about major customers

Revenue from customers of the corresponding periods contributing 10% or more of revenue of the Group is as follows:

	Six months ended 30 September	
	2022	2021
	HK\$	HK\$
	(Unaudited)	(Unaudited)
Manufacturing and distribution of plastic packaging materials		
Customer A ¹	23,250,393	19,874,109
Customer B ²	18,764,460	4,446,516

¹ Revenue derived from the Group's manufacturing and distribution of plastics packaging materials segment.

² Revenue derived from the Group's manufacturing and distribution of plastics packaging materials segment. Revenue from this customer for Previous Reporting Period did not exceed 10% of the Group's revenue.

5. REVENUE

The Group's revenue recognised during the period is as follows:

	Six months ended 30 September	
	2022 HK\$ (Unaudited)	2021 HK\$ (Unaudited)
Revenue from contracts with customers		
Sale of goods	123,657,078	107,599,251
Brokerage commission	2,998,200	4,404,764
	126,655,278	112,004,015
Revenue from other sources		
Rental income and rental related income	5,598,432	6,332,571
Interest income received from clients	3,866,778	4,707,121
Dividend income from listed equity securities	1,787,188	1,615,746
Dividend income from unlisted securities	477,516	–
	11,729,914	12,655,438
Total revenue	138,385,192	124,659,453

Disaggregation of revenue from contracts with customers with the scope of HKFRS 15

The Group derives revenue from the transfer of goods and services at a point in time during the Reporting Period and the Previous Reporting Period.

6. OTHER REVENUE AND OTHER INCOME

	Six months ended 30 September	
	2022 HK\$ (Unaudited)	2021 HK\$ (Unaudited)
Interest income	587,602	612,344
Imputed interest income from loan to a private company	966,720	–
Other income (note a)	1,391,491	1,188,452
Handling fee income from stock broking	437,961	515,573
Bad debt recovered	24,000	24,000
Government grants (note b)	972,000	–
	4,379,774	2,340,369

Notes:

- (a) Other income mainly represents sales of scrap materials, rebate of bank's term loan and transportation fee charged to customers.
- (b) During the Reporting Period, the Group received funding support amounting to HK\$972,000 from the Employment Support Scheme under the Anti-epidemic Fund, set up by the Hong Kong Government. The purpose of the funding is to provide financial support to enterprises to retain their employees who would otherwise be made redundant. Under the terms of the grant, the Group is required not to make redundancies during the subsidy period and to spend all the funding on paying wages to the employees.

There were no unfulfilled conditions or contingencies relating to these government grants.

7. FINANCE COSTS

	Six months ended 30 September	
	2022 HK\$ (Unaudited)	2021 HK\$ (Unaudited)
Interest expenses on:		
Bank loans	3,269,794	2,228,403
Other borrowings	968	17,398
Finance charges on lease liabilities	8,885	5,888
Bank charges	226,779	120,944
	3,506,426	2,372,633

8. INCOME TAX EXPENSE

	Six months ended 30 September	
	2022 HK\$ (Unaudited)	2021 HK\$ (Unaudited)
Current tax:		
Provision for the period	1,470,124	2,138,801
Deferred tax charge	504,975	227,184
Total income tax expense for the period	1,975,099	2,365,985

The provision for Hong Kong Profits Tax for both periods are calculated at 16.5% (2021: 16.5%) of the estimated assessable profits for the period, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered profits tax rates regime. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of qualifying entities are taxed at 8.25%, and the profits above HK\$2 million are taxed at 16.5%.

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

9. PROFIT FOR THE PERIOD

Profit for the period has been arrived at after charging/(crediting):

	Six months ended 30 September	
	2022 HK\$ (Unaudited)	2021 HK\$ (Unaudited)
Cost of inventories sold	80,912,034	67,064,434
Direct operating expenses for generating rental income	1,240,862	1,126,855
Depreciation:		
– Property, plant and equipment	4,476,948	4,997,157
– Right-of-use assets	975,955	923,248
	5,452,903	5,920,405
Gain on disposal of financial assets at FVTPL	–	(51,426)
Loss on change in fair value of financial assets at FVTPL	5,103,500	2,723,121
	5,103,500	2,671,695
Bad debt recovered	(24,000)	(24,000)
Exchange (gain)/loss, net	(566,108)	200,801
Staff costs (including directors' emoluments):		
– Salaries, wages and allowances	23,734,070	20,513,549
– Staff benefits	426,755	589,035
– Retirement benefit schemes contributions	1,273,706	1,302,998
	25,434,531	22,405,582

10. DIVIDENDS

The Board does not recommend the payment of any interim dividends for the Reporting Period (Previous Reporting Period: nil).

Final dividends relating to the year ended 31 March 2022 amounting to HK\$6,762,601 were paid in October 2022.

11. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of the basic earnings per share is based on the profit attributable to owners of the Company of HK\$3,798,830 (Previous Reporting Period: profit attributable to owners of the Company of earnings HK\$51,222,830) and on the weighted average 225,420,034 (Previous Reporting Period: 225,420,034) ordinary shares in issue during the both periods.

The diluted earnings per share for the Reporting Period and Previous Reporting Period were the same as basic earnings per share as there were no dilutive potential ordinary shares in existence for both periods.

12. PROPERTY, PLANT AND EQUIPMENT

For the Reporting Period, the Group acquired property, plant and equipment of HK\$7,526,186 (Previous Reporting Period: HK\$8,211,907).

At 30 September 2022, the Group's buildings and construction in progress in Hong Kong with carrying amounts of HK\$102,347,514 (31 March 2022: HK\$97,610,676) have been pledged to secure general banking facilities granted to the Group (note 19 to the condensed consolidated financial statements).

13. INVESTMENT PROPERTIES

	HK\$
At 1 April 2021 (Audited)	805,236,720
Additions – subsequent expenditures	3,488,722
Gain arising from change in fair value	<u>18,709,722</u>
At 31 March 2022 and at 1 April 2022 (Audited)	827,435,164
Additions – subsequent expenditures	5,027,029
Gain arising from change in fair value	<u>4,172,927</u>
At 30 September 2022 (Unaudited)	<u>836,635,120</u>

All of the Group's properties held under operating leases to generate rental income or for capital appreciation are measured using the fair value model and are classified and accounted for as investment properties.

At 30 September 2022, the Group's investment properties with carrying amounts of HK\$340,640,000 (31 March 2022: HK\$352,860,380) have been pledged to secure general banking facilities granted to the Group (note 19 to the condensed consolidated financial statements).

13. INVESTMENT PROPERTIES (Continued)

The carrying amount of investment properties shown above comprises:

	30 September 2022 HK\$ (Unaudited)	31 March 2022 HK\$ (Audited)
Inside Hong Kong, held under medium-term lease	807,640,000	800,860,380
Inside Hong Kong, held under long-term lease	12,000,000	11,500,000
Outside Hong Kong, held under medium-term lease	16,995,120	15,074,784
	836,635,120	827,435,164

14. LOAN RECEIVABLES

For the Reporting Period, an additional loan to an independent borrower with carrying amount of HK\$3,886,015 is secured by the borrower's property in Hong Kong. The additional loan carries interest at interest rate 3% over the Hong Kong Prime rate per annum. The outstanding balance is not repayable within the next 12 months from the end of the reporting period.

The management closely monitor the credit quality of the loan receivables and there are no indications that the loan receivables neither past due nor impaired will be uncollectible.

15. FINANCIAL ASSET AT FVOCI (NON-RECYCLING)

	30 September 2022 HK\$ (Unaudited)	31 March 2022 HK\$ (Audited)
Unlisted private equity fund	66,236,002	66,236,002
Unlisted equity investments in a private company	6,261,181	6,896,552
	72,497,183	73,132,554

The Group designated its 8.98% (31 March 2022: 9.45%) equity interest in a private equity fund, Greater Bay Fund I LP ("Greater Bay Fund") and 7.88% (31 March 2022: 9.16%) equity interest in a private company, Dongguan Hanju Shiye Investment Company Limited ("Dongguan Hanju") as financial assets at FVOCI (non-recycling), as these investments are held for the strategic purpose. The Greater Bay Fund and Dongguan Hanju jointly owned a company established in the PRC which is principally engaged in property investment in the PRC.

The fair value of the Group's unlisted equity investment has been measured as described in note 24.

16. TRADE AND OTHER RECEIVABLES

The Group's trade receivables arose from (i) property investment, development and leasing, (ii) manufacturing and distribution of plastic packaging materials, and (iii) broking and securities margin financing.

	30 September 2022 HK\$ (Unaudited)	31 March 2022 HK\$ (Audited)
Trade receivables from broking and securities margin financing:		
– Clearing house and cash clients	6,892,678	19,380,042
– Secured margin clients	65,261,769	97,211,651
Less: Expected credit loss ("ECL") allowance	(301,404)	(301,404)
	71,853,043	116,290,289
Trade receivables from sales of goods and leasing	32,376,863	37,910,827
Less: ECL allowance	(1,975,431)	(1,975,431)
	30,401,432	35,935,396
Other receivables	3,373,474	2,544,066
	105,627,949	154,769,751

The directors of the Group consider that the fair values of trade and other receivables are not materially different from their carrying amounts because these balances have short maturity periods on their inception.

The Group allows a credit period up to the respective settlement dates for securities transactions (normally two business days after the respective trade date for cash clients). Each secured margin client has a credit limit.

At 30 September 2022, trade receivables from cash clients and secured margin clients of HK\$9,802,724 (31 March 2022: HK\$6,079,234) were due from key management personnel.

Trade receivables of manufacturing and distribution of plastic packaging materials fall into the general credit term ranged from 0–90 days except for a credit period mutually agreed between the Group and the customers.

16. TRADE AND OTHER RECEIVABLES (Continued)

Aging analysis

The following is an aging analysis of trade receivables of the Group arose from sales of goods and leasing, presented based on the invoice date, which approximates the respective revenue recognition dates and net of ECL allowance:

	30 September 2022 HK\$ (Unaudited)	31 March 2022 HK\$ (Audited)
0–30 days	24,340,375	20,220,121
31–60 days	3,192,255	3,850,182
Over 60 days	2,868,802	11,865,093
	30,401,432	35,935,396

Margin loans due from margin clients are repayable on demand. Margin loans are required to be secured by clients' listed securities held by the Group as collateral and bear interest at 8.625% for the Reporting Period (31 March 2022: 8.5%). The amount of credit facilities granted to margin clients is determined by the discounted market value of the collateral securities accepted by the Group. At 30 September 2022, the total market value of securities pledged as collateral by the customers in respect of the loans to margin clients was HK\$112,341,672 (31 March 2022: HK\$196,129,716).

No aging analysis of receivables from cash clients and loans to margin clients is disclosed as in the opinion of the directors, the aging analysis does not give additional value in view of the nature of business.

17. FINANCIAL ASSETS AT FVTPL

	30 September 2022 HK\$ (Unaudited)	31 March 2022 HK\$ (Audited)
Listed securities:		
– Equity securities listed in Hong Kong	29,496,500	34,600,000

The fair value of the Group's investment in listed securities are determined with reference to quoted market closing prices.

At 30 September 2022, equity securities listed in Hong Kong with carrying amounts of HK\$29,496,500 (31 March 2022: \$34,600,000) have been pledged to secure general banking facilities granted to the Group (note 19 to the condensed consolidated financial statements).

18. TRADE AND OTHER PAYABLES

The Group's trade payables arose from manufacturing and distribution of plastic packaging materials and broking and securities margin financing.

	30 September 2022 HK\$ (Unaudited)	31 March 2022 HK\$ (Audited)
Trade payables to:		
– Clearing house and cash clients	70,014,168	79,119,457
– Secured margin clients	6,795,078	18,120,061
– Other creditors	8,076,643	17,379,069
Total trade payables	84,885,889	114,618,587
Other payables	21,598,164	30,388,284
	106,484,053	145,006,871

Trade payables to other creditors represents trade payables in respect of purchases of materials and supplies.

The credit period granted by other creditors is generally within 30 days. The following is an aging analysis of trade payables to other creditors based on invoice dates:

	30 September 2022 HK\$ (Unaudited)	31 March 2022 HK\$ (Audited)
0–30 days	7,077,295	16,208,524
31–60 days	493,888	595,159
Over 60 days	505,460	575,386
	8,076,643	17,379,069

All amounts are short term and hence the carrying values of the Group's trade and other payables are considered to be a reasonable approximation of fair value.

19. BANK LOANS

	30 September 2022 HK\$ (Unaudited)	31 March 2022 HK\$ (Audited)
Secured bank loans	289,415,131	337,169,106

The Group's bank loans were repayable as follows:

	30 September 2022 HK\$ (Unaudited)	31 March 2022 HK\$ (Audited)
Carrying amounts repayable (note)		
Within one year	215,577,479	319,779,062
In the second year	2,406,718	–
In the third to fifth years	7,607,430	–
After fifth years	47,052,115	–
	272,643,742	319,779,062
Carrying amount of bank loans that are not repayable within one year from the end of the reporting period but contain a repayment on demand clause (shown under current liabilities)	16,771,389	17,390,044
	289,415,131	337,169,106
Less: Amounts shown under current liabilities	(232,348,868)	(337,169,106)
Amounts shown under non-current liabilities	57,066,263	–

Note: The amounts are based on the scheduled repayment dates set out in the loan agreements.

Bank loans bear interest rate at rates ranging from 1.50% to 4.11% (31 March 2022: 1.37% to 1.82%) per annum.

19. **BANK LOANS** (Continued)

The secured bank loans were guaranteed by the Group's subsidiaries and secured by the Group's assets:

		30 September 2022 HK\$ (Unaudited)	31 March 2022 HK\$ (Audited)
	<i>Notes</i>		
Property, plant and equipment	12	102,347,514	97,610,676
Investment properties	13	340,640,000	352,860,380
Restricted cash		4,100,000	4,100,000
Financial assets at FVTPL	17	29,496,500	34,600,000
		476,584,014	489,171,056

20. **SHARE CAPITAL**

	Number of share	HK\$
Issued and fully paid:		
At 1 April 2021, 31 March 2022 (Audited) and 30 September 2022 (Unaudited)	225,420,034	245,062,941

21. LEASE COMMITMENTS

As lessor

The Group had future aggregate minimum lease receipts under non-cancellable operating leases in respect of land and buildings as follows:

	30 September 2022 HK\$ (Unaudited)	31 March 2022 HK\$ (Audited)
Within one year	6,079,362	6,376,321
After 1 year but within 2 years	2,045,038	1,113,096
After 2 year but within 3 years	732,000	–
	8,856,400	7,489,417

At 30 September 2022, the Group leases its investment properties (note 13) under operating lease arrangements which run for an initial period of one month to three years (31 March 2022: one month to three years), with an option to renew the lease terms at the expiry date or at dates as mutually agreed between the Group and the respective tenants. The terms of the leases generally also require the tenants to pay security deposits.

22. CAPITAL COMMITMENTS

	30 September 2022 HK\$ (Unaudited)	31 March 2022 HK\$ (Audited)
Contracted but not provided for:		
– Property, plant and equipment	189,680	159,482
– Development expenditure of properties	17,083,875	23,578,883
	17,273,555	23,738,365

23. MATERIAL RELATED PARTIES TRANSACTIONS

Save as disclosed in elsewhere in the condensed consolidated financial statements, the Group entered into the following transactions with related parties at normal commercial terms:

a) Key management personnel

Remuneration for key management personnel, including amount paid to the Company's Directors and other members of key management and their close family members during the reporting period were as follows:

	Six months ended 30 September	
	2022 HK\$ (Unaudited)	2021 HK\$ (Unaudited)
Salaries, allowances and other benefits	9,879,822	5,230,174
Retirement benefit schemes contributions	74,200	64,800
Total compensation paid to key management personnel	9,954,022	5,294,974

b) Transactions

The Group had the following transactions with related parties during the reporting period as follows:

	Six months ended 30 September	
	2022 HK\$ (Unaudited)	2021 HK\$ (Unaudited)
Income received from key management personnel		
– Brokerage commission income	48,203	76,766
– Interest income received	373,910	111,181
Income received from associates		
– Accounting fee	60,000	60,000
Expenses paid to a related company		
– Consultation fee	1,560,476	383,688

24. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

The fair values of financial assets and financial liabilities are determined as follows:

- the fair values of financial assets and financial liabilities with standard terms and conditions and traded in active markets are determined with reference to quoted market bid prices and ask prices respectively;
- the fair values of derivative instruments are calculated using quoted prices. When such prices are not available, a discounted cash flow analysis is performed using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives; and
- the fair values of other financial assets and financial liabilities (excluding those described above) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The Directors consider that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate to their fair values.

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13 Fair Value Measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: fair value measured using only Level 1 inputs, i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date;
- Level 2 valuations: fair value measured using Level 2 inputs, i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are input for which market data are not available; and
- Level 3 valuations: fair value measured using significant unobservable inputs.

24. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	Total HK\$
30 September 2022 (Unaudited)				
Financial assets				
<i>Financial assets at FVTPL</i>				
– Listed equity securities	29,496,500	–	–	29,496,500
<i>Financial asset at FVOCI (non-recycling)</i>				
– Unlisted equity investment	–	–	72,497,183	72,497,183
	29,496,500	–	72,497,183	101,993,683
31 March 2022 (Audited)				
Financial assets				
<i>Financial assets at FVTPL</i>				
– Listed equity securities	34,600,000	–	–	34,600,000
<i>Financial asset at FVOCI (non-recycling)</i>				
– Unlisted equity investment	–	–	73,132,554	73,132,554
	34,600,000	–	73,132,554	107,732,554

For the Reporting Period and Previous Reporting Period, there were no transfers between Level 1 and Level 2.

The Group's policy is to recognise transfers between levels of fair value hierarchy as of the date of the events or change in circumstances that cause the transfer.

25. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the presentation of the Reporting Period.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial and Business Review

During the Reporting Period, the Group recorded revenue of HK\$138.4 million, representing an increase of HK\$13.7 million, or 11.0% as compared with HK\$124.7 million in the Previous Reporting Period. The Group recorded profit for the period of HK\$4.5 million (Previous Reporting Period: profit of HK\$52.3 million). The decrease was mainly attributable to the decrease in gain arising from change in fair value of investment properties of HK\$46.9 million during the Reporting Period, as compared to the Previous Reporting Period.

Property Investment, Development and Leasing/Hotel

During the Reporting Period, this segment recorded revenue of HK\$6.1 million, a decrease of HK\$0.2 million, or 4.1% as compared with HK\$6.3 million in the Previous Reporting Period. Profit from operations was HK\$0.5 million during the Reporting Period, a decrease of HK\$47.0 million, or 99.0% as compared with HK\$47.5 million in the Previous Reporting Period. Excluding the change in fair value of investment properties, loss from operations was HK\$3.7 million, representing an increase in loss of HK\$0.1 million, or 3.3% as compared with loss of HK\$3.6 million in the Previous Reporting Period.

(i) Property Investment, Development and Leasing

During the Reporting Period, most of the Group's investment properties were leased out to generate steady rental income for the Group. The total rental income and rental related income amounted to HK\$5.6 million, representing a decrease of HK\$0.7 million, or 11.6% as compared with HK\$6.3 million in the Previous Reporting Period. It was mainly attributable to the decrease in rental income of 5 floors at Everglory Centre for the conversion of co-working space.

(ii) Hotel

Our hotel operation was suspended since 1 June 2020 for alteration and addition works. No revenue was generated from either shops or hotel accommodation for the Reporting Period and the Previous Reporting Period.

Manufacturing and Distribution of Plastic Packaging Materials

The segment recorded revenue of HK\$123.7 million, an increase of HK\$16.1 million from HK\$107.6 million in the Previous Reporting Period. The segment profit was HK\$13.9 million, an increase of HK\$0.1 million, or 0.5% from HK\$13.8 million in the Previous Reporting Period. The increase in segment profit was in line with the increase in segment revenue during the Reporting Period.

Lingering virus-mitigation measures continue to limit efforts to return the supply chain to pre-pandemic levels. Furthermore, the United States Federal Reserve (“Federal Reserve”) raised interest rates to rein in surging prices failed to tame inflation but caused the greenback to strengthen while other major currencies plummeted. The rapid interest rate hikes has wracked financial havoc elsewhere with recession risks, unbridled inflation and debt woes, which had led to companies taking steps to cut costs through supplier negotiations.

Broking and Securities Margin financing

In review to the reporting period, global economy grapples with pandemic-related disruptions and geopolitical tension. Externally, the Russia-Ukraine conflict disrupted worldwide supply chain which triggered inflation globally. The Federal Reserve continues to increase in interest rate substantially to suppress inflation. Internally, the continuous lockdown in many provinces in the PRC affects its production rate and GDP adversely. Together with the bursting of the PRC’s property bubble and power crisis make extra stress on the PRC’s economy.

The market momentum was rather weak during the reporting period. The fund-raising activities were significant reduced in Hong Kong Initial Public Offering (IPO), which was down by 76% year-on-year in the first three quarters in 2022. The Chinese Yuan is experiencing depreciation recently; its weakening was mainly due to a stronger United States Dollar led to a decline in other currencies. Investors step back and become conservative. Hang Seng Index dropped throughout the reporting period with its highest points 22,523 in April, 2022 and its lowest points 17,016 at the end of third quarter in 2022, a drop of nearly 5,500 points. The average turnover of the overall market declined to about HK\$100 billion daily.

This segment recorded a loss of HK\$2.4 million, as compared to a profit of HK\$1.4 million in the Previous Reporting Period. Brokerage commission amounted to HK\$3.0 million, a decrease of HK\$1.4 million or 31.9% as compared to HK\$4.4 million in the Previous Reporting Period. Interest income received from clients decreased by HK\$0.8 million or 17.9% to HK\$3.9 million, compared with HK\$4.7 million in the Previous Reporting Period.

Liquidity and Financial Resources

The Group takes a consistent capital management strategy, providing adequate liquidity to meet the requirement of the Group's developments and operations and monitors its capital on the basis of net debt to equity ratio.

As at 30 September 2022, cash and cash equivalents was HK\$61.0 million (31 March 2022: HK\$83.5 million). As at 30 September 2022, the current ratio of the Group was 1.0 (31 March 2022: 0.9).

The Group's bank loans decreased by HK\$47.8 million from HK\$337.2 million as at 31 March 2022 to HK\$289.4 million, as at 30 September 2022, in which the short-term loans amounted HK\$232.3 million (31 March 2022: HK\$337.2 million) and long term borrowings amounted to HK\$57.1 million (31 March 2022: HK\$nil). The Group's current period net debt to equity ratio was 21.3% (31 March 2022: 23.5%), calculated on the basis of the Group's total debt less restricted cash and cash and cash equivalents divided by total equity attributable to owners of the Company, such decrease was mainly due to the decrease in bank loans during the Reporting Period.

Capital Structure

As at 30 September 2022, the Group's total equity attributable to owners of the Company amounted to HK\$1,053.8 million (31 March 2022: HK\$1,063.9 million). The Group's consolidated net assets per share as at 30 September 2022 was HK\$4.7 (31 March 2022: HK\$4.8).

Foreign Exchange Exposure

The transactions and monetary assets and liabilities of certain subsidiaries are denominated in RMB. Although the Group currently does not have a foreign currency hedging policy, it does and will continue to monitor the foreign exchange exposure closely and will consider hedging if there is significant foreign currency exposure.

Material Acquisitions and Disposals

The Group had no material acquisitions or disposals of subsidiaries or associated companies during the Reporting Period.

Employees and Remuneration Policies

The Group had 272 employees as at 30 September 2022 (31 March 2022: 278 employees). The remuneration policies are determined with reference to the market conditions and individual performance of staff.

Strategic and Prospects

Looking ahead, as the unstable and the volatility of global environment and the COVID-19 pandemic is predicted to alleviate. We will cautiously review and adjust our business strategies from time to time.

Property Investment, Development and Leasing/Hotel Construction Progress

(i) *Property Investment, Development and Leasing*

During the Reporting Period, global economy is still confronting impacts on uncertainties arising from COVID-19 pandemic, fund flows and interest rate trends and geopolitical tension between PRC and the United States.

Russia-Ukraine conflict disrupted worldwide supply chain which triggered inflation globally. Central banks around the world simultaneously hike interest rates in response to inflation while tightening monetary policies, which may cause a global recession in 2023 as anticipated by many parties.

Due to the Group's diversified property portfolio, rental income from the Group's investment properties is expected to remain stable. Our Phase 3 development project in Everglory Centre involves the conversion of additional 5 floors into serviced office units, which will be packaged with prestige corporate services tailored for small and medium enterprises. The conversion project is expected to complete by Easter 2023, which will significantly increase the revenue generated by the building.

Seeing the instability during the Reporting Period and in the near future, the Group had taken a cautious approach in its business development to mitigate the risks and maintain healthy growth. The Group will monitor the market closely and consider different opportunities and strategies in order to make use of our property portfolio to generate favourable return.

(ii) *Hotel Construction Progress*

Our hotel is carrying out a major alteration and addition works. The foundation works of the alteration and addition works were completed in October 2022, followed by the superstructure works started in October 2022. The Group has issued a letter of award dated 2 September 2022 for accepting the terms of the tenders submitted by Wise Trend Engineering Limited in relation to construction of the superstructure works of the alteration and addition works for the hotel. The total contract sum payable by SAP Realty Company Limited to the contractor shall be approximately HK\$192.5 million (subject to adjustments for any variations and additional works in accordance with the terms of the contract).

Manufacturing and Distribution of Plastic Packaging Materials

A slowdown in global economic growth seems inevitable as the world economy continues to take a hit from high inflation, a slowdown in the PRC caused by virus-mitigation measures and ongoing fallout from Russia-Ukraine conflict. Furthermore, all nations agreed to work together to combat global climate change and come up with plans to reduce carbon emissions and facilitate a transformation to low-carbon living, will have significant implication to the global plastics industry. In face with the current challenges, we will look more towards efficiency improvements and cost savings to remain competitive and continue to promote greener alternatives to meet the market demand.

Broking and Securities Margin Financing

Looking ahead, market is full of fear and worry with the negative elements. Investors have to brace for another volatile year. Recently, the soaring inflation forces The Federal Reserve continue to contract in Quantitative Easing (QE) and increase in interest rate. It is afraid that would lead to economic recession eventually. The International Monetary Fund (IMF) has already turned down the forecast of the worldwide economic growth in the coming year.

On the other hand, it is optimal that Hong Kong is making path towards quarantine-free entry, it could increase the city's connectivity, gradual normalization activities of the recovery.

Investment market will continue stagnant if the marco environment does not improve. In the present situation, we adopt prudent measures especially on our margin financing and adjust our strategy in a timely manner. We are looking forward that our business will perform better when the investment environment becomes stable.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Compliance With the Code on Corporate Governance Practices

During the Reporting Period, the Company has complied with all those code provisions set out in the Code on Corporate Governance Practices (“Code”) contained in Appendix 14 of the Listing Rules except the following deviations:

Pursuant to Code A.2.1, the roles of chairman and chief executive officer should be performed by different individuals. Currently, the two roles are performed by the same individual. After reviewing the management structure, the Board is of the opinion that Board decisions are collective decisions of all Directors made by way of voting and not decisions of the Chairman of the Board alone. Further, there is a clear division of responsibilities with independent operations between the Board members and the management of the day-to-day business of the Company. As such, the power of management of the Company is not concentrated in any one individual. The Board considers that the present structure will not impair the balance of power and authority between the Board and the management of the Group.

Pursuant to Code A.6.7, independent non-executive Directors and non-executive Directors, as equal board members, should attend general meetings of the Company. During the period, a non-executive director was unable to attend the annual general meeting of the Company held on 26 August 2022 as he had other business engagements.

Compliance with the Model Code for Directors’ Dealing in Securities

The Company has adopted the “Model Code for Securities Transactions by Directors of Listed Issuers” (“Model Code”) as set out in Appendix 10 of the Listing Rules as the code of conduct regarding securities transactions by Directors of the Company. The Company has made specific enquiry of all Directors and all the Directors have complied with the required standard laid down in the Model Code.

Southeast Asia Properties & Finance Limited

Directors' Interests in Share Capital

As at 30 September 2022, the Directors of the Company had the following beneficial interests, all being long positions, in the share capital of the Company, the subsidiaries and associate companies of the Company:

	Number of shares held				% of the Issued Share Capital
	Personal Interests	Family Interests	Corporate Interests	Other Interests	
(a) The Company					
(Ordinary shares)					
Chua Nai Tuen	4,509,917	–	96,851,758 (Note)	–	44.97
Nelson Junior Chua	6,954,391	–	–	–	3.09
Richard Sy Tan	–	1,000,000	–	–	0.44
Jimmy Siy Tiong	3,770,987	–	–	–	1.67
Tsai Han Yung	5,120,490	–	–	–	2.27
Vivian Chua	1,040,000	–	–	–	0.46
(b) Nan Sing Plastics Limited					
(Ordinary shares)					
Chua Nai Tuen	–	–	6,965	–	4.64
(c) Titan Dragon Properties Corporation					
(Capital stock of Peso1,000.00 per share)					
Chua Nai Tuen	7,200	13,600	4,000 (Note)	–	25.83
Jimmy Siy Tiong	1,600	–	–	–	1.67

Note:

The shares regarding 'Corporate interests' in which Messrs. Chua Nai Tuen was taken to be interested as stated above were the interests of corporations in general meetings of which he was either entitled to exercise (or was taken under Part XV of the Securities and Futures Ordinance (the "SFO") to be able to exercise) or control the exercise of one-third or more of the voting power in general meetings of such corporations.

Except as disclosed above, as recorded in the register kept by the Company under section 352 of the SFO in respect of information required to be notified to the Company and the Stock Exchange pursuant to the SFO or the Model Code for Securities Transactions by Directors of Listed Issuers:

- (a) there were no interests, both long and short positions, held as at 30 September 2022 by any of the Directors or Chief Executive of the Company in shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), and
- (b) there existed during the financial period no rights to subscribe for shares, underlying shares or debentures of the Company which were held by any of the Directors or Chief Executive of the Company or any of their spouses or children under 18 years of age nor had there been any exercises during the financial period of any such rights by any of them.

Substantial Shareholders' Interests

Given below are the names of all parties, other than persons who are Directors of the Company, which were, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital of the Company and the respective relevant numbers of shares in which they were, and/or were deemed to be, interested as at 30 September 2022 as recorded in the register kept by the Company under section 336 of the SFO:

	No. of Ordinary Shares held	% of the Issued Share Capital
J & N International Limited ("J & N") (Note 1)	59,435,758	26.37
Sonliet Investment Company Limited ("Sonliet Investment") (Note 1)	37,416,000	16.60
Mr. Chua Nai King (Note 2)	21,204,931	9.41
Julius Baer Trust Company (Singapore) Limited ("Julius Baer") (Note 2)	16,880,140	7.49
Loriking Limited ("Loriking") (Note 2)	16,880,140	7.49

Note 1: For the avoidance of doubts and double counting, it should be noted that J & N's and Sonliet Investment's interests are entirely duplicated with Mr. Chua Nai Tuen's interests.

Note 2: For the avoidance of doubts and double counting, it should be noted that Julius Baer's and Loriking's interests are entirely duplicated with Mr. Chua Nai King's interests.

Southeast Asia Properties & Finance Limited

All the interests stated above represented long positions and as at 30 September 2022, there were no short positions recorded in the said register.

Audit Committee

The Audit Committee of the Company, which comprises four independent non-executive directors of the Company, namely Mr. Chan Siu Ting (Chairman of the Audit Committee), Mr. James L. Kwok, Mr. Tsui Ka Wah and Mr. Luk Siu Chuen and two non-executive directors of the Company, namely Mr. Chan Man Hon, Eric and Mr. Tsai Han Yung. The interim results of the Group for the Reporting Period have been reviewed by the Audit Committee, prior to their approval by the Board.

Interim Dividend

The Board has resolved not to recommend the payment of any interim dividend for the Reporting Period (Previous Reporting Period: Nil).

Purchase, Sale or Redemption of Shares

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's shares during the period under review.

Publication of Interim Report

The electronic version of this report will be published on the website of the Stock Exchange at www.hkexnews.hk and on the website of the Company at www.seapnf.com.hk.

By the order of the Board

Southeast Asia Properties & Finance Limited

Chua Nai Tuen

Chairman and Managing Director

Hong Kong, 24 November 2022

As at the date of this report, the Board comprises: (1) Mr. Chua Nai Tuen, Mr. Nelson Junior Chua and Mr. Richard Sy Tan as executive directors; (2) Mr. Chan Man Hon, Eric, Mr. Jimmy Siy Tiong, Mr. Tsai Han Yung and Ms. Vivian Chua as non-executive directors; and (3) Mr. Chan Siu Ting, Mr. James L. Kwok, Mr. Tsui Ka Wah and Mr. Luk Siu Chuen as independent non-executive directors.