



*Multifield*

**Multifield International Holdings Limited**

**萬事昌國際控股有限公司\***

(Incorporated in Bermuda with limited liability)

(Stock Code: 0898)

Interim Report **2023**

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## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

#### **Executive Directors**

Mr. Lau Chi Yung, Kenneth (*Chairman*)  
Mr. Lau Michael Kei Chi  
(*Vice-Chairman and Managing Director*)

#### **Independent Non-executive Directors**

Mr. Tsui Ka Wah  
Mr. Lo Mun Lam, Raymond  
Mr. Lo Kam Cheung, Patrick

### **AUDIT COMMITTEE**

Mr. Lo Mun Lam, Raymond (*Chairman*)  
Mr. Tsui Ka Wah  
Mr. Lo Kam Cheung, Patrick

### **REMUNERATION COMMITTEE**

Mr. Tsui Ka Wah (*Chairman*)  
Mr. Lau Chi Yung, Kenneth  
Mr. Lau Michael Kei Chi  
Mr. Lo Mun Lam, Raymond  
Mr. Lo Kam Cheung, Patrick

### **NOMINATION COMMITTEE**

Mr. Lau Chi Yung, Kenneth (*Chairman*)  
Mr. Lau Michael Kei Chi  
Mr. Tsui Ka Wah  
Mr. Lo Mun Lam, Raymond  
Mr. Lo Kam Cheung, Patrick

### **COMPANY SECRETARY**

Mr. Li Ying Leung

### **PRINCIPAL BANKERS**

Bank of China (Hong Kong) Limited  
Bank of Communications (Hong Kong) Limited  
Bank J. Safra Sarasin Ltd, Hong Kong Branch  
Bank of China

### **SOLICITORS**

Ng and Fang Solicitors & Notaries  
Wong & Tang Solicitors  
Guangdong Langqian Law Firm

### **AUDITORS**

Elite Partners CPA Limited  
*Certified Public Accountants*  
*and Registered Public Interest Entity Auditor*  
10/F, 8 Observatory Road  
Tsim Sha Tsui  
Kowloon  
Hong Kong

### **REGISTERED OFFICE**

Victoria Place, 5th Floor  
31 Victoria Street  
Hamilton HM 10  
Bermuda

### **PRINCIPAL PLACE OF BUSINESS**

Units 22-28, 25/F  
Tower A, Southmark  
11 Yip Hing Street  
Wong Chuk Hang  
Hong Kong

### **PRINCIPAL SHARE REGISTRAR & TRANSFER OFFICE**

MUFG Fund Services (Bermuda) Limited  
4th Floor North  
Cedar House  
41 Cedar Avenue  
Hamilton HM 12  
Bermuda

### **HONG KONG BRANCH SHARE REGISTRAR & TRANSFER OFFICE**

Tricor Tengis Limited  
17/F, Far East Finance Centre  
16 Harcourt Road  
Hong Kong

## INTERIM RESULTS

The board of directors (the “Board”) of Multifield International Holdings Limited (the “Company”) announces the unaudited interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2023, together with the comparative figures as follows:

### CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2023

	Notes	For the six months ended 30 June	
		2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
<b>REVENUE</b>	3	136,299	134,601
Cost of sales		<u>(22,088)</u>	<u>(20,796)</u>
Gross profit		114,211	113,805
Other income and gains	3	14,667	11,571
Foreign exchange differences, net		(44)	60
Fair value changes on financial assets at fair value through profit or loss, net		74,910	16,195
Operating and administrative expenses		(19,575)	(17,445)
Finance costs	5	(36,903)	(10,924)
Share of loss of associates		<u>(119)</u>	<u>–</u>
<b>PROFIT BEFORE TAX</b>	4	147,147	113,262
Income tax expense	6	<u>(6,909)</u>	<u>(6,651)</u>
<b>PROFIT FOR THE PERIOD</b>		<u>140,238</u>	<u>106,611</u>
<b>PROFIT FOR THE PERIOD ATTRIBUTABLE TO:</b>			
Owners of the Company		114,360	88,249
Non-controlling interests		<u>25,878</u>	<u>18,362</u>
		<u>140,238</u>	<u>106,611</u>
<b>EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY</b>			
Basic and diluted	8	<u>HK13.68 cents</u>	<u>HK10.56 cents</u>

Details of interim dividend are disclosed in note 7.

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2023

	For the six months ended 30 June	
	2023	2022
	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
<b>PROFIT FOR THE PERIOD</b>	140,238	106,611
<b>OTHER COMPREHENSIVE EXPENSE FOR THE PERIOD</b>	—	(2)
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<u>140,238</u>	<u>106,609</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		
<b>ATTRIBUTABLE TO:</b>		
Owners of the Company	114,360	88,247
Non-controlling interests	<u>25,878</u>	<u>18,362</u>
	<u>140,238</u>	<u>106,609</u>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2023

	As at <b>30 June</b> 2023	As at 31 December 2022
<i>Notes</i>	<i>HK\$'000</i> <i>(Unaudited)</i>	<i>HK\$'000</i> <i>(Audited)</i>
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	256,127	256,201
Investment properties	11,022,134	11,022,134
Right-of-use assets	336	340
Club debenture	330	330
Investment in associates	154	57
	<b>11,279,081</b>	<b>11,279,062</b>
<b>CURRENT ASSETS</b>		
Properties held for sale	281,851	281,851
Trade receivables	9      8,507	9,915
Prepayments, deposits and other receivables	244,943	238,495
Financial assets at fair value through profit or loss	841,823	762,074
Cash and cash equivalents	11      342,844	571,242
	<b>1,719,968</b>	<b>1,863,577</b>
<b>CURRENT LIABILITIES</b>		
Trade payables	10      72	1,410
Other payables and accruals	164,787	170,243
Deposits received	75,189	73,790
Interest-bearing bank and other borrowings	12      1,480,647	1,498,600
Tax payable	60,607	60,056
	<b>1,781,302</b>	<b>1,804,099</b>
<b>NET CURRENT (LIABILITIES)/ASSETS</b>	<b>(61,334)</b>	<b>59,478</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>11,217,747</b>	<b>11,338,540</b>

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2023

	<i>Notes</i>	As at 30 June 2023 <i>HK\$'000</i> <i>(Unaudited)</i>	As at 31 December 2022 <i>HK\$'000</i> <i>(Audited)</i>
<b>NON-CURRENT LIABILITIES</b>			
Amount due to a director	13	23,435	266,580
Deferred tax liabilities		<u>1,375,963</u>	<u>1,375,963</u>
Total non-current liabilities		<u>1,399,398</u>	<u>1,642,543</u>
Net assets		<u>9,818,349</u>	<u>9,695,997</u>
<b>EQUITY</b>			
Equity attributable to owners of the Company			
Issued capital	14	41,804	41,804
Reserves		<u>7,979,751</u>	<u>7,882,112</u>
Non-controlling interests		<u>8,021,555</u>	<u>7,923,916</u>
		<u>1,796,794</u>	<u>1,772,081</u>
Total equity		<u>9,818,349</u>	<u>9,695,997</u>

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2023

	Attributable to owners of the Company								Total equity HK\$'000 (Unaudited)
	Issued capital HK\$'000 (Unaudited) (Note 14)	Share premium account HK\$'000 (Unaudited)	Contributed surplus HK\$'000 (Unaudited)	Available- for-sale investment revaluation reserve HK\$'000 (Unaudited)	Exchange fluctuation reserve HK\$'000 (Unaudited)	Retained profits HK\$'000 (Unaudited)	Sub-total HK\$'000 (Unaudited)	Non- controlling interests HK\$'000 (Unaudited)	
At 1 January 2022	41,804	39,116	293,372	–	688,513	7,012,803	8,075,608	1,777,781	9,853,389
Profit for the period	–	–	–	–	–	88,249	88,249	18,362	106,611
Other comprehensive expense for the period	–	–	–	–	(2)	–	(2)	–	(2)
Dividend paid to non-controlling interests	–	–	–	–	–	–	–	(1,941)	(1,941)
Final 2021 dividend paid	–	–	–	–	–	(20,902)	(20,902)	–	(20,902)
At 30 June 2022	<u>41,804</u>	<u>39,116</u>	<u>293,372</u>	<u>–</u>	<u>688,511</u>	<u>7,080,150</u>	<u>8,142,953</u>	<u>1,794,202</u>	<u>9,937,155</u>
At 1 January 2023	41,804	39,116	293,372	–	310,324	7,239,300	7,923,916	1,772,081	9,695,997
Profit for the period	–	–	–	–	–	114,360	114,360	25,878	140,238
Other comprehensive expense for the period	–	–	–	–	–	–	–	–	–
Dividend paid to non-controlling interests	–	–	–	–	–	–	–	(1,165)	(1,165)
Final 2022 dividend paid	–	–	–	–	–	(16,721)	(16,721)	–	(16,721)
At 30 June 2023	<u>41,804</u>	<u>39,116</u>	<u>293,372</u>	<u>–</u>	<u>310,324</u>	<u>7,336,939</u>	<u>8,021,555</u>	<u>1,796,794</u>	<u>9,818,349</u>



## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2023

	Notes	For the six months ended 30 June	
		2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
NET CASH INFLOW FROM OPERATING ACTIVITIES		79,278	99,417
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES		9,043	(17,181)
NET CASH (OUTFLOW)/INFLOW FROM FINANCING ACTIVITIES		<u>(316,715)</u>	<u>256,817</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(228,394)	339,053
Cash and cash equivalents at beginning of the period		571,242	462,389
Effect of foreign exchange rate change, net		<u>(4)</u>	<u>(2)</u>
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		<u><u>342,844</u></u>	<u><u>801,440</u></u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	11	124,596	427,267
Non-pledged deposits with original maturity of less than twelve months when acquired	11	<u>218,248</u>	<u>374,173</u>
		<u><u>342,844</u></u>	<u><u>801,440</u></u>

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 1. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated interim financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) and with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The accounting policies and basis of preparation used in the preparation of the interim financial statements are the same as those used in the annual financial statements for the year ended 31 December 2022 except as noted below.

In the current period, the Group has applied, for the first time, the following amendments issued by the HKICPA, which are effective for the Group’s financial year beginning on 1 January 2023.

HKFRS 17 (including the October 2020 and February 2022 Amendments to HKFRS 17)	<i>Insurance contracts</i>
Amendments to HKAS 1 and HKFRS Practice Statement 2	<i>Disclosure of Accounting Policies</i>
Amendments to HKAS 8	<i>Definition of Accounting Estimates</i>
Amendments to HKAS 12	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>

Several amendments apply for the first time in 2023, but do not have an impact on the interim condensed consolidated financial statements of the Group.

## 2. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into three (six months ended 30 June 2022: three) reportable operating segments as follows:

- (a) the property investment segment mainly comprises rental income from investment properties;
- (b) the provision of serviced apartment and property management services segment; and
- (c) the trading and investments segment includes the trading of securities and investment income from securities investment and investment holding.

Management monitors the results of the Group’s operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group’s profit/loss before tax except that unallocated corporate expenses, interest income on bank deposits, share of loss of associates, other gains and non-lease-related finance costs are excluded from such measurement.

There are no sales or other transactions between the operating segments during the period (30 June 2022: Nil).

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 2. OPERATING SEGMENT INFORMATION *(continued)*

	Property investment		Provision of serviced apartment and property management services		Trading and investments		Total	
	For the six months ended 30 June							
	2023 HK\$'000 <i>(Unaudited)</i>	2022 HK\$'000 <i>(Unaudited)</i>	2023 HK\$'000 <i>(Unaudited)</i>	2022 HK\$'000 <i>(Unaudited)</i>	2023 HK\$'000 <i>(Unaudited)</i>	2022 HK\$'000 <i>(Unaudited)</i>	2023 HK\$'000 <i>(Unaudited)</i>	2022 HK\$'000 <i>(Unaudited)</i>
<b>Segment revenue:</b>								
Revenue from external customers	<u>102,219</u>	<u>104,986</u>	<u>17,575</u>	<u>19,920</u>	<u>16,505</u>	<u>9,695</u>	<u>136,299</u>	<u>134,601</u>
<b>Segment results</b>	<u>88,300</u>	<u>91,210</u>	<u>(328)</u>	<u>3,535</u>	<u>90,524</u>	<u>25,181</u>	<u>178,496</u>	<u>119,926</u>
<i>Reconciliation:</i>								
Unallocated corporate expenses							(8,994)	(7,311)
Interest income on bank deposits							10,523	3,488
Share of loss of associates							(119)	-
Other gains							4,144	8,083
Finance costs							(36,903)	(10,924)
Profit before tax							<u>147,147</u>	<u>113,262</u>

#### Geographical information

	Hong Kong		Mainland China		Total	
	For the six months ended 30 June					
	2023 HK\$'000 <i>(Unaudited)</i>	2022 HK\$'000 <i>(Unaudited)</i>	2023 HK\$'000 <i>(Unaudited)</i>	2022 HK\$'000 <i>(Unaudited)</i>	2023 HK\$'000 <i>(Unaudited)</i>	2022 HK\$'000 <i>(Unaudited)</i>
Revenue from external customers	<u>53,871</u>	<u>45,165</u>	<u>82,428</u>	<u>89,436</u>	<u>136,299</u>	<u>134,601</u>

The revenue information above is based on the locations of the customers. No single external customer accounted for 10% or more of the total revenue for the periods ended 30 June 2023 and 2022.

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 3. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2023	2022
	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
<i>Revenue from contracts with customers</i>		
Serviced apartment and property management services	17,575	19,920
<i>Revenue from other sources</i>		
Rental income from property letting under fixed lease payments	102,219	104,986
Dividend income from listed equity investments	16,505	9,695
	118,724	114,681
	136,299	134,601

#### Revenue from contracts with customers

(a) *Disaggregation of revenue information*

	For the six months ended 30 June	
	2023	2022
	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
<i>By source of revenue:</i>		
<i>Revenue recognised overtime</i>		
Serviced apartment and property management services	17,575	19,920
<i>By geographical locations:</i>		
Hong Kong	555	499
Mainland China	17,020	19,421
	17,575	19,920

(b) *Performance obligations for contracts with customers*

Serviced apartment and property management services income is recognised over time because the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs. Revenue is recognised for these serviced apartment and property management services based on monthly statement issued by the Group's management agent using output method.

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 3. REVENUE, OTHER INCOME AND GAINS *(continued)*

Other income and gains

	For the six months ended 30 June	
	2023 HK\$'000 <i>(Unaudited)</i>	2022 HK\$'000 <i>(Unaudited)</i>
Interest income on bank balances	10,523	3,488
Others	4,144	8,083
	<u>14,667</u>	<u>11,571</u>

### 4. PROFIT BEFORE TAX

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

	For the six months ended 30 June	
	2023 HK\$'000 <i>(Unaudited)</i>	2022 HK\$'000 <i>(Unaudited)</i>
Depreciation of property, plant and equipment	1,338	1,467
Depreciation of right-of-use assets	4	4
Foreign exchange differences, net	44	(60)
Employee benefits expense (including directors' and chief executive's remuneration):		
Salaries, wages and benefits in kind	14,176	7,012
Pension scheme contributions (defined contribution scheme)	2,115	146
Total staff costs	<u>16,291</u>	<u>7,158</u>

### 5. FINANCE COSTS

An analysis of finance costs is as follows:

	For the six months ended 30 June	
	2023 HK\$'000 <i>(Unaudited)</i>	2022 HK\$'000 <i>(Unaudited)</i>
Interest on bank loans and other loans	<u>36,903</u>	<u>10,924</u>

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 6. INCOME TAX

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2 million of assessable profits of qualifying group entities will be taxed at 8.25%, and assessable profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5% (2022: 16.5%). Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK\$2 million of the estimated assessable profit and at 16.5% on the estimated assessable profit above HK\$2 million.

Under the Law of the PRC on Corporate Income Tax and Implementation Regulation of the Corporate Income Tax Law, the tax rate of the PRC subsidiaries is 25% for both years.

Pursuant to the relevant PRC tax laws and regulations, a non-resident enterprise is generally subject to a 10% enterprise income tax on PRC-sourced income if such non-resident enterprise does not have an establishment or place in the PRC. The Group's subsidiaries incorporated in Hong Kong and engaged in the property investment in the PRC does not have an establishment or place in the PRC. As a result, those subsidiaries is subject to a 10% enterprise income tax on PRC-sourced income.

	<b>For the six months ended 30 June</b>	
	<b>2023</b>	<b>2022</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Current – Hong Kong		
Charge for the period	178	907
Current – Mainland China		
Charge for the period	6,724	5,744
Current – Malaysia		
Charge for the period	7	–
Total tax charge for the period	6,909	6,651

### 7. DIVIDENDS

(a) Dividends recognised as distribution during the period:

	<b>For the six months ended 30 June</b>	
	<b>2023</b>	<b>2022</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Final dividend for 2022 paid – HK2 cents (2022: 2021 final dividend of HK2.5 cents) per ordinary share	16,721	20,902

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 7. DIVIDENDS (continued)

(b) Dividend declared after the end of the reporting period:

	For the six months ended 30 June	
	2023	2022
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Interim dividend declared – HK2 cents (2022: HK2 cents) per ordinary share	<u>16,721</u>	<u>16,721</u>

The Board declared an interim dividend of HK2 cents per ordinary share at the meeting held on 28 August 2023. Dividend warrants will be posted on or about 19 October 2023 to shareholders whose names appear on the register of members of the Company on 27 September 2023.

The above interim dividends were declared after the interim reporting dates and have not been recognised as liabilities at the end of the respective reporting periods.

### 8. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of basic earnings per share amounts is based on the profit for the period attributable to ordinary equity holders of the Company of approximately HK\$114,360,000 (2022: HK\$88,249,000) and the weighted average number of ordinary shares of 836,074,218 (2022: 836,074,218 shares).

The Group had no potentially dilutive ordinary shares in issue during the periods ended 30 June 2023 and 2022.

### 9. TRADE RECEIVABLES

	As at	As at
	30 June	31 December
	2023	2022
	HK\$'000	HK\$'000
	(Unaudited)	(Audited)
Trade receivables	<u>8,507</u>	<u>9,915</u>

Trade receivables mainly consist of receivables from property management services and rental receivables, the tenants are usually required to settle the rental payments on the first day of the rental period, and are required to pay rental deposits with amount ranging from two to three months' rentals in order to secure any default in their rental payments. The Group does not hold any collateral or other credit enhancements over its trade receivables balances. Trade receivables are non-interest-bearing.

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 9. TRADE RECEIVABLES *(continued)*

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

	As at 30 June 2023 <i>HK\$'000</i> <i>(Unaudited)</i>	As at 31 December 2022 <i>HK\$'000</i> <i>(Audited)</i>
Within 1 month	1,353	2,246
1 to 2 months	373	511
2 to 3 months	301	1
3 to 12 months	395	1,537
Over 1 year	6,085	5,620
	8,507	9,915

### 10. TRADE PAYABLES

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

	As at 30 June 2023 <i>HK\$'000</i> <i>(Unaudited)</i>	As at 31 December 2022 <i>HK\$'000</i> <i>(Audited)</i>
Within 1 month	72	1,410

The trade payables are non-interest-bearing and are normally settled on 60-day terms.

### 11. CASH AND CASH EQUIVALENTS

	As at 30 June 2023 <i>HK\$'000</i> <i>(Unaudited)</i>	As at 31 December 2022 <i>HK\$'000</i> <i>(Audited)</i>
Cash and bank balances	124,596	69,066
Time deposits with original maturity of less than three months	218,248	502,176
Cash and cash equivalents	342,844	571,242



## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 11. CASH AND CASH EQUIVALENTS *(continued)*

At the end of the reporting period, the cash and bank balances and time deposits of the Group denominated in Renminbi (“RMB”) amounted to approximately HK\$10,137,000 (as at 31 December 2022: HK\$136,311,000) were kept in banks in the PRC. The RMB is not freely convertible into other currencies.

Cash at banks earns interest at floating rates based on daily bank deposits rates. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates.

### 12. INTEREST-BEARING BANK AND OTHER BORROWINGS

	As at 30 June 2023			As at 31 December 2022		
	Contractual interest rate (%)	Maturity	HK\$'000 <i>(Unaudited)</i>	Contractual interest rate (%)	Maturity	HK\$'000 <i>(Audited)</i>
<b>Current liabilities</b>						
Secured bank loans denominated in Hong Kong dollars	HIBOR plus 0.95	2023-2027 or on demand	1,205,100	HIBOR plus a range of 0.95 to 1.30	2023-2027 or on demand	1,498,600
Secured short term loans denominated in Hong Kong dollars	5.95	2023	275,547	–	–	–
			<u>1,480,647</u>			<u>1,498,600</u>

The scheduled principal repayment dates of the Group with reference to the loan agreements and ignore the effect of any repayment on-demand clause are as follows:

	As at 30 June 2023 HK\$'000 <i>(Unaudited)</i>	As at 31 December 2022 HK\$'000 <i>(Audited)</i>
Analysed into:		
Bank loans repayable:		
Within one year	496,447	367,900
In the second year	20,900	20,900
In the third to fifth years, inclusive	963,300	1,109,800
	<u>1,480,647</u>	<u>1,498,600</u>

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 12. INTEREST-BEARING BANK AND OTHER BORROWINGS *(continued)*

The Group's bank loans are secured by:

- (i) mortgages over the Group's certain investment properties situated in Hong Kong and Mainland China, which had an aggregate carrying value at the end of the reporting period of approximately HK\$2,461,080,000 (31 December 2022: HK\$6,611,080,000);
- (ii) mortgages over the Group's certain properties held for sale situated in Hong Kong, which had an aggregate carrying value at the end of the reporting period of approximately HK\$197,296,000 (31 December 2022: HK\$197,296,000);
- (iii) personal guarantees given by a director of the Company and its subsidiaries; and
- (iv) the Company has guaranteed certain of the Group's bank loans up to HK\$1,250,000,000 (31 December 2022: HK\$2,078,000,000) as at the end of the reporting period.

At 30 June 2023, the Group's short term loans with investment banks are secured by investments with an aggregate carrying value of approximately HK\$701,663,000 (31 December 2022: Nil).

### 13. AMOUNT DUE TO A DIRECTOR

The amount due to a director is unsecured, interest-free and is not repayable within one year.

### 14. SHARE CAPITAL

#### Shares

	As at 30 June 2023 HK\$'000 <i>(Unaudited)</i>	As at 31 December 2022 HK\$'000 <i>(Audited)</i>
Authorised:		
10,000,000,000 ordinary shares of par value HK\$0.05 each	<u>500,000</u>	<u>500,000</u>
Issued and fully paid:		
836,074,218 ordinary shares of par value HK\$0.05 each	<u>41,804</u>	<u>41,804</u>

#### Share options

Details of the Company's share option scheme and the share options issued under the scheme are included in note 15 to the unaudited condensed consolidated financial statements.

## **NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

### **15. SHARE OPTION SCHEME**

The share option scheme adopted by the shareholders of the Company at the annual general meeting held on 30 May 2013 (the “2013 Scheme”) was expired on 29 May 2023. The Company has not granted any share option under the 2013 Scheme.

At the annual general meeting of the Company held on 25 May 2023, the shareholders of the Company adopted a share option scheme (the “2023 Scheme”), the purpose of which is to enable the Board to grant share options to eligible participants as incentives or rewards for their contribution or potential contribution to the Group, and to attract, retain and motivate high-calibre eligible participants in line with the performance goals of the Group and the related entities of the Company. Unless otherwise cancelled or amended, the 2023 Scheme is valid and effective for a period of 10 years commencing on 25 May 2023 and shall accordingly expire on 24 May 2033.

Eligible participants of the 2023 Scheme include (1) any director and employee of the Company or the Group; (2) any director and employee of the Company’s related entities; and (3) any person who provides services to the Group on a continuing and recurring basis in the Group’s ordinary and usual course of business, the grant of share options to whom is in the interests of the long-term growth of the Group.

The total number of shares available for issue under the 2023 Scheme is 83,607,421, representing 10% of the issued shares of the Company as at the date of this report.

There was not any share option and award granted under any share scheme of the Company during the reporting period. The respective number of share options available for grant under the scheme mandate and service provider sublimit of the 2023 Scheme as at 30 June 2023 was 83,607,421 and 8,360,742 (1 January 2023: 83,607,421 and nil, respectively, under the 2013 Scheme).

Where any grant of share options to a participant would result in the shares issued and to be issued in respect of all options and awards granted to such person in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the shares of the Company in issue, such grant must be separately approved by shareholders of the Company in general meeting. Any grant of options to a director, chief executive or substantial shareholder of the Company, or any of their respective associates, must be approved by the independent non-executive directors of the Company. In addition, where any grant of options to an independent non-executive director or a substantial shareholder of the Company, or any of their respective associates, would result in the shares issued and to be issued in respect of all options and awards granted to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the shares of the Company in issue, such further grant of options or awards must be approved by shareholders of the Company in general meeting.

The exercise period of any share option granted under the 2023 Scheme must not be more than 10 years commencing on the date of grant. Share options granted under the 2023 Scheme shall be subject to a minimum vesting period of 12 months. Any shorter vesting period in respect of share options granted to employee participants must be approved by the Board and/or the remuneration committee of the Company. No option price is payable upon acceptance of the options granted under the 2023 Scheme.

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 15. SHARE OPTION SCHEME *(continued)*

The exercise price of the share options shall be determined by the Board, but may not be less than the higher of (i) the closing price of the shares of the Company as stated in the Hong Kong Stock Exchange's daily quotations sheet on the date of grant of the relevant share option; (ii) the average closing price of the shares of the Company as stated in the Hong Kong Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant; and (iii) the nominal value of the shares of the Company on the date of grant of the relevant share option.

No share options under the 2023 Scheme have been granted, exercised, lapsed or cancelled since the establishment of the 2023 Scheme.

### 16. CORPORATE GUARANTEES

At 30 June 2023, the Company has given corporate guarantees in favour of banks for banking facilities granted to its subsidiaries to the extent of approximately HK\$1,250,000,000 (31 December 2022: HK\$2,078,000,000), of which approximately HK\$1,058,100,000 (31 December 2022: HK\$1,351,600,000) was utilised.

In the opinion of the directors, no material liabilities will arise from the above corporate guarantees which arose in the ordinary course of business of the Group and the fair values of the corporate guarantees granted by the Company are immaterial.

### 17. LEASES

#### (a) The Group as a lessor

The Group leases its investment properties under operating lease arrangements. The terms of the leases generally require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions. Rental income recognised by the Group during the period was HK\$102,219,000 (2022: HK\$104,986,000), details of which are included in note 3 to the unaudited condensed consolidated financial statements.

At 30 June 2023 and 31 December 2022, the undiscounted lease payments receivable by the Group in the future periods under non-cancellable operating leases with its tenants are as follows:

	As at 30 June 2023 HK\$'000 (Unaudited)	As at 31 December 2022 HK\$'000 (Audited)
Within one year	121,555	113,106
In the second year	34,055	22,646
In the third year	1,220	4,276
	156,830	140,028

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 17. LEASES (continued)

#### (b) The Group as a lessee

The amounts recognised in profit or loss in relation to leases are as follows:

	For the six months ended 30 June	
	2023	2022
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Depreciation charge of right-of-use assets	4	4
Expense relating to short-term leases	—	—
Total amount recognised in profit or loss	<u>4</u>	<u>4</u>

The Group does not recognise right-of-use assets and lease liabilities in regard of these short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease terms. There is no renewal options and variable lease payments included in the lease agreement.

For the period ended 30 June 2023, the Group had no cash outflow for leases (2022: Nil).

### 18. RELATED PARTY TRANSACTIONS

Transactions between the Company and its subsidiaries have been eliminated on consolidation. Transactions between the Group and other related parties during the period are not significant to the Group.

No transactions have been entered with the directors of the Company (being the key management personnel) during the period other than the emoluments paid to them (being the key management personnel compensation).

### 19. APPROVAL OF THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The unaudited condensed consolidated financial statements were approved and authorised for issue by the Board on 28 August 2023.

# MANAGEMENT DISCUSSION AND ANALYSIS

## REVIEW OF OPERATIONS

### PROPERTY INVESTMENT

#### **Hong Kong**

The Group's investment properties in Hong Kong mainly comprise office buildings, industrial buildings, retail shops and car parks. These investment properties contributed stable rental revenue of approximately HK\$37 million for the six months ended 30 June 2023 (2022: HK\$35 million).

#### **Shanghai, China**

The Group's investment property portfolio in Shanghai, China comprises three residential complexes operating under the brand name of "Windsor Renaissance", which consist of around 182 blocks of hotel-serviced villas and 132 hotel-serviced apartments in total. Windsor Renaissance is regarded as a symbol of high quality hotel-serviced villas and apartments in Shanghai, and is well recognised by consulates and management of foreign business entities. These properties in Shanghai had an average occupancy rate of approximately 90% and generated rental and management fee revenue of approximately HK\$82 million for the six months ended 30 June 2023 (2022: HK\$89 million).

#### **Zhuhai, China**

##### *Zhuhai Qianshan*

The Group has a plot of 36,808 square meters commercial use land in Qianshan, Zhuhai, where a few existing residents have not yet relocated. Local government is responsible for relocation work, but the progress has been very slow.

To speed up the relocation progress, the Group has proposed to local government an adjustment in planning that a portion of such commercial use land be allocated for building residential units for in situ resettlement of existing residents. However, such proposal requires coordination among a number of government departments, for example, the change of land use planning. The Group is currently waiting for comments and approval from relevant government departments.

## MANAGEMENT DISCUSSION AND ANALYSIS

### *Zhuhai Doumen*

On 24 February 2021, 珠海市自然資源局 (literally translated as Zhuhai Municipal Natural Resources Bureau) issued its latest compensation notice (letter reference number (2021)52) in respect of the resumption of the 94,110.84 square meters hotel, commercial and exhibition use land located in Doumen, Zhuhai (the “Doumen Land”) which was previously owned by the Group, the amount of compensation was approximately RMB205,538,000.

The management considered that the Zhuhai Municipal Natural Resources Bureau had no legal basis to make the above compensation decision and was against legal procedures. The Zhuhai Municipal Natural Resources Bureau not only failed to specify relevant legal basis on the above compensation notice, it also once again hired valuation agency unilaterally without the Group’s consent, and submitted to such agency information which had not been confirmed by the Group as the basis for making assessment. As a result, the assessment for the Doumen Land’s value was substantially inaccurate and thus was unfair to the Group. To protect the Group’s legitimate interests, the Group has engaged lawyers to file administrative complaints against local government departments including the Zhuhai Municipal Natural Resources Bureau, and the judicial proceedings are still in progress.

As of the date of this report, the Group has not reached an agreement with the Zhuhai Municipal Natural Resources Bureau on the amount of compensation available to the Group in respect of the resumption of the Doumen Land. Nevertheless, no material negative impact on the daily operations and the financial position of the Group is expected.

### **FINANCIAL INVESTMENTS**

As of 30 June 2023, the Group held approximately HK\$839 million (31 December 2022: HK\$761 million) of highly liquid equity investments consisted mainly of blue chips stocks and Exchange Traded Funds listed in Hong Kong. These equity investments were held by the Group for long-term investment purpose and earning dividend income.

The Group’s equity investments recorded a net fair value gain of approximately HK\$75 million (2022: HK\$16 million) when marking the investment portfolios to market valuation as of 30 June 2023, along with dividend income of approximately HK\$17 million (2022: HK\$10 million).

## MANAGEMENT DISCUSSION AND ANALYSIS

The equity investments held by the Group as at 30 June 2023 were as follows:

Stock Code	Company Name	Principal Business	Number of	Percentage	Investment	Realised	Unrealised	Dividend	Fair value/	Percentage
			shares held	of		gain on	gain/(loss)		carrying	
			as at 30	shareholding	cost	change in	on change	income	amount	total asset as
			June	as at 30		for the period	for the period	for the period	as at 30	at 30
			2023	June		ended 30	ended 30	ended 30	June	June
			'000	2023	HK\$'000	June	June	June	2023	2023
				%		2023	2023	2023	HK\$'000	HK\$'000
						HK\$'000	HK\$'000	HK\$'000		%
2800	Tracker Fund of Hong Kong	Collective investment fund, structured as a unit trust established under Hong Kong law, provide investment results that closely correspond to the performance of the Hang Seng Index.	7,850	0.12	196,381	-	(5,260)	785	151,113	1.16
5	HSBC Holdings plc	Banking and financial services, manages its products and services through four businesses: Retail Banking and Wealth Management (RBWM), Commercial Banking (CMB), Global Banking and Markets (GB&M), and Global Private Banking (GPB).	5,743	0.03	385,760	-	71,496	14,860	350,302	2.69
2828	Hang Seng China Enterprises Index ETF	Sub-fund of the Hang Seng Investment Index Funds Series, a unit trust established as an umbrella fund under the laws of Hong Kong, which aims to match, before expenses, as closely as practicable the performance of the Hang Seng China Enterprises Index.	2,664	0.61	337,354	-	(7,193)	-	173,959	1.34
3988	Bank of China Limited	Banking and financial services, a China-based company principally engage in the provision of banking and related financial services.	29,300	0.04	101,558	-	8,790	-	92,002	0.71
941	China Mobile Limited	Telecommunication and Services, a China-based company principally engage in telecommunication and related businesses including mobile businesses, wireline Broadband businesses and Internet of Things (IoT) businesses.	340	0.00	31,219	-	4,182	751	21,777	0.17
2628	China Life Insurance Company Limited	Life insurance, a China-based company principally engage provides a range of insurance products, including individual and group life insurance, health insurance and accident insurance products.	1,000	0.01	29,741	-	(340)	-	13,660	0.10



## MANAGEMENT DISCUSSION AND ANALYSIS

Stock Code	Company Name	Principal Business	Number of shares held as at 30		Investment cost	Realised	Unrealised	Dividend income	Fair value/ carrying amount	Percentage to the Company's total asset as at 30
			June 2023	June 2023		gain on change in fair value for the period ended 30 June 2023	gain/(loss) on change in fair value for the period ended 30 June 2023			
			'000	%	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	%
857	PetroChina Co. Ltd.	Petroleum and gases, a China-based company principally engage in the production and distribution of oil and gas.	2,378	0.01	24,819	-	4,399	-	12,888	0.10
	Other listed securities <sup>#</sup>				56,014	-	(1,141)	109	20,347	0.16
						-	74,933	16,505	835,448	6.43

<sup>#</sup> Other listed securities mainly comprised equity investment in 11 companies whose shares were mainly listed on the Main Board of The Stock Exchange of Hong Kong Limited. The carrying value of each of these investments represented less than 1% of the total assets of the Group as at 30 June 2023.

The Board acknowledges that the performance of the equity investments could be affected by factors such as the worldwide economy and volatility in the Chinese and Hong Kong stock markets, and is susceptible to other external factors that may affect their values. In order to mitigate possible financial risk related to the equity investments, the management will closely monitor the performance of respective equity investments and the changes in market condition. The Group will adjust its portfolio of investments as the Board considers appropriate.

### FINANCIAL REVIEW

The Group recorded increase in profit of approximately 31% for the six months ended 30 June 2023 to approximately HK\$140 million (2022: HK\$107 million). The increase in profit was mainly due to the increase in unrealised fair value gain and dividend income on equity investments.

In the first half of 2023, the Group's rental and property management services income decreased by approximately 4% to approximately HK\$120 million (2022: HK\$125 million). During the period under reporting, rental income from Hong Kong amounted to approximately HK\$37 million (2022: HK\$35 million); rental and management fee income from hotel-serviced apartments and villas in Shanghai decreased by approximately 8% to approximately HK\$82 million (2022: HK\$89 million).

During the six months ended 30 June 2023, the Group's equity investments recorded an unrealised fair value gain of approximately HK\$75 million (2022: HK\$16 million) and dividend income of approximately HK\$17 million (2022: HK\$10 million), represented a year-on-year increase of approximately 369% and 70% respectively.

## MANAGEMENT DISCUSSION AND ANALYSIS

### MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES

The Group did not have any material acquisitions or disposals of subsidiaries, associated companies or joint ventures during the six months ended 30 June 2023.

### FOREIGN CURRENCY EXPOSURE

The Group's monetary assets, liabilities and transactions are mainly denominated in Renminbi, Hong Kong dollar and the United States dollar. The Group is exposed to foreign exchange risk with respect mainly to Renminbi which may affect the Group's performance. The management is aware of the possible exchange rate exposure due to the continuing fluctuation of Renminbi and will closely monitor its impact on the performance of the Group and when appropriate hedge its currency risk.

As of 30 June 2023, the Group had no financial instrument for foreign currency hedging purpose.

### LIQUIDITY AND FINANCIAL RESOURCES

The Group generally finances its operations with internally generated cash flows and banking facilities provided by principal bankers in Hong Kong. In order to preserve liquidity and enhance interest yields, liquid assets were maintained in the form of highly liquid equity investments of approximately HK\$835 million (31 December 2022: HK\$761 million) as of 30 June 2023. The Group's cash and cash equivalents as of 30 June 2023 amounted to approximately HK\$343 million (31 December 2022: HK\$571 million).

As of 30 June 2023, the Group had total bank and other borrowings amounted to approximately HK\$1,481 million (31 December 2022: HK\$1,499 million), which were secured by legal charges on the Group's certain investment properties in Hong Kong and Shanghai, and certain equity investments. The Group's bank borrowings were mainly arranged on a floating rate basis. The maturity of bank and other borrowings of the Group as at 30 June 2023 was as follows:

	<i>HK\$'000</i> <i>(Unaudited)</i>
Within one year	496,447
In the second year	20,900
In the third to fifth years, inclusive	<u>963,300</u>
Total	<u><u>1,480,647</u></u>

With the total bank and other borrowings of approximately HK\$1,481 million (31 December 2022: HK\$1,499 million) and the aggregate of the shareholder funds, non-controlling interests and total bank borrowings of approximately HK\$11,299 million (31 December 2022: HK\$11,195 million), the Group's gearing ratio as at 30 June 2023 was around 13% (31 December 2022: 13%).

### CHARGES ON GROUP ASSETS

Details of the charges on the Group's assets are set out in note 12 to the unaudited condensed consolidated financial statements.

### CONTINGENT LIABILITY

As of 30 June 2023, the Group had no material contingent liability.

# MANAGEMENT DISCUSSION AND ANALYSIS

## COMMITMENTS

As of 30 June 2023, the Group had committed payment for the construction and land development expenditure amounting to approximately HK\$4 million (31 December 2022: HK\$4 million).

## EMPLOYEES AND REMUNERATION POLICY

As of 30 June 2023, the Group had approximately 200 employees in Shanghai, Zhuhai and Hong Kong. During the period, the staff costs (including directors' emoluments) amounted to approximately HK\$14 million (2022: HK\$7 million).

The objective of the Group's remuneration policy is to maintain fair and competitive packages based on business requirements and industry practice. In order to determine the level of remuneration paid to its employees (including directors and senior management), their performance, experience and the prevailing market condition are mainly considered. In addition to salaries, provident fund scheme, discretionary bonuses and tuition/training subsidies are available to employees. Level of remuneration is reviewed annually. During the review process, no individual director is involved in decisions relating to his own remuneration.

## PROSPECT

In the first half of 2023, the global economy continued to be impacted by ongoing geopolitical instabilities, rising inflation and interest rate hikes. Although economic activities in Hong Kong and the Mainland China have gradually recovered following the almost complete lifting of cross-border travel restrictions, the slower than expected recovery means one should not be overly optimistic to the short-to medium-term economic prospects of Hong Kong and the Mainland China.

### Property investment

Office leasing market in Hong Kong will continue to be challenging. It is facing the highest office vacancies in decades, with many international corporations still freezing or cutting back operations in the city. In addition, there are still substantial new supply coming up in the pipeline. Until Chinese corporates return to expansion mode, the office leasing market in Hong Kong will continue to face an uphill battle.

The Group's hotel-serviced villas and apartments in Shanghai has been a major source of income and cash flow over the past years. It is expected that the rental income from Shanghai would remain stable in the second half of the year.

### Financial investment

The performance of the Group's listed equity investments has always been highly correlated to that of the financial markets, and the financial markets around the world are expected to remain volatile in 2023 amid the worldwide economic and geopolitical uncertainties. The management will closely monitor the risks associated with the financial investments and will take timely and appropriate measures when necessary.

The Group will keep pace with the times to ensure the sustainability and competitiveness of its core business, and will grasp investment opportunities to create value for its shareholders.

## OTHER INFORMATION

### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ASSOCIATED CORPORATIONS

As of 30 June 2023, the interests and short positions of the directors and the chief executive of the Company and each of their respective associates, in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), to be notified to the Company and the Stock Exchange, were as follows:

#### Long position in ordinary shares of the Company

Name of director	Capacity and nature of interest	Number of shares held	Approximate percentage of the total issued share capital of the Company %
Mr. Lau Chi Yung, Kenneth	Interest of controlled corporation	559,411,142*	66.91

#### Long position in ordinary shares of associated corporation – Oriental Explorer Holdings Limited, a subsidiary of the Company

Name of Director	Capacity and nature of interest	Number of shares held	Approximate percentage of the total issued share capital of associated corporation %
Mr. Lau Chi Yung, Kenneth	Interest of controlled corporation	291,137,700*	75.00

\* *The above shares are ultimately controlled by Power Resources Holdings Limited, which acts as the trustee under the Power Resources Discretionary Trust, a family discretionary trust, the discretionary objects of which include Mr. Lau Chi Yung, Kenneth and his family.*

The interests of the directors in the share option scheme of the Company are disclosed in note 15 to the unaudited condensed consolidated financial statements.

## OTHER INFORMATION

Other than certain nominee shares in subsidiaries held by a director in trust for the companies in the Group, no director held an interest in the share capital of the subsidiaries of the Company during the six months ended 30 June 2023.

Save as disclosed above, as of 30 June 2023, none of the directors and chief executive of the Company had any interest and short positions in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which (i) are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of SFO); or (ii) are required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) are required, pursuant to the Model Code to be notified to the Company and the Stock Exchange.

### DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the heading "Directors' and chief executive's interests or short positions in the shares, underlying shares and debentures of the Company and associated corporations" above and in the share option scheme disclosures in note 15 to the unaudited condensed consolidated financial statements, at no time during the six months ended 30 June 2023 were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company or any of its holding companies or subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

### SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SHARES

So far as was known to the directors of the Company, as of 30 June 2023, the following interests of 5% or more in the issued shares of the Company were recorded in the register of interests required to be kept by the Company pursuant to section 336 of the SFO:

#### Long positions in ordinary shares of the Company

Name of shareholders	Capacity and nature of interest	Number of shares held	Approximate percentage of the total issued shares capital of the Company %
Power Resources Holdings Limited	Interest of controlled corporation	559,411,142 <sup>#</sup>	66.91
Lucky Speculator Limited	Directly beneficially owned	439,084,800 <sup>#</sup>	52.52
Desert Prince Limited	Directly beneficially owned	120,326,342 <sup>#</sup>	14.39

<sup>#</sup> *Power Resources Holdings Limited was deemed to have a beneficial interest in 559,411,142 ordinary shares of the Company by virtue of its indirect interests through Lucky Speculator Limited and Desert Prince Limited, the wholly-owned subsidiaries, which held shares in the Company.*

Save as disclosed above, as of 30 June 2023, so far as was known to the directors of the Company, no person, other than a director, whose interests are set out in the section "Directors' and chief executive's interests or short positions in the shares, underlying shares and debentures of the Company and associated corporations" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to section 336 of the SFO.

## OTHER INFORMATION

### EVENTS AFTER THE REPORTING PERIOD

There were no significant events which may materially affect the Group's operations and financial performance subsequent to 30 June 2023 and up to the date of this report.

### CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 25 September 2023 to Wednesday, 27 September 2023, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed interim dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Friday, 22 September 2023. The interim dividend will be paid to shareholders whose names appear on the register of members on Wednesday, 27 September 2023 and the payment date will be on or about Thursday, 19 October 2023.

### PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any listed securities of the Company during the six months ended 30 June 2023.

### REVIEW BY AUDIT COMMITTEE

The audit committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed the internal control and financial reporting matters including the review of the Group's unaudited interim results for the six months ended 30 June 2023.

### CORPORATE GOVERNANCE CODE

In the opinion of the directors of the Company, the Company has applied the principles and complied with code provisions of the Corporate Governance Code (the "Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the six months ended 30 June 2023, save as disclosed below.

Under code provision B.2.2, every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

Under the bye-laws of the Company, at each annual general meeting, one-third of the directors for the time being, or if their number is not three or a multiple of three, then the number nearest one-third, shall retire from office by rotation save any director holding office as chairman and managing director. The Company intends to propose any amendment of relevant bye-laws of the Company, if necessary, in order to ensure compliance with the Code.

## **OTHER INFORMATION**

### **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) set out in Appendix 10 of the Listing Rules as its own code of conduct regarding directors’ securities transactions. Based on specific enquiry of all directors of the Company, all directors of the Company confirmed that they have complied with the required standard set out in the Model Code for the six months ended 30 June 2023.

### **PUBLICATION OF INTERIM REPORT**

The interim report of the Company for 2023 containing all the information required by the Listing Rules has been published on the websites of the Company ([www.irasia.com/listco/hk/multifield/index.htm](http://www.irasia.com/listco/hk/multifield/index.htm)) and Hong Kong Exchanges and Clearing Limited ([www.hkexnews.hk](http://www.hkexnews.hk)).

### **BOARD OF DIRECTORS**

As of the date of this report, the executive directors of the Company are Mr. Lau Chi Yung, Kenneth and Mr. Lau Michael Kei Chi and the independent non-executive directors of the Company are Mr. Lo Mun Lam, Raymond, Mr. Lo Kam Cheung, Patrick and Mr. Tsui Ka Wah.

By Order of the Board  
**Lau Chi Yung, Kenneth**  
*Chairman*

Hong Kong, 28 August 2023