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23

INTERIM REPORT



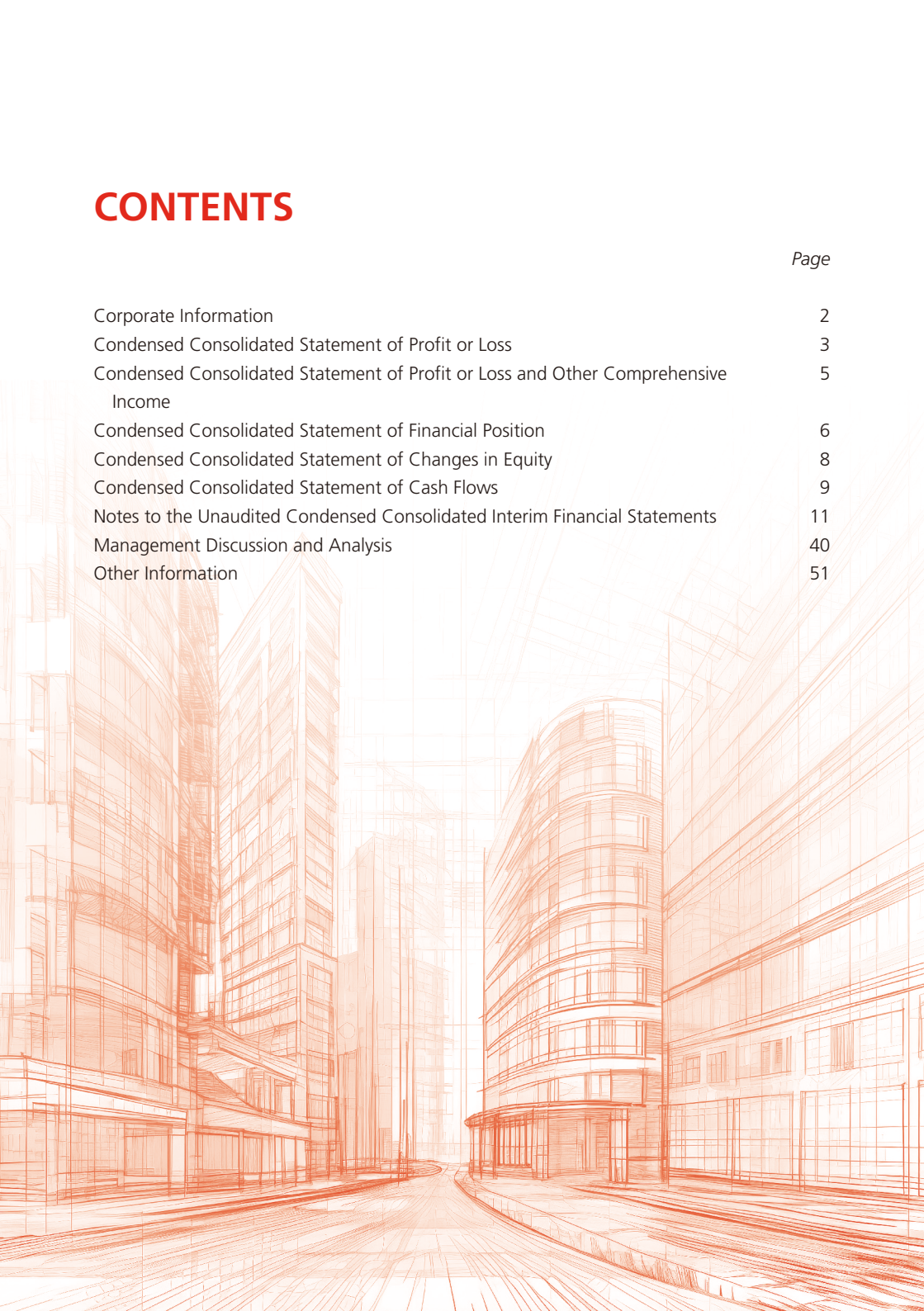
敏捷控股  
NIMBLE HOLDINGS

**NIMBLE HOLDINGS COMPANY LIMITED**

(Incorporated in the Cayman Islands and continued in  
Bermuda with limited liability)  
(Stock code: 186)

# CONTENTS

	<i>Page</i>
Corporate Information	2
Condensed Consolidated Statement of Profit or Loss	3
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	5
Condensed Consolidated Statement of Financial Position	6
Condensed Consolidated Statement of Changes in Equity	8
Condensed Consolidated Statement of Cash Flows	9
Notes to the Unaudited Condensed Consolidated Interim Financial Statements	11
Management Discussion and Analysis	40
Other Information	51



## CORPORATE INFORMATION

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Tan Bingzhao  
Mr. Deng Xiangping  
Mr. Yan Guohao  
Ms. Liang Minling

#### Independent Non-executive Directors

Dr. Lin Jinying  
Dr. Lu Zhenghua  
Dr. Ye Hengqing

#### AUDIT COMMITTEE

Dr. Lu Zhenghua (*Chairman*)  
Dr. Lin Jinying  
Dr. Ye Hengqing

#### REMUNERATION COMMITTEE

Dr. Lin Jinying (*Chairman*)  
Dr. Lu Zhenghua  
Dr. Ye Hengqing

#### NOMINATION COMMITTEE

Mr. Tan Bingzhao (*Chairman*)  
Dr. Lin Jinying  
Dr. Ye Hengqing

#### COMPANY SECRETARY

Mr. Hui Chun Yip

#### ASSISTANT COMPANY SECRETARY

Ms. Linda Longworth  
International Managers Bermuda Ltd.

#### LEGAL ADVISORS

Stephenson Harwood  
Johnnie Yam, Jackie Lee & Co.

#### AUDITOR

ZHONGHUI ANDA CPA Limited  
*Certified Public Accountants*  
*Registered Public Interest Entity Auditors*

#### REGISTERED OFFICE

Wessex House, 5th Floor  
45 Reid Street  
Hamilton HM 12, Bermuda

#### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Flat C01, 32/F, TML Tower  
3 Hoi Shing Road  
Tsuen Wan  
New Territories  
Hong Kong

#### SHARE REGISTRAR AND TRANSFER OFFICE

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

#### STOCK CODE

186

#### COMPANY'S WEBSITE

[www.nimbleholding.com](http://www.nimbleholding.com)

## INTERIM RESULTS

The board (the “Board”) of directors (the “Directors”) of Nimble Holdings Company Limited (the “Company”) announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30 September 2023 (the “Period”), together with the comparative figures for the six months ended 30 September 2022 (the “Corresponding Period”) and selected explanatory notes, are stated as follows:

### CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 September 2023

		<b>(Unaudited)</b>	
		<b>Six months ended</b>	
		<b>30 September</b>	30 September
		<b>2023</b>	2022
	Notes	<b>HK\$ million</b>	HK\$ million
<b>Revenue</b>	7	<b>1,076</b>	233
Cost of sales		<b>(905)</b>	(197)
		<hr/>	<hr/>
Gross profit		<b>171</b>	36
Other income and gains	8	<b>65</b>	7
Selling and distribution costs		<b>(50)</b>	(18)
Administrative expenses		<b>(34)</b>	(46)
Finance costs	9	<b>—*</b>	—*
		<hr/>	<hr/>
<b>Profit/(loss) before taxation</b>	10	<b>152</b>	(21)
Income tax expenses	11	<b>(42)</b>	(5)
		<hr/>	<hr/>
<b>Profit/(loss) for the period</b>		<b>110</b>	(26)
		<hr/>	<hr/>

\* The amount is less than HK\$1 million.

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (continued)

For the six months ended 30 September 2023

		<b>(Unaudited)</b>	
		<b>Six months ended</b>	
	Notes	<b>30 September 2023</b>	30 September 2022
		<b>HK\$ million</b>	HK\$ million
<b>Profit/(loss) for the period attributable to:</b>			
Owners of the Company		<b>105</b>	(26)
Non-controlling interests		<b>5</b>	—*
		<b>110</b>	(26)
		<b>HK cents</b>	HK cents
<b>Earnings/(loss) per share</b>	13		
Basic and diluted		<b>1.91</b>	(0.47)

\* The amount is less than HK\$1 million.

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2023

	<b>(Unaudited)</b>	
	<b>Six months ended</b>	
	<b>30 September 2023 HK\$ million</b>	<b>30 September 2022 HK\$ million</b>
<b>Profit/(loss) for the period</b>	<b>110</b>	<b>(26)</b>
<b>Other comprehensive expenses, net of tax:</b>		
– Items that may be subsequently reclassified to profit or loss:		
Exchange differences on translation of financial statements of overseas/PRC subsidiaries	<b>(5)</b>	<b>(19)</b>
– Items that were reclassified to profit or loss:		
Exchange differences reclassified to profit or loss upon disposal of a subsidiary	<b>(1)</b>	<b>–</b>
<b>Other comprehensive expenses for the period</b>	<b>(6)</b>	<b>(19)</b>
<b>Total comprehensive income/(expenses) for the period</b>	<b>104</b>	<b>(45)</b>
<b>Total comprehensive income/(expenses) for the period attributable to:</b>		
Owners of the Company	<b>99</b>	<b>(39)</b>
Non-controlling interests	<b>5</b>	<b>(6)</b>
	<b>104</b>	<b>(45)</b>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2023

	Notes	(Unaudited) As at 30 September 2023 HK\$ million	(Audited) As at 31 March 2023 HK\$ million
<b>Non-current assets</b>			
Plant and equipment		7	15
Right-of-use assets		4	3
Deferred income tax assets		1	1
Brands and trademarks		–	–
Goodwill		–	–
Investment in a joint venture		–	–
Other assets		1	1
		<b>13</b>	<b>20</b>
<b>Current assets</b>			
Inventories		45	30
Properties under development	14	3,358	5,777
Completed properties held for sale	14	249	197
Accounts receivable	15	54	60
Prepayments, deposits and other receivables		182	214
Cash and bank balances	16	1,342	1,698
		<b>5,230</b>	<b>7,976</b>
<b>Current liabilities</b>			
Accounts payable	17	801	870
Contract liabilities	18	2,375	3,336
Accrued liabilities and other payables		152	245
Amounts due to related parties	19	385	1,312
Interest-bearing bank loans	20	49	551
Lease liabilities		2	2
Tax liabilities		44	12
		<b>3,808</b>	<b>6,328</b>
<b>Net current assets</b>		<b>1,422</b>	<b>1,648</b>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

As at 30 September 2023

	Notes	(Unaudited) As at 30 September 2023 HK\$ million	(Audited) As at 31 March 2023 HK\$ million
<b>Non-current liabilities</b>			
Amounts due to related parties	19	1,080	1,413
Lease liabilities		1	1
Tax liabilities		5	9
		<u>1,086</u>	<u>1,423</u>
<b>NET ASSETS</b>		<u>349</u>	<u>245</u>
<b>CAPITAL AND RESERVES</b>			
Share capital	22	55	55
Share premium		386	386
Reserves		(154)	(253)
Equity attributable to the owners of the Company		<u>287</u>	<u>188</u>
Non-controlling interests		<u>62</u>	<u>57</u>
<b>TOTAL EQUITY</b>		<u>349</u>	<u>245</u>



## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2023

	Share capital HK\$ million	Share premium HK\$ million	Contributed reserve** HK\$ million	Statutory reserve** HK\$ million	Exchange fluctuation reserve/(deficit)** HK\$ million	Other reserve** HK\$ million	Accumulated deficits** HK\$ million	Equity attributable to the owners of the Company HK\$ million	Non-controlling interests HK\$ million	Total equity HK\$ million
At 1 April 2023	55	386	193	4	(1)	22	(471)	188	57	245
Profit for the period	-	-	-	-	-	-	105	105	5	110
Other comprehensive expenses for the period:										
- Exchange differences arising on translation of financial statements of overseas/PRC subsidiaries	-	-	-	-	(5)	-	-	(5)	-	(5)
- Exchange differences reclassified to profit or loss upon disposal of a subsidiary	-	-	-	-	(1)	-	-	(1)	-	(1)
Total comprehensive (expenses)/income for the period	-	-	-	-	(6)	-	105	99	5	104
At 30 September 2023 (unaudited)	55	386	193	4	(7)	22	(366)	287	62	349
At 1 April 2022	55	386	193	3	9	22	(383)	285	119	404
Loss for the period	-	-	-	-	-	-	(26)	(26)	-*	(26)
Other comprehensive expenses for the period:										
- Exchange differences arising on translation of financial statements of overseas/PRC subsidiaries	-	-	-	-	(13)	-	-	(13)	(6)	(19)
Total comprehensive expenses for the period	-	-	-	-	(13)	-	(26)	(39)	(6)	(45)
At 30 September 2022 (unaudited)	55	386	193	3	(4)	22	(409)	246	113	359

\* The amount is less than HK\$1 million.

\*\* These accounts comprise deficit in reserves of approximately HK\$154 million (30 September 2022: approximately HK\$195 million) in the condensed consolidated statement of financial position.

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2023

		(Unaudited)	
		Six months ended	
	Notes	30 September 2023 HK\$ million	30 September 2022 HK\$ million
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Operating cash flows before working capital changes		125	(26)
Change in properties under development		708	(239)
Change in completed properties held for sale		(63)	(15)
Change in accounts payable		99	74
Change in contract liabilities		(325)	704
Other working capital changes		(52)	19
		492	517
Cash generated from operations		(34)	(29)
		458	488
Net cash generated from operating activities		458	488
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments to acquire plant and equipment		(8)	–
Net cash outflows from the disposal of a subsidiary	21	(337)	–
Placement of restricted bank deposits		305	(7)
Interest received		13	7
		(27)	–
Net cash used in investing activities		(27)	–

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

For the six months ended 30 September 2023

		(Unaudited)	
		Six months ended	
Notes	30 September 2023 HK\$ million	30 September 2022 HK\$ million	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
	(2)	(1)	
Repayment of lease liabilities	–	2,021	
Advance from amounts due to related parties	–	7	
Advance from amount due to a former non-controlling interests	50	70	
Advance from interest-bearing bank loans	(355)	(2,303)	
Repayments to amounts due to related parties	(92)	(274)	
Repayments of bank loans and interest	<u>(399)</u>	<u>(480)</u>	
Net cash used in financing activities			
	32	8	
Net increase in cash and cash equivalents	333	459	
Cash and cash equivalents at beginning of the period	(7)	(26)	
Effect of foreign exchange rate changes, net	<u>358</u>	<u>441</u>	
Cash and cash equivalents at end of the period			
	200	243	
Analysis of cash and cash equivalents:	158	198	
Cash and bank balances	<u>358</u>	<u>441</u>	
Short-term deposits with original maturities within three months			
16	<u>358</u>	<u>441</u>	

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

*For the six months ended 30 September 2023*

## 1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands and continued in Bermuda as an exempted company with limited liability under the Companies Law of Bermuda. The address of its registered office is Wessex House, 5th Floor, 45 Reid Street, Hamilton HM 12, Bermuda. The principal place of business is Flat C01, 32nd Floor, TML Tower, 3 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong. The shares of the Company (the "Shares") are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company's immediate holding company is Wealth Warrior Global Limited (the "Wealth Warrior"), a company incorporated in the British Virgin Islands (the "BVI"). The beneficial owner and the sole director of Wealth Warrior is Mr. Tan Bingzhao ("Mr. Tan"). As such, the ultimate controlling shareholder of the Company is Mr. Tan, who is the chairman of the Board, an executive director and the Chief Executive Officer ("CEO") of the Company.

The Company is an investment holding company. The principal activities of the Company's major subsidiaries are property development in the People's Republic of China (the "PRC"), distribution of houseware products and audio products in the United States of America (the "USA"), the trading of household appliances in the PRC, and provision of information technology ("IT") services in the PRC.

The unaudited condensed consolidated interim financial statements are presented in Hong Kong dollars, the functional currency of the Company, and all values are rounded to the nearest million (HK\$ million) unless otherwise stated.

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2023

### 2. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements have been prepared in accordance with the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) and the Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The unaudited condensed consolidated interim financial statements should be read in conjunction with the annual consolidated financial statements for the year ended 31 March 2023, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”).

These unaudited condensed consolidated interim financial statements have been prepared in accordance with the accounting policies adopted in the Group’s most recent annual consolidated financial statements for the year ended 31 March 2023.

#### *Going concern basis*

The unaudited condensed consolidated interim financial statements have been prepared on a going concern basis. As at 30 September 2023, the following events and conditions existed which may cast significant doubt on the ability of the Group to continue as a going concern:

- (i) the Group incurred losses from its continuing operations in recent years, including losses of approximately HK\$146 million and HK\$98 million for the years ended 31 March 2023 and 2022, respectively;
- (ii) the Group’s net current assets of approximately HK\$1,422 million as at 30 September 2023 included approximately HK\$3,358 million of properties under development for sale, approximately HK\$1,653 million of which are not expected to be realised within one year after 30 September 2023;
- (iii) the Group relied upon its related parties to provide fundings for its operations, with amounts due to related parties amounting to approximately HK\$1,465 million as at 30 September 2023; and
- (iv) the current market conditions of the property market in which the Group operates are volatile, in particular for the property development operations of the Group, which will potentially adversely affect the future operations of the Group.

## **NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)**

*For the six months ended 30 September 2023*

### **2. BASIS OF PREPARATION (continued)**

The applicability of the going concern basis to the unaudited condensed consolidated interim financial statements is dependent upon the Group being able to continue to operate as a going concern, which in turn depends upon the continued availability to the Group of adequate financings and the Group being able to attain profitable operations and generate positive operating cash flows in future. In particular, in view of the reliance of the Group on the financing provided by its related parties as at 30 September 2023, the Directors have performed assessments on the financial capabilities of these related parties to provide the financial support to the Group and concluded that the related parties will not withdraw their financing facilities to the Group and request the repayment of loans due from the Group before the respective maturity dates based on the following:

- (i) Amounts due to related parties of approximately HK\$1,080 million as at 30 September 2023 will be repaid within 3 years from the respective agreement dates as stipulated in the loan agreements using proceeds expected to be received by the Group from its pre-sales of the properties being developed for sale.
- (ii) No indication of, or request or demand for, repayment of the amounts due to the related parties have been received by the Group.
- (iii) Subsequent to the end of the reporting period, the related parties have confirmed to the Group that they will not request for repayment of amounts owed by the Group until the Group is able to do so without impairing its liquidity and financial position.

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2023

### 2. BASIS OF PREPARATION (continued)

The Directors also have given careful considerations to the future liquidity needs and financial performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern. Certain measures have been taken by the Group to mitigate its liquidity pressure and to improve its financial position which include, but are not limited to, the followings:

- (i) The Group has five property development projects held by subsidiaries and one project held by a joint venture as of 30 September 2023. The Group has launched the pre-sales of its properties under development for all projects and deposits amounting to approximately HK\$2,374 million have been received therefrom as at 30 September 2023. The Group expects to continuously generate cash inflows via the pre-sales activities and sales of completed properties held for sale in the next twelve months subsequent to the end of the reporting period.
- (ii) To provide funds required as working capital for its various property development projects in the PRC, the Group has successfully obtained a property development project bank loan with outstanding amount of approximately HK\$49 million as of 30 September 2023, this bank loan is secured by certain properties under development of the Group with an aggregate carrying amount of HK\$7 million. In the opinion of the Directors, the remaining property development projects of the Group, with aggregate carrying amount of approximately HK\$3,600 million as of 30 September 2023, are unpledged as of the date of approval of these consolidated financial statements, and are available for use as security to be provided to the banks if further banking facilities are required in the foreseeable future.
- (iii) The management of the Group has considered relevant facts and circumstances, and prepared a projected cash flow forecast for the property development operation in the next twelve months. The Directors are of the opinion that the Group will have sufficient working capital to operate within the next twelve months.
- (iv) The Directors closely monitor the financing activities of the Group, and ensure that all borrowings complied with the terms of the loans. If there are potential breaches of loans covenants, the Directors will negotiate with banks to obtain waiver or/and to revise the covenants of the loans.
- (v) The Group will continue to take active measures to control administrative and operating costs through various channels, including human resources optimization and containment of capital expenditures.

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2023

## 2. BASIS OF PREPARATION (continued)

The eventual outcome of the above-mentioned measures cannot be determined with certainty. Hence, a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. The Directors are of the opinion that taking into account the likely and expected outcome of the above measures and after assessing the Group's current and future cash flow needs and positions, the Group will have sufficient working capital to finance its operations and meet its financial obligations as and when they fall due within twelve months from 30 September 2023. Accordingly, the Directors believe that it is appropriate to prepare the unaudited condensed consolidated interim financial statements of the Group on a going concern basis.

## 3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current period, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") that are relevant to its operations and effective for its accounting year beginning on 1 April 2023. HKFRSs comprise Hong Kong Financial Reporting Standards ("HKFRS"); Hong Kong Accounting Standards ("HKAS"); and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group's accounting policies, presentation of the Group's unaudited condensed consolidated interim financial statements and amounts reported for the current period and prior years.

The Group has not applied the new and revised HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new and revised HKFRSs but is not yet in a position to state whether these new and revised HKFRSs would have a material impact on its results of operations and financial position.

## 4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the unaudited condensed consolidated interim financial statements requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing the unaudited condensed consolidated interim financial statements, the critical accounting judgments made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty are the same as those that were applied to the audited consolidated financial statements for the year ended 31 March 2023.



# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2023

## 5. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES

The unaudited condensed consolidated interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the audited consolidated financial statements for the year ended 31 March 2023.

There have been no significant changes in the policies on how to mitigate these risks since the year ended 31 March 2023.

## 6. SEGMENT REPORTING

The Group currently organises its operations into the following reportable and operating segments.

Operating segments	Principal activities
PRC Property Development	Property development and operations in the PRC
Emerson	Distribution of houseware products and audio products and licensing business – Comprising a group listed on the New York Stock Exchange (“NYSE”) of the USA
PRC Household Appliances	Trading of household appliances, wires and cables in the PRC
PRC IT Services	IT system development and related services in the PRC <sup>#</sup>

<sup>#</sup> The operation had closed down during the year ended 31 March 2023.

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2023

### 6. SEGMENT REPORTING (continued)

(a) Unaudited revenue and results of the Group by operating segment

For the six months ended 30 September 2023

	PRC Property Development HK\$ million	Emerson HK\$ million	PRC Household Appliances HK\$ million	Consolidated HK\$ million
<b>Revenue:</b>				
Sale of properties to external customers	1,001	-	-	1,001
Sale of household appliances, wires and cables to external customers	-	-	42	42
Sale of houseware and audio products to external customers	-	32	-	32
Licensing income from external customers	-	1	-	1
Total segment revenue	<u>1,001</u>	<u>33</u>	<u>42</u>	<u>1,076</u>
<b>Results:</b>				
Segment results	<u>133</u>	<u>12</u>	<u>3</u>	148
<b>Reconciliations:</b>				
Unallocated corporate expenses				(9)
Interest income				<u>13</u>
Profit before taxation				<u>152</u>

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2023

### 6. SEGMENT REPORTING (continued)

(a) Unaudited revenue and results of the Group by operating segments (continued)

For the six months ended 30 September 2022

	PRC Property Development HK\$ million	Emerson HK\$ million	PRC Household Appliances HK\$ million	PRC IT Services HK\$ million	Consolidated HK\$ million
<b>Revenue:</b>					
Sale of properties to external customers	119	–	–	–	119
Sale of household appliances, wires and cables to external customers	–	–	88	–	88
Sale of houseware and audio products to external customers	–	21	–	–	21
Licensing income from external customers	–	5	–	–	5
Total segment revenue	<u>119</u>	<u>26</u>	<u>88</u>	<u>–</u>	<u>233</u>
<b>Results:</b>					
Segment results	<u>(12)</u>	<u>(11)</u>	<u>5</u>	<u>–*</u>	<u>(18)</u>
<b>Reconciliations:</b>					
Unallocated corporate expenses					(10)
Interest income					<u>7</u>
Loss before taxation					<u>(21)</u>

\* The amount is less than HK\$1 million.

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2023

### 6. SEGMENT REPORTING (continued)

(b) Assets and liabilities of the Group by operating segments

	PRC Property Development HK\$ million		PRC Household Appliances HK\$ million		Inter- segment elimination HK\$ million	Consolidated HK\$ million
<b>As at 30 September 2023 (unaudited)</b>						
Reportable segment assets	4,956	233	79	12	(37)	5,243
Reportable segment liabilities	4,839	8	54	30	(37)	4,894
<b>As at 31 March 2023 (audited)</b>						
Reportable segment assets	7,688	246	90	7	(35)	7,996
Reportable segment liabilities	7,667	34	52	33	(35)	7,751

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2023

### 6. SEGMENT REPORTING (continued)

#### (c) Geographical segments

	(Unaudited) Six months ended	
	30 September 2023 HK\$ million	30 September 2022 HK\$ million
<b>Revenue:</b>		
PRC	1,043	207
USA	33	26
Total	<u>1,076</u>	<u>233</u>

### 7. REVENUE

An analysis of the Group's revenue from contracts with customers, by principal activities, for the Period and the Corresponding Period is as follows:

	(Unaudited) Six months ended	
	30 September 2023 HK\$ million	30 September 2022 HK\$ million
By principal activity:		
Sale of properties	1,001	119
Sale of goods	74	109
Licensing income	1	5
	<u>1,076</u>	<u>233</u>

Revenue from the above mentioned principal activities was recognised on "point in time" basis.

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2023

### 8. OTHER INCOME AND GAINS

	(Unaudited)	
	Six months ended	
	30 September 2023 HK\$ million	30 September 2022 HK\$ million
Gain on disposal of a subsidiary	28	–
Interest income	13	7
Government grants	–	–*
Settlement of litigation	24	–
	65	7

\* The amount is less than HK\$1 million.

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2023

### 9. FINANCE COSTS

	(Unaudited)	
	Six months ended	
	30 September 2023 HK\$ million	30 September 2022 HK\$ million
Interest on loans from related parties	21	56
Interest on loan from a former non-controlling interests	–	12
Interest on loan from a shareholder	–*	–*
Interest on bank loans	5	27
Interest on lease liabilities	–*	–*
	<hr/>	<hr/>
	26	95
Less: interest expense capitalised into properties under development (note (i))	(26)	(95)
	<hr/>	<hr/>
	–*	–*
	<hr/>	<hr/>

Note:

(i) The finance costs incurred by the Group in both periods arose from funds borrowed specifically for the purpose of obtaining the qualifying assets.

\* The amount is less than HK\$1 million.

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2023

### 10. PROFIT/(LOSS) BEFORE TAXATION

The profit/(loss) before taxation is arrived at after charging/(crediting):

	(Unaudited) Six months ended	
	30 September 2023 HK\$ million	30 September 2022 HK\$ million
<b>(a) Staff costs</b>		
Directors' and Chief Executive Officer's emoluments	2	3
Other staff costs:		
– Salaries and other benefits	18	22
– Retirement benefits costs	2	3
	22	28
Less: amount capitalised in properties under development	(2)	(4)
	20	24
<b>(b) Other items</b>		
Short-term lease expenses	–*	–*
Depreciation of plant and equipment	13	1
Depreciation of right-of-use assets	1	1
Business tax and other levies	3	5
Advertising and promotion expenses**	15	12
Carrying amount of inventories sold	64	98
Cost of properties sold recognised as expense	841	99
Changes in expected credit loss (“ECL”) on accounts receivable	–	1
	–	1

\* The amount is less than HK\$1 million.

\*\* Included in selling and distribution costs.



## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2023

### 11. INCOME TAX EXPENSES

No Hong Kong profits tax has been provided in the unaudited condensed consolidated interim financial statements as there are no assessable profits arising in Hong Kong during the Period and the Corresponding Period.

Under the Law of the People's Republic of China on Corporate Income Tax (the "CIT Law") and Implementation Regulation of the CIT Law, the tax rate of the PRC subsidiaries is 25% for both periods.

The provision of land appreciation taxes ("LAT") is estimated according to the requirements set forth in the relevant PRC tax laws and regulations. LAT is charged at ranges of progressive rates of the appreciation value, with certain allowable exemptions and deductions.

Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the places in which the Group operates, based on existing legislation, interpretations and practises in relevant jurisdictions thereof.

	<b>(Unaudited)</b>	
	<b>Six months ended</b>	
	<b>30 September 2023</b>	30 September 2022
	<b>HK\$ million</b>	HK\$ million
<b>Current income tax:</b>		
– PRC corporate income tax	32	5
– PRC LAT	9	–
– Overseas	1	–
Deferred tax – PRC	–	–*
	<hr/>	<hr/>
Income tax expenses	<b>42</b>	<b>5</b>
	<hr/>	<hr/>

\* The amount is less than HK\$1 million.

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2023

### 12. DIVIDEND

The Directors do not recommend the payment of an interim dividend for the Period (the Corresponding Period: Nil).

### 13. EARNINGS/(LOSS) PER SHARE

#### (a) Basic earnings/(loss) per share

The calculation of basic earnings/(loss) per share attributable to the owners of the Company is based on the following data:

	<b>(Unaudited)</b>	
	<b>Six months ended</b>	
	<b>30 September 2023</b>	<b>30 September 2022</b>
	<b>HK\$ million</b>	<b>HK\$ million</b>
Profit/(loss) for the period for the purpose of calculating basic earnings/(loss) per share	<b>105</b>	<b>(26)</b>

	<b>30 September 2023</b>	<b>30 September 2022</b>
	<b>Number of ordinary shares million</b>	<b>Number of ordinary shares million</b>
Number of shares:		
Weighted average number of ordinary shares for the purposes of calculating basic earnings/(loss) per share	<b>5,492.2</b>	<b>5,492.2</b>

#### (b) Diluted earnings/(loss) per share

Diluted earnings/(loss) per share equals basic earnings/(loss) per share as there were no potential ordinary shares outstanding during the Period and the Corresponding Period.

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2023

### 14. PROPERTIES UNDER DEVELOPMENT AND COMPLETED PROPERTIES HELD FOR SALE

	(Unaudited) 30 September 2023 HK\$ million	(Audited) 31 March 2023 HK\$ million
Properties under development for sale	3,358	5,777
Completed properties held for sale	249	197
	<b>3,607</b>	<b>5,974</b>

The properties under development are located in the PRC. Properties under development that have plans to be developed for sale, and are expected to be realised within the Group's normal operating cycle, are classified as current assets. Included in the amounts are properties under development of HK\$1,653 million (31 March 2023: HK\$3,373 million) which are expected to be completed and available for delivery to the customers more than twelve months from the end of the reporting period.

At 30 September 2023, certain of the Group's properties under development with carrying value of HK\$7 million (31 March 2023: HK\$1,130 million) were pledged for certain facilities granted to the Group by the banks.

The Group's completed properties held for sale are stated at the lower of cost and net realisable value and situated in the PRC. In the opinion of the Directors, completed properties held for sale as at 30 September 2023 are expected to be sold within twelve months from the end of the reporting period.

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2023

### 15. ACCOUNTS RECEIVABLE

The Group allows an average credit period of 30 to 90 days to its trade customers.

	<b>(Unaudited)</b> <b>30 September</b> <b>2023</b> <b>HK\$ million</b>	(Audited) 31 March 2023 HK\$ million
Gross amount	58	64
Less: allowance of ECL	<u>(4)</u>	<u>(4)</u>
Net carrying amount	<u>54</u>	<u>60</u>

The following are the movements of allowance of ECL on accounts receivable during the Period/the year ended 31 March 2023 (the "Corresponding Year"):

	<b>(Unaudited)</b> <b>30 September</b> <b>2023</b> <b>HK\$ million</b>	(Audited) 31 March 2023 HK\$ million
At beginning of the Period/the Corresponding Year	4	8
Change in ECL allowance	<u>–</u>	<u>(4)</u>
At end of the Period/the Corresponding Year	<u>4</u>	<u>4</u>

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2023

### 15. ACCOUNTS RECEIVABLE (continued)

The ageing analysis of accounts receivable (net of allowance of ECL), presented based on the invoice date, is as follows:

	(Unaudited) 30 September 2023 HK\$ million	(Audited) 31 March 2023 HK\$ million
0–3 months	49	54
3–6 months	5	6
	<u>54</u>	<u>60</u>

### 16. CASH AND BANK BALANCES

	(Unaudited) 30 September 2023 HK\$ million	(Audited) 31 March 2023 HK\$ million
Bank balances	200	133
Short-term deposits with original maturities within three months	<u>158</u>	<u>200</u>
Cash and cash equivalents in the condensed consolidated statement of cash flows	358	333
Restricted bank deposits (Note (i))	<u>984</u>	<u>1,365</u>
	<u>1,342</u>	<u>1,698</u>

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2023

### 16. CASH AND BANK BALANCES (continued)

Note:

- (i) Restricted bank deposits represented guarantee deposits for construction of pre-sale properties and are denominated in Renminbi (“RMB”) and placed in designated bank accounts. In accordance with relevant government requirements, property development companies of the Group are required to place certain amount of pre-sale proceeds in designated bank accounts as guarantee deposits for the construction of the related properties. The deposits can only be used for payments for construction costs of the relevant properties when approval from related government authority is obtained.

### 17. ACCOUNTS PAYABLE

The Group was allowed an average credit period of 60 to 90 days by its trade suppliers.

The analysis of accounts payable, including ageing analysis of accounts payable arising from purchases of inventories based on the invoice date, is as follows:

	(Unaudited) 30 September 2023 HK\$ million	(Audited) 31 March 2023 HK\$ million
For purchases of inventories		
0–3 months	19	19
3–6 months	16	27
6–12 months	16	1
For construction costs (Note (i))	750	823
	<b>801</b>	<b>870</b>

Note:

- (i) Construction costs payable comprise payables for construction costs and other project related expenses (including unbilled payables) which are based on project progress measured by project management team of the Group. Therefore, no ageing analysis is performed.

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2023

### 18. CONTRACT LIABILITIES

	(Unaudited) 30 September 2023 HK\$ million	(Audited) 31 March 2023 HK\$ million
Sale of properties (Note (i))	2,374	3,335
Others	<u>1</u>	<u>1</u>
	<u>2,375</u>	<u>3,336</u>

Note:

- (i) The Group receives 20% to 100% of the contract value from customers when they sign the sale and purchase agreements for pre-sale of properties while construction work of the properties is still ongoing. For the customers who applied mortgage loans to be provided by the banks, the remaining consideration will be paid to the Group from the banks once the mortgage loan application has been completed and release of fund has been approved. Such advance payment schemes result in contract liabilities being recognised through the property construction period until the customer obtains control of the completed property. Same as the properties under development as disclosed in Note 14, these balances are expected to be settled within the Group's normal operating cycle.

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2023

### 19. AMOUNTS DUE TO RELATED PARTIES

	(Unaudited) 30 September 2023		(Audited) 31 March 2023	
	Effective contractual interest rate (%)	HK\$ million	Effective contractual interest rate (%)	HK\$ million
<b>Current</b>				
Guangzhou Minjie Real Estate Development Co., Ltd. <sup>#</sup> (“GZ Minjie”, 廣州敏捷房地產開發有限公司) (note (ii))	–	385	–	409
Interest portion of loan from GZ Minjie (note (ii))	–	–	–	6
Interest portion of loan from Guangzhou Yufeng Real Estate Development Co., Ltd. <sup>#</sup> (“GZ Yufeng” 廣州育豐房地產開發有限公司) (note (iii))	–	–	–	99
Interest portion of loan from Zhongshan Wanquan Property Management Co., Limited <sup>#</sup> (“Zhongshan Wanquan” 中山市完全物業管理有限公司) (note (iv))	–	–	–	6
Guangzhou Minjun Real Estate Co., Ltd. <sup>#</sup> (“GZ Minjun”, 廣州敏駿房地產有限公司) (note (v))	–	–	–	792
		<b>385</b>		<b>1,312</b>

<sup>#</sup> For identification purposes only



## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2023

### 19. AMOUNTS DUE TO RELATED PARTIES (continued)

	(Unaudited) 30 September 2023		(Audited) 31 March 2023	
	Effective contractual interest rate (%)	HK\$ million	Effective contractual interest rate (%)	HK\$ million
<b>Non-current</b>				
Loan from GZ Minjie (note (vi))	3.7%	917	3.7%	1,351
Interest portion of loan from GZ Minjie (note (vi))	–	63	–	44
Interest portion of loan from GZ Yufeng (note (iii))	–	76	–	–
Interest portion of loan from Zhongshan Wanquan (note (iv))	–	5	–	–
Loan from Mr. Tan (note (vii))	5%	19	5%	18
		<b>1,080</b>		<b>1,413</b>
		<b>1,465</b>		<b>2,725</b>

All these entities are beneficially owned, directly or indirectly, by Mr. Tan Huichuan (a son of Mr. Tan) and Mr. Tan Haocheng (an elder brother of Mr. Tan).

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2023

### 19. AMOUNTS DUE TO RELATED PARTIES (continued)

Notes:

- (i) The balance of approximately RMB358 million (31 March 2023: approximately RMB358 million), which is equivalent to approximately HK\$385 million (31 March 2023: approximately HK\$409 million) is non-trade in nature, unsecured, interest-free and has no fixed repayment terms.

GZ Minjie is also a non-controlling interests of Changsha Ningxiang Minjun Real Estate Development Co., Ltd.# (長沙市寧鄉敏駿房地產開發有限公司), a non-wholly owned indirect subsidiary of the Company.

- (ii) The balance as at 31 March 2023 of approximately RMB5 million, which was equivalent to approximately HK\$6 million, was non-trade in nature and unsecured.
- (iii) The balance of approximately RMB71 million (31 March 2023: approximately RMB87 million), which is equivalent to approximately HK\$76 million (31 March 2023: approximately HK\$99 million), will be repayable in full on 1 November 2026 and 20 December 2026 (31 March 2023: 1 November 2023 and 20 December 2023). The balance is non-trade in nature and unsecured.
- (iv) The balance of approximately RMB5 million (31 March 2023: approximately RMB5 million), which is equivalent to approximately HK\$5 million (31 March 2023: approximately HK\$6 million), will be repayable in full on 20 November 2026 and 20 December 2026 (31 March 2023: 20 November 2023 and 20 December 2023). The balance is non-trade in nature and unsecured.
- (v) The balance as at 31 March 2023 of approximately RMB693 million, which was equivalent to approximately HK\$792 million, was non-trade in nature, unsecured, interest-free and had no fixed repayment terms.
- (vi) The balance of approximately RMB910 million (31 March 2023: approximately RMB1,221 million), which is equivalent to approximately HK\$980 million (31 March 2023: approximately HK\$1,395 million), will be repayable in full on 4 May 2025 (31 March 2023: 4 May 2025). The balance is non-trade in nature and unsecured.

# For identification purposes only

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2023

### 19. AMOUNTS DUE TO RELATED PARTIES (continued)

Notes: (continued)

- (vii) During the Corresponding Year, a subsidiary of the Company entered into an agreement with Mr. Tan in relation to the loan facility of up to HK\$18 million at the agreed interest rate of 5% per annum, unsecured and with the principal and interest repayable in full on 11 May 2025. In the opinion of the Directors, the purpose of the loan facility is for use in the Group's daily operations.

### 20. INTEREST-BEARING BANK LOANS

	(Unaudited) 30 September 2023 HK\$ million	(Audited) 31 March 2023 HK\$ million
Loans from banks – secured	49	551
Less: Amount due within one year or on demand shown under current liabilities	<u>(49)</u>	<u>(551)</u>
Non current liabilities	<u>–</u>	<u>–</u>

At 30 September 2023, a bank loan of the Group bear floating interest rate based on RMB 1-year Loan Prime Rate plus a specified margin of 0.75% per annum, carrying interest rate at approximately 4.3%; thus exposing the Group to cash flow interest rate risk. The bank loan was guaranteed by related parties, and secured by the shares in Shantou Ruijing Real Estate Development Co., Ltd# (汕頭市瑞景房地產開發有限公司), a wholly owned indirect subsidiary of the Company, and certain properties under development of the Group of approximately RMB7 million, which are equivalent to approximately HK\$7 million, as set out in Note 14.

# For identification purposes only

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2023

### 21. DISPOSAL OF A SUBSIDIARY

The disposal of entire issued share capital in Ningbo Ruizhi Real Estate Development Co., Ltd# (寧波市瑞智房地產開發有限公司) (“Ningbo Ruizhi”), was completed on 26 May 2023 (the “Completion Date”) at a consideration of RMB10,000,000. Upon completion, Ningbo Ruizhi ceased to be a subsidiary of the Company and consolidated results, assets and liabilities of Ningbo Ruizhi ceased to be consolidated with those of the Group.

The net assets of Ningbo Ruizhi as at the date of disposal were as follows:

	HK\$ million
Plant and equipment	3
Properties under development	1,396
Prepayments, deposits and other receivables	21
Cash and bank balances	348
Accounts payables	(117)
Contract liabilities	(434)
Accrued liabilities and other payables	(22)
Interest-bearing bank loan	(441)
Amount due to a related company	(770)
	<hr/>
Net liabilities disposed of	(16)
Reclassification adjustment of exchange reserve on disposal of Ningbo Ruizhi	(1)
Direct cost incurred for the disposal	1
Gain on disposal of a subsidiary	28
	<hr/>
Total cash consideration received	12
	<hr/>
<b>Net cash outflow arising on disposal</b>	
Cash consideration	12
Cost directly attributable to the disposal	(1)
Bank balances and cash disposed of	(348)
	<hr/>
Net cash outflow arising on disposal	(337)
	<hr/>

# For identification purpose only

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2023

### 22. SHARE CAPITAL

	Number of shares ‘000	Share capital HK\$ million
Authorised share capital:		
Ordinary shares of HK\$0.01 each at 30 September 2023 and 31 March 2023	<u>20,000,000</u>	<u>200</u>
Issued and fully paid share capital:		
Ordinary shares of HK\$0.01 each at 30 September 2023 and 31 March 2023	<u>5,492,233</u>	<u>55</u>

### 23. CONTINGENT LIABILITIES

Except for the cases set out below, the Group did not have significant contingent liabilities as of 30 September 2023 and up to the date of this report:

#### *Guarantees*

The Group had provided guarantees of approximately HK\$2,260 million as at 30 September 2023 (as at 31 March 2023: HK\$1,919 million) to banks in favour of the purchasers of property units in relation to the Group's properties under development and completed properties sold, up to an amount of 80% of the purchase price of the individual property units, in respect of the mortgage loans provided by the banks to such purchasers. These guarantees provided by the Group to the banks will be released upon receiving the building ownership certificates of the respective properties by the banks from the customers as a pledge for security to the mortgage loans granted.

Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers prior to the releases of the guarantees, the Group is responsible to repay the outstanding mortgage principals together with any accrued interests and penalties owed by the defaulted purchasers to the banks, and the Group is entitled to take over the legal title and possession of the related properties. The guarantees start from the respective dates of grant of the mortgage loans.

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2023

### 23. CONTINGENT LIABILITIES (continued)

#### *Guarantees (continued)*

In the opinion of the Directors, the total fair value of the financial guarantee contracts of the Group is insignificant at initial recognition. The Directors also consider the possibility of default by the parties involved to be remote and in case of default in payments, the net realisable value of the related properties would be able to cover the outstanding principal together with the accrued interest and penalties. Accordingly, no value has been recognised in the unaudited condensed consolidated statement of financial position as at 30 September 2023 (31 March 2023: Nil).

### 24. LEGAL CASES

#### (a) *The Company*

In an order made by the High Court of the Hong Kong Special Administrative Region (the "High Court") on 9 May 2016 in respect of case HCCW 177/2011, the Company is required to:

- (i) indemnify and keep indemnified the former provisional liquidators in the event that the funds paid into the court are insufficient to meet the taxed fees and expenses of the former provisional liquidators; and
- (ii) indemnify and keep indemnified Mr. Fok Hei Yu and FTI Consulting (Hong Kong) Limited in respect of the costs of the defence of proceedings HCA 92/2014 ("the Action"), subject to the final determination of the Action. HCA 92/2014 is a legal case filed in January 2014 in the High Court by Sino Bright Enterprises Co., Ltd., and HCA 1152/2017 is a legal case filed in May 2017 in the High Court by the Company (which was later consolidated with HCA 92/2014), against Mr. Fok Hei Yu and FTI Consulting (Hong Kong) Limited for alleged misrepresentation and the case is ongoing.

As at the date of this report, the Company has received no such requests for the related fees, costs and expenses.

The Directors are of the view that no provision is necessary for any of the matters described above, after having considered their respective merits.

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2023

### 24. LEGAL CASES (continued)

#### (b) *Emerson Radio Corp.*

On 19 April 2022, the US District Court for the District of Delaware (the "District Court") granted judgement in favour of Emerson in its trademark infringement lawsuit against air conditioning and heating products provider Emerson Quiet Kool Co. Ltd. and wholesaler Home Easy Ltd. (the "Defendants"). Among other things, the District Court's order included an injunction prohibiting the Defendants' distribution, manufacturing, and sales of EMERSON QUIET KOOL branded products or use of that trademark and directed the U.S. Patent and Trademark Office to cancel the Defendants' trademark registration for the EMERSON QUIET KOOL trademark and prohibited the Defendants from attempting to register that mark or any other confusing similar marks in the future. The judgement also awarded US\$6.5 million to Emerson. Up to 30 September 2023, the Defendants have made certain payments of an aggregate amount of US\$4.1 million to Emerson, which were recorded as advanced deposits in the Group's financial statements. The balance has been reduced by approximately US\$0.8 million and US\$0.2 million of legal fees incurred during the Corresponding Year and the Period, respectively. Separately on 11 July 2023, the US Court of Appeals for the Third Circuit affirmed the District Court's judgement against the Defendants. On 29 September 2023, the District Court granted Emerson's request for final judgement including approximately US\$3.16 million in legal fees and US\$0.7 million in enhanced damages, along with the prospect of additional damages due to the Defendants' alleged contempt of court. There is no guarantee that Emerson will be able to collect the entire judgement amount or that any negotiated resolution regarding these matters will ever be agreed among the parties or, if agreed, how soon the parties will be able to do so. Due to the legal judgement being affirmed as stated above, the Group has released the balance of the advanced deposits of approximately US\$3.1 million to other income for the Period.

### 25. TRANSACTION SUBSEQUENT TO THE REPORTING PERIOD

There were no significant events subsequent to the reporting period.

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2023

## 26. CAPITAL COMMITMENTS

	(Unaudited) 30 September 2023 HK\$ million	(Audited) 31 March 2023 HK\$ million
Contracted for but not provided in respect of properties under development	1,216	1,632



## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW

The Group recorded a revenue of HK\$1,076 million for the Period as compared to HK\$233 million for the Corresponding Period, representing an increase of approximately 362%. The increase in revenue was mainly due to the increase in sales revenue of property development business in the Period. During the Period, according to the construction plan, certain phases of the Ningxiang, Yangjiang, Gongyi and Yongzhou projects have been completed and property units were delivered to the ultimate customers. Revenue from recognised sales of property development which amounted to HK\$1,001 million was recorded in the unaudited condensed consolidated statement of profit or loss of the Group for the Period. Due to the unfavourable conditions in the real estate industry in the PRC, progresses of some construction work have slowed down. The needs of household appliances, wires and cables were therefore reduced. Revenue generated from the trading of household appliances, wires and cables in the PRC decreased from HK\$88 million for the Corresponding Period to HK\$42 million for the Period, representing a decrease of approximately 52%. Emerson recorded an increase in revenue from HK\$26 million for the Corresponding Period to HK\$33 million for the Period, representing an increase of approximately 27%. Sales of audio and houseware products of Emerson recorded increases, driven by the increase in demand from customers for new models introduced during the Period. The Group recorded an unaudited profit attributable to the owners of the Company (the "Owners") of HK\$105 million for the Period, comparing to the unaudited loss attributable to the Owners of HK\$26 million for the Corresponding Period. Comparing to the Corresponding Period, the major changes in the unaudited condensed consolidated statement of profit or loss items were (i) an increase in revenue from property development resulting in the increased overall gross profit of the Group; (ii) tighter control in administrative expenses incurred by the Group; (iii) a disposal gain of approximately HK\$28 million was recorded after the disposal of Ningbo project completed in May 2023; and (iv) an other income of approximately HK\$24 million from settlement of litigation by Emerson was recorded during the Period.

As at 30 September 2023, the principal business activities of the Group included PRC property development business, Emerson's operation and the PRC household appliances business.

## MANAGEMENT DISCUSSION AND ANALYSIS (continued)

### PRC property development business

#### Sales of properties

During the Period, completed property units of Ningxiang, Yangjiang, Gongyi and Yongzhou projects were delivered to the ultimate customers, the area of properties delivered increased to approximately 169,900 sq.m. (Corresponding Period: approximately 22,500 sq.m.). Sales of properties increased by approximately 741% from HK\$119 million for the Corresponding Period to HK\$1,001 million for the Period. Due to the increase in revenue, the PRC property development business contributed a segment profit of HK\$133 million to the Group during the Period, which improved from the segment loss of HK\$12 million incurred during the Corresponding Period. The sales of properties revenue by project are summarised as follows:

Name of the project	Approximate amount (after tax) Six months ended		Approximate saleable areas delivered Six months ended	
	30 September 2023 (HK\$ million)	30 September 2022 (HK\$ million)	30 September 2023 (sq.m.)	30 September 2022 (sq.m.)
	Ningxiang Minjie Ziyun Fu <sup>#</sup> (寧鄉敏捷紫雲府)	128	119	26,400
Gongyi Minjie Jinxiu Yuanzhu <sup>#</sup> (鞏義敏捷錦綉源築)	256	–	33,800	–
Yangjiang Minjie Dongyue Fu <sup>#</sup> (陽江敏捷東樾府)	263	–	45,300	–
Yongzhou Minjie Jinyue Fu <sup>#</sup> (永州敏捷金玥府)	354	–	64,400	–
<b>Total</b>	<b>1,001</b>	<b>119</b>	<b>169,900</b>	<b>22,500</b>

<sup>#</sup> For identification purposes only

## MANAGEMENT DISCUSSION AND ANALYSIS (continued)

### Contracted sales

All projects under development have been in pre-sales during the Period. The Group's attributable contracted sales during the Period were approximately RMB574 million with approximately 70,500 sq.m. sold and the average selling price was approximately RMB8,100 per sq.m., whereas the Group's attributable contracted sales during the Corresponding Period were approximately RMB823 million with approximately 95,000 sq.m. sold and the average selling price was approximately RMB8,700 per sq.m.. The contracted sales for the two periods are summarised as follows:

Name of the project	Approximate attributable total value Six months ended		Approximate attributable saleable areas sold Six months ended	
	30 September 2023 (RMB million)	30 September 2022 (RMB million)	30 September 2023 (sq.m.)	30 September 2022 (sq.m.)
Ningxiang Minjie Ziyun Fu# (寧鄉敏捷紫雲府)	12	15	3,100	2,900
Gongyi Minjie Jinxiu Yuanzhu# (鞏義敏捷錦綉源築)	159	98	22,500	12,900
Yangjiang Minjie Dongyue Fu# (陽江敏捷東樾府)	72	131	13,700	22,900
Guangxi Nanning Minjie Huayu Jinxu Jiangchen* (廣西南寧敏捷華宇錦綉江辰)	6	2	500	100
Shantou Minjie Jinglong Wan# (汕頭敏捷瓏瓏灣)	236	282	18,700	25,300
Yongzhou Minjie Jinyue Fu# (永州敏捷金玥府)	51	114	10,000	22,200
Ningbo Yunyue Xingzhu Huayuan** (寧波雲玥星著花園)	38	181	2,000	8,700
<b>Total</b>	<b>574</b>	<b>823</b>	<b>70,500</b>	<b>95,000</b>

# For identification purposes only

\* Ningbo project has been disposed in May 2023. The figures in the Period represented the contracted sale for April and May of 2023.

## MANAGEMENT DISCUSSION AND ANALYSIS (continued)

### Projects under development

Projects under development amounted to approximately 764,600 sq.m. attributable gross floor area (“GFA”) as at 30 September 2023 (as at 31 March 2023: approximately 1,068,900 sq.m.), details of which are set out below:

Location	Approximate attributable GFA		Approximate attributable saleable area	
	30 September 2023 (sq.m.)	31 March 2023 (sq.m.)	30 September 2023 (sq.m.)	31 March 2023 (sq.m.)
Ningxiang, Hunan	31,800	31,800	26,200	26,200
Gongyi, Henan	128,300	185,100	108,600	154,600
Yangjiang, Guangdong	95,900	155,600	79,700	129,600
Ningbo, Zhejiang	N/A*	100,200	N/A*	74,800
Nanning, Guangxi	115,000	115,000	93,200	93,200
Shantou, Guangdong	319,100	319,100	266,600	266,600
Yongzhou, Hunan	74,500	162,100	55,900	140,700
<b>Total</b>	<b>764,600</b>	<b>1,068,900</b>	<b>630,200</b>	<b>885,700</b>

\* Ningbo project has been disposed in May 2023.

## MANAGEMENT DISCUSSION AND ANALYSIS (continued)

### *Properties held for sale*

During the Period, properties with a saleable area of approximately 178,800 sq.m. from Yangjiang, Gongyi and Yongzhou projects have been certified as completed. Including the unsold completed properties brought forward from 31 March 2023 of approximately 44,500 sq.m., total saleable area of approximately 223,300 sq.m. of properties held for sale was available for the Period. As approximately 169,900 sq.m. in saleable area has been recognized as sales of property development during the Period, the remaining properties held for sale as recorded in the unaudited condensed consolidated statement of financial position as at 30 September 2023 were approximately 53,400 sq.m. in saleable area.

### *Land bank*

As at 30 September 2023, the Group's attributable land bank was approximately 72,400 sq.m. and approximately 55,400 sq.m. in GFA and saleable area respectively (as at 31 March 2023: approximately 72,400 sq.m. and approximately 55,400 sq.m. respectively), distributed across two cities and regions. Details are as below:

Location	Approximate attributable GFA		Approximate attributable saleable area	
	30 September 2023 (sq.m.)	31 March 2023 (sq.m.)	30 September 2023 (sq.m.)	31 March 2023 (sq.m.)
Gongyi, Henan	3,100	3,100	–	–
Yongzhou, Hunan	69,300	69,300	55,400	55,400
Total	72,400	72,400	55,400	55,400

## MANAGEMENT DISCUSSION AND ANALYSIS (continued)

### Emerson operations business

Emerson, a 72.4% owned subsidiary, whose shares are listed on the NYSE in the USA, generated revenue of HK\$33 million for the Period as compared to HK\$26 million for the Corresponding Period, representing an increase of approximately 27%. The increase in revenue was mainly resulting from the increased consumer demand for audio and houseware products, which was partly offset by a decrease in licensing income. During the Period, Emerson recorded an income from settlement of litigation of approximately US\$3.1 million. The gain was based on a judgement affirmation by the U.S. Court of Appeals for the Third Circuit. Further discussion was made on “Legal Cases” section. As a result of the above factors, segment profit of Emerson for the Period was HK\$12 million as compared to the segment loss of HK\$11 million for the Corresponding Period.

### PRC household appliances business

Since the unfavourable operating environment of the real estate industry continued to prevail in the PRC during the Period, trading of household appliances, wires and cables in the PRC recorded a revenue of HK\$42 million for the Period, as compared to HK\$88 million for the Corresponding Period, representing a decrease of approximately 52%. The decrease in revenue was mainly due to the sluggish status of construction work in the PRC and therefore, demand for wires and cables reduced during the Period. Due to the revenue dropped during the Period, the operation has generated a segment profit of HK\$3 million for the Period as compared to the segment profit of HK\$5 million for the Corresponding Period, representing a decrease of approximately 40%.

## MANAGEMENT DISCUSSION AND ANALYSIS (continued)

### BUSINESS PROSPECTS

In the past six months, the PRC's economic recovery has experienced ups and downs. The current macro economy and real estate market have shown unpredictability, such as weak consumer confidence and liquidity problems for newly added large real estate companies. A number of policies that are beneficial and stimulating to the economy and real estate industry have been introduced one after another. In the long run, we believe the PRC's economy will continue to recover during its transformation and upgrading. Although there are ups and downs in the process, macro economy has not wavered. The growth potential of domestic demand and development resilience will continue to improve. Looking into the future, the Group will continue to base itself on the property development business, focus on the development of existing projects, strengthen lean management, accelerate sales proceeds collection, and complete annual sales and various operating targets to ensure safe cash flow and achieve stable and high-quality sustainable development. As the market situation continues to change, the Group also evaluates its projects from time to time, and makes planning adjustments for individual projects that have been affected by market factors and have caused deterioration in operating conditions, including completing the disposal of Ningbo project in May 2023. At the same time, the Group will pay close attention to the changes in the land market with a cautious attitude, invest in suitable and high-quality projects in a timely manner to supplement the Group's land reserves, and lay the foundation for sustainable and stable development.

With respect to the PRC household appliances business, the Group expects to maintain a stable development as the real estate market in the PRC gradually recovers. The sales team will continue to solicit new customers to increase the revenue and the management will continue to impose various cost control measures in order to reduce the operating costs.

## MANAGEMENT DISCUSSION AND ANALYSIS (continued)

With regard to the operation of Emerson, the Group expects to continue with its expansion of the existing and new distribution channels and to develop and promote new products with retailers in the USA. The Group also expects that the current and proposed USA tariffs on categories of products that the Company imports from the PRC, and the PRC's retaliatory tariffs on certain goods imported from the USA, as well as modifications to international trade policy, will continue to affect its product costs going forward. The Group will continue to monitor the trade and political environment and work to mitigate the possible effects of tariffs with its suppliers as well as its customers through pricing and sourcing strategies.

### LIQUIDITY AND FINANCIAL RESOURCES

The current ratio of the Group as at 30 September 2023 was approximately 1.37 as compared to approximately 1.26 as at 31 March 2023. The increase in the current ratio was mainly attributable to the decrease in the balances of amounts due to related parties and interest-bearing bank loans.

During the Period, the Group's working capital requirements were mainly financed by internal resources and external borrowings as the Group continued to generate cash from its Emerson operations business, PRC household appliances business and PRC property development business.

As at 30 September 2023, the Group had cash and bank balances of HK\$1,342 million (as at 31 March 2023: HK\$1,698 million). Excluding restricted bank deposits of HK\$984 million (as at 31 March 2023: HK\$1,365 million), the cash and bank balances amounted to HK\$358 million (as at 31 March 2023: HK\$333 million), of which HK\$193 million, HK\$3 million and HK\$162 million (as at 31 March 2023: HK\$130 million, HK\$6 million and HK\$197 million) were denominated in RMB, HK\$ and US\$, respectively.



## MANAGEMENT DISCUSSION AND ANALYSIS (continued)

The Group had no particular seasonal pattern of interest-bearing bank loans. The committed interest-bearing banking facilities available to the Group but not drawn as at 30 September 2023 amounted to approximately HK\$293 million (as at 31 March 2023: approximately HK\$872 million).

As at 30 September 2023, the Group had outstanding interest-bearing bank loans of HK\$49 million (as at 31 March 2023: HK\$551 million), which was repayable on demand or within one year. The bank loan was secured by certain properties under development of the Group and the shares in Shantou Ruijing Real Estate Development Co., Ltd<sup>#</sup> (汕頭市瑞景房地產開發有限公司) (an indirect wholly-owned subsidiary of the Company) and guaranteed by related parties. The effective interest rate of the bank borrowing as at 30 September 2023 was at approximately 4.3%. The borrowing was in RMB and at floating interest rate bench-marked to rates published by the People's Bank of China. During the Period, the Group considered the RMB interest rate environment relatively stable and with the Group's borrowings substantially in RMB that matched income and assets predominantly in RMB, the Group did not consider it necessary to hedge its interest rate exposure.

### NET GEARING RATIO

As at 30 September 2023, the Group has net cash position of HK\$213 million (as at 31 March 2023: net debt position of HK\$377 million), expressed as the difference between cash and bank balances and interest-bearing borrowings (including bank loans and amount due to related parties). The Group's net gearing ratio as at 31 March 2023, expressed as net debt over total equity, was approximately 1.54 times.

### CONTINGENT LIABILITIES AND LEGAL CASES

Details of the contingent liabilities and the legal cases of the Group are set out in Notes 23 and 24 respectively.

### CAPITAL COMMITMENTS

Details of the capital commitments of the Group are set out in Note 26.

<sup>#</sup> For identification purposes only

## MANAGEMENT DISCUSSION AND ANALYSIS (continued)

### CHARGES ON GROUP ASSETS

As at 30 September 2023, properties under development with aggregate carrying amount of HK\$7 million were pledged to secure bank borrowing facilities for the Group (as at 31 March 2023: HK\$1,130 million).

### TREASURY POLICIES

The Group's revenues are mainly in US dollars and RMB. Since the Hong Kong dollars is linked with the US dollars, the Group is not exposed to significant currency risks in transactions settled in US dollars. However, for transactions settled in RMB, the Group will be exposed to foreign currency risks. The Group offsets the corresponding risks mainly through natural hedging and has not participated in any speculative trading of derivative financial instruments, but will carefully consider whether to conduct currency swaps at an appropriate time to hedge against corresponding risks. The Group will closely monitor and manage its foreign currency exposure and make use of appropriate measures when required. The Group's objective is to maintain a balance between continuity of funding and flexibility through the effective use of its internal financial resources and bank and other borrowings.

### MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES AND AFFILIATED COMPANIES

On 19 January 2023, Guangzhou Ruihua Property Development Company Limited<sup>#</sup> (an indirect wholly-owned subsidiary of the Company) ("GZ Ruihua", 廣州市瑞華物業發展有限公司) and GZ Minjun entered into a sale and purchase agreement, pursuant to which GZ Ruihua, as the vendor, conditionally agreed to sell, and GZ Minjun, as the purchaser, conditionally agreed to purchase, the entire share capital of Ningbo Ruizhi Real Estate Development Company Limited\* (an indirect wholly-owned subsidiary of the Company) ("Ningbo Ruizhi"), at a consideration of RMB10,000,000. Ningbo Ruizhi has incurred operating losses in prior years, which turned its net asset value to negative figure before the disposal. On 26 May 2023, the disposal was completed and a disposal gain of approximately HK\$28 million (mainly represented the difference between the disposal consideration and the negative net asset value of Ningbo Ruizhi) was recorded in the unaudited condensed consolidated statement of profit or loss of the Period. Upon completion, Ningbo Ruizhi ceased to be a subsidiary of the Company and its results, assets and liabilities ceased to be consolidated with those of the Group. Details of the disposal are set out in the circular of the Company dated 2 May 2023.

<sup>#</sup> For identification purpose only

## **MANAGEMENT DISCUSSION AND ANALYSIS (continued)**

Except for the above, the Group had no material acquisition or disposal of subsidiaries nor affiliated companies for the Period.

### **MATERIAL EVENTS AFTER THE PERIOD**

There were no significant events occurred up to the date of this report.

### **SIGNIFICANT INVESTMENT**

The Group did not make any new significant investment during the Period.

### **FUTURE PLAN FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS**

The Group does not have any concrete plan for material investments or capital assets for the coming 12 months from the date of this report.

### **EMPLOYEES AND REMUNERATION POLICIES**

The number of employees of the Group as at 30 September 2023 was 103 (as at 31 March 2023: 130). During the Period, the Group's staff costs (inclusive of Directors' emoluments) were approximately HK\$22 million (the Corresponding Period: approximately HK\$28 million). The Group remunerates its employees mainly based on industry practice, individual performance and experience. Apart from the basic remuneration, a discretionary bonus may be granted to eligible employees by reference to the Group's performance as well as to an individual's performance in the relevant financial year. Other benefits include medical and retirement schemes.

## OTHER INFORMATION

### DIVIDENDS

The Directors do not recommend the payment of an interim dividend for the Period (the Corresponding Period: Nil).

### DIRECTORS' AND CHIEF EXECUTIVE'S INTEREST IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 September 2023, the interests or short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register kept by the Company under section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), were as follows:

Name of Director	Nature of interests	Number of shares held in the Company				Approximate percentage of total issued share capital
		Corporate interests	Note	Other interests	Note	
Mr. Tan Bingzhao ("Mr. Tan")	Long position	3,616,712,779	(ii)	439,180,000	(iii)	73.85%

Notes:

- (i) As at 30 September 2023, the total number of issued shares of the Company was 5,492,232,889.
- (ii) The 3,616,712,779 shares in which Mr. Tan is deemed to hold interests under the SFO are the shares held by Wealth Warrior Global Limited ("Wealth Warrior"), which is wholly owned by Mr. Tan.
- (iii) The 439,180,000 shares are owned by Merchant Link Holdings Limited and Rise Vision Global Limited, each of which holds 219,590,000 shares and they are indirectly wholly owned by a discretionary trust. Mr. Tan is a director of both Merchant Link Holdings Limited and Rise Vision Global Limited and is the settlor and a beneficiary of the discretionary trust. In this respect, Mr. Tan is deemed to hold interests of these shares under the SFO.

## OTHER INFORMATION (continued)

Save as disclosed above, none of the Directors or chief executive of the Company had, or were deemed to hold, any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code as at 30 September 2023.

## INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at 30 September 2023, so far as known to the Directors or chief executive of the Company, the following persons (other than the Directors or chief executive of the Company) had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO:

Name of substantial shareholder	Capacity	Number of issued ordinary shares of HK\$0.01 each in the Company held	Approximate percentage of the issued share capital
Wealth Warrior	Beneficial owner	3,616,712,779 (L)	65.85%
Sino Bright Enterprises Co., Ltd. ("Sino Bright")	Beneficial owner and person having a security interest in shares	1,023,463,423 (L) (Note 1)	18.63%
LEHD Pte. Ltd. ("LEHD")	Trustee	1,428,769,939 (L) (Notes 1, 2)	26.01%
Airwave Capital Limited ("Airwave")	Interest of controlled corporation	405,306,516 (L) (Note 3)	7.38%
Barrican Investments Corporation ("Barrican")	Beneficial owner and interest of controlled corporation	405,306,516 (L) (Notes 2, 4)	7.38%
Splendid Brilliance (PTC) Limited ("Splendid Brilliance")	Trustee	439,180,000 (L) (Note 5)	8.00%
He Guichai	Interest of controlled corporation	439,180,000 (L) (Note 5)	8.00%

\* The letter "L" denotes a person's "long position" (as defined under Part XV of the SFO) in such shares.

## OTHER INFORMATION (continued)

Notes:

- (1) Sino Bright, as beneficial owner, owns 23,463,423 shares representing approximately 0.42% of the total issued share capital of the Company. Sino Bright is deemed to be interested in 1,000,000,000 shares pursuant to the legal charge under the share mortgage dated 26 September 2017 in favour of Sino Bright (as mortgagee) granted by Wealth Warrior (as mortgagor) as security for the deferred consideration under the sale and purchase agreement dated 22 September 2017 between Sino Bright (as vendor) and Wealth Warrior (as purchaser).
- (2) LEHD is deemed to have interests in 1,428,769,939 shares as the trustee to the discretionary trust which owns the entire issued share capital of The Ho Family Trust Limited ("The Ho Family Trust"). The Ho Family Trust is deemed to be interested in the shares held by Barrican, McVitie Capital Limited ("McVitie") and Sino Bright, which are wholly owned subsidiaries of The Ho Family Trust and directly own 335,260,845 shares, 70,045,671 shares and 1,023,463,423 shares, respectively.
- (3) Barrican is a wholly owned subsidiary of Airwave and owns 100% interests in McVitie. Accordingly, Airwave is deemed to be interested in the shares held by Barrican and McVitie.
- (4) McVitie is a wholly owned subsidiary of Barrican. Accordingly, Barrican is deemed to be interested in the shares held by McVitie.
- (5) Splendid Brilliance, being a party acting in concert with Wealth Warrior, is deemed to have interests in 439,180,000 shares as the trustee to the discretionary trust which indirectly owns the entire issued share capital of Merchant Link Holdings Limited and Rise Vision Global Limited, each of which holds 219,590,000 shares. Mr. Tan is a director of both Merchant Link Holdings Limited and Rise Vision Global Limited and is the settlor and beneficiary of the discretionary trust. Ms. He Guichai is the sole director and sole shareholder of Splendid Brilliance.

Save as disclosed above, as at 30 September 2023, none of the Directors nor chief executive of the Company was aware of any other person (other than the Directors or chief executive of the Company) or corporation who had an interest or short position in the shares or underlying shares of the Company which were required to be recorded in the register kept by the Company under section 336 of the SFO.

## **OTHER INFORMATION (continued)**

### **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES**

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

### **CORPORATE GOVERNANCE CODE**

The Company's code on corporate governance practices was adopted by reference to the code provisions of the Corporate Governance Code (the "Code") as set out in Part 2 of Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules").

The Board confirmed that the Company had complied with all principles and code provisions in the Code during the Period, except for the code provisions of the Code as noted hereunder.

#### **Code Provision C.2.1**

Mr. Tan has been acting as the chairman of the Board (the "Chairman") and the CEO of the Company since his appointment as a Director on 2 December 2017. According to code provision C.2.1, the roles of these two positions should be separate and should not be performed by the same individual.

The Board has considered that the non-segregation would not result in concentration of power in one person and has the advantage of a strong and consistent leadership which is conducive to making and implementing decisions quickly and consistently.

The primary role of the Chairman is to provide leadership for the Board and to ensure that it works effectively in the discharge of its responsibilities. The CEO is responsible for the day-to-day management of the Group's business. Their respective roles and responsibilities are set out in writing and have been approved by the Board. As mentioned above, the roles of the Chairman and the CEO have been performed by Mr. Tan. However, if the Board does find a suitable candidate for the position of CEO, the above roles will be separately discharged by different persons at that time.

## OTHER INFORMATION (continued)

### 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”) as set out in Appendix 10 to the Listing Rules. Specific enquiry has been made to all Directors and each of them has confirmed that they have complied with the Model Code during the Period.

### CHANGES IN DIRECTORS’ INFORMATION

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in the Directors’ information since the date of the annual report 2022/23 of the Company are set out below:

Name of Director	Updated Information
------------------	---------------------

- |                 |   |
|-----------------|---|
| Dr. Lin Jinying | – Dr. Lin has been appointed as an independent non-executive Director with effect from 2 December 2017. She is also the chairman of the Remuneration Committee and a member of each of the Audit Committee and Nomination Committee of the Company. Dr. Lin obtained her bachelor’s degree in chemistry from South China Normal University in 1984 and her postgraduate diploma in food engineering from Jiangnan University (previously known as Wuxi Institute of Light Industry# (無錫輕工業學院)) in 1987. She received her doctorate degree in food engineering from South China University of Technology (“SCUT”) in 2010. |
|-----------------|---|

# For identification purposes only

Save for the information disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.





## **OTHER INFORMATION (continued)**

### **REVIEW OF INTERIM FINANCIAL REPORT BY THE AUDIT COMMITTEE**

The audit committee of the Company has reviewed and confirmed with the management of the Company the unaudited condensed consolidated interim results of the Group for the Period and the Corresponding Period and agreed with all the accounting treatments which have been adopted therein, reviewed and confirmed the accounting principles and practices adopted by the Group, and discussed risk management, internal controls and financial reporting matters.

By order of the Board  
**Nimble Holdings Company Limited**  
**Tan Bingzhao**  
*Chairman*

Hong Kong, 29 November 2023