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Leeport
LLEPORT (HOLDINGS) LIMITED
力 豐 (集 團) 有 限 公 司 *
(Incorporated in Bermuda with limited liability)
(Stock code: 387)

RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2021

The Board of Directors (the “**Directors**”) of Leeport (Holdings) Limited (the “**Company**”) would like to present the consolidated annual results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31st December 2021, together with the comparative figures for the year ended 31st December 2020. The annual results have been reviewed by the Audit Committee of the Company.

FINANCIAL PERFORMANCE

Sales

The China market has recovered gradually after the successful containment of COVID-19 since 2020 and the economy maintained a steadily growth in 2021. The Group achieved significant increase in order intake in 2021 but on the other hand due to the global supply chain issue, the delivery cycle of most of the suppliers were seriously delayed. The invoiced amount for the year 2021 was exceedingly below expectation.

The total value of contracts signed in 2021 was HK\$887,485,000, compared with HK\$657,013,000 in 2020, representing an increase of 35.1%. The substantial increase in the number of contracts signed was due to the large growth in manufacturing investment in China.

* *For identification purpose only*

The Group's sales amounted to HK\$707,752,000 in 2021, compared with HK\$617,937,000 in 2020, representing an increase of 14.5%. The Group's gross profit amounted to HK\$100,918,000, compared with HK\$92,934,000 in 2020, representing an increase of 8.6%. The gross profit was 14.3% of sales in 2021, compared with 15.0% in 2020.

Other Income and Gains – net

The total value of other income and gains was HK\$10,221,000 in 2021, compared with HK\$23,599,000 in 2020, representing a decrease of 56.7%.

Service income was HK\$7,637,000 in 2021, compared with HK\$7,089,000 in 2020, representing an increase of 7.7%. Commission income was HK\$408,000 in 2021, compared with HK\$1,506,000 in 2020, representing a decrease of 72.9%.

In 2021, the Group only received a subsidy of HK\$456,000 from the Chinese Government while the Group received HK\$5,010,000 from the Employment Support Scheme of the Hong Kong Government and a subsidy from the Chinese Government in 2020.

In 2021, the recorded a revaluation loss of investment properties of HK\$292,000 while the Group recorded a revaluation gain of investment properties of HK\$2,490,000 in 2020.

In 2021, the Group did not record management fee charged against Mitutoyo Leepport Metrology Corporation after the latter cancelled the operation in Hong Kong while the Group recorded a management fee charged against Mitutoyo Leepport Metrology Corporation of HK\$1,115,000 in 2020.

Operating Expenses

Selling and distribution costs were HK\$23,163,000 in 2021, compared with HK\$17,691,000 in 2020, representing an increase of 30.9%. This was due mostly to an increase of exhibitions expenses, tendering expenses, delivery expenses and the commissions to salespeople.

Administrative expenses amounted to HK\$96,607,000 in 2021, compared with HK\$91,423,000 in 2020, representing an increase of 5.7%. The main reason for this increase was the exchange loss of HK\$3,707,000 recognized in 2021 compared with exchange gain of HK\$3,529,000 recognized in 2020. Also, a net provision for impairment of trade receivables of HK\$457,000 made in 2021, compared with a net reversal of provision for impairment of trade receivable of HK\$2,031,000 in 2020. The travelling expenses in 2021 amounted to HK\$11,036,000 and was higher than the amount of HK\$9,360,000 in 2020 by 17.9%.

Finance Expenses – Net

Finance expenses net of finance income were HK\$2,973,000 in 2021, compared with HK\$4,576,000 in 2020. Finance income in 2021 was HK\$950,000, compared with HK\$1,115,000 in 2020, representing a decrease of 14.8%. Interest income derived from the loan to OPS Ingersoll Funkenerosion GmbH was HK\$822,000 in 2021, compared with HK\$871,000 in 2020.

Finance expenses were HK\$3,923,000 in 2021, compared with HK\$5,691,000 in 2020, representing a decrease of 31.1%. This decrease was due to the lower interest rate in the market in 2021.

Share of post-tax losses/profits of associates

The business of OPS Ingersoll Funkenerosion GmbH and Prima Power Suzhou Company Limited was recovered from the negative impact of the COVID-19 pandemic, and the companies recorded profit in 2021. The Group's share of post-tax profits of OPS Ingersoll Funkenerosion GmbH and Prima Power Suzhou Company Limited in 2021 was HK\$3,526,000, compared with share of post-tax losses of HK\$6,777,000 in 2020.

Income Tax Expenses

Income tax expenses in 2021 were HK\$4,625,000, compared with HK\$4,132,000 in 2020, representing an increase of 11.9%.

Loss/Profit Attributable to Owners of the Company and Losses/Earnings Per Share

The loss attributable to owners of the Company was HK\$38,984,000 in 2021, compared with the profit attributable to owners of the Company of HK\$4,451,000 in 2020. The substantial increase in the loss attributable to owners of the Company was due mainly to the reclassification of the HK\$26,343,000 cumulative amount of exchange reserve from equity to profit or loss on the dissolution of a subsidiary in Macao, namely Leeport Macao Commercial Offshore Limited, in compliance with the requirements of the Macao SAR government's law regarding the termination of all offshore business licences in Macao. The loss of HK\$26,343,000 is a non-cash item and has had no impact on the business operations or cash position of the Group.

The operating loss for the trading business was HK\$9,332,000 in 2021, compared with an operating profit of HK\$9,175,000 in 2020.

The basic losses per share was HK16.94 cents in 2021, compared with a basic earnings per share of HK1.93 cents in 2020.

Total Comprehensive Income Attributable to Owners of the Company

The total comprehensive income attributable to owners of the Company was HK\$19,330,000 in 2021, compared with the total comprehensive income attributable to owners of the Company of HK\$32,248,000 in 2020. The decrease in the total comprehensive income attributable to owners of the Company mainly due to the Company recorded a loss for the year of 2021. The reclassification of the HK\$26,343,000 cumulative amount of exchange reserve from equity to profit or loss on the dissolution of a subsidiary in Macao, namely Leeport Macao Commercial Offshore Limited, has no impact on the total comprehensive income attributable to owners of the Company.

DIVIDEND

The Directors recommend the payment of a final dividend of HK2.5 cents per ordinary share for the year ended 31st December 2021 totaling HK\$5,752,000. Including the special interim dividend of HK2.5 cents per ordinary share paid on 24 September 2021, the total dividend for the year ended 31 December 2021 will amount to HK5.0 cents per share (in 2020, HK6.0 cents per share). This final dividend recommendation is subject to the approval of the shareholders at the forthcoming Annual General Meeting, which will be held on 29th June 2022. Upon the approval of the shareholders, the final dividend warrant will be payable on or before 15th July 2022 to the shareholders of the Company whose names appear on the register of members on 7th July 2022.

**CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2021**

	<i>Note</i>	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Sales	2	707,752	617,937
Cost of goods sold	4	(606,834)	(525,003)
Gross profit		100,918	92,934
Other income and gains – net	3	10,221	23,599
Selling and distribution costs	4	(23,163)	(17,691)
Administrative expenses	4	(96,607)	(91,423)
Net (impairment losses)/reversal of impairment losses on financial assets		(701)	1,756
Operating (loss)/profit		(9,332)	9,175
Finance income		950	1,115
Finance expenses		(3,923)	(5,691)
Finance expenses – net		(2,973)	(4,576)
Release of exchange reserve upon dissolution of a subsidiary		(26,343)	–
Share of post-tax profits/(losses) of associates	9(a)	3,526	(6,777)
Gain on disposal of an associate		–	8,479
(Loss)/profit before income tax		(35,122)	6,301
Income tax expense	5	(4,625)	(4,132)
(Loss)/profit for the year		(39,747)	2,169
(Loss)/profit attributable to:			
Owners of the Company		(38,984)	4,451
Non-controlling interests		(763)	(2,282)
		(39,747)	2,169
(Losses)/earnings per share for (loss)/profit attributable to owners of the Company			
Basic (losses)/earnings per share (Hong Kong cents)	7	(HK16.94 cents)	HK1.93 cents
Diluted (losses)/earnings per share (Hong Kong cents)	7	N/A	N/A

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST DECEMBER 2021**

	2021	2020
	<i>HK\$'000</i>	<i>HK\$'000</i>
(Loss)/profit for the year	<u>(39,747)</u>	<u>2,169</u>
Other comprehensive income/(loss)		
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Gain on revaluation of land and buildings	6,774	14,098
Movement of deferred tax	4,649	(2,363)
Change in value of financial assets at fair value through other comprehensive income, net of tax	<u>15,769</u>	<u>(1,355)</u>
	<u>27,192</u>	<u>10,380</u>
<i>Items that have been reclassified or may be subsequently reclassified to profit or loss</i>		
Currency translation differences	4,494	9,593
Release of exchange reserve upon dissolution of a subsidiary	26,343	–
Release of exchange reserve upon disposal of an associate	<u>–</u>	<u>8,147</u>
	<u>30,837</u>	<u>17,740</u>
Other comprehensive income for the year, net of tax	<u>58,029</u>	<u>28,120</u>
Total comprehensive income for the year	<u>18,282</u>	<u>30,289</u>
Total comprehensive income attributable to owners of the company	19,330	32,248
Total comprehensive loss attributable to non-controlling interests	<u>(1,048)</u>	<u>(1,959)</u>
	<u>18,282</u>	<u>30,289</u>

**CONSOLIDATED BALANCE SHEET
AS AT 31ST DECEMBER 2021**

	<i>Note</i>	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
ASSETS			
Non-current assets			
Plant and equipment		11,893	5,582
Right-of-use assets		260,962	261,465
Investment properties	8	69,789	70,205
Investments in associates	9(a)	63,009	61,397
Loan to an associate	9(b)	17,717	19,166
Financial assets at fair value through other comprehensive income		8,689	9,289
		432,059	427,104
Current assets			
Inventories		111,908	76,798
Trade and bills receivables	10	109,980	102,429
Other receivables, prepayments and deposits		42,596	22,685
Financial assets at fair value through other comprehensive income		110,865	81,623
Derivative financial instruments	11	25	14
Tax recoverable		–	910
Restricted bank deposits		10,917	10,998
Cash and cash equivalents		65,522	92,591
		451,813	388,048
Assets classified as held for sale		1,451	31,377
Total current assets		453,264	419,425
Total assets		885,323	846,529

	<i>Note</i>	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
EQUITY			
Capital and reserves attributable to owners of the Company			
Share capital	<i>12</i>	23,007	23,007
Other reserves	<i>12</i>	303,644	260,883
Retained earnings		145,409	182,645
		472,060	466,535
Non-controlling interests		(5,315)	(4,267)
Total equity		466,745	462,268
LIABILITIES			
Non-current liabilities			
Other payables		3,212	5,212
Lease liabilities		1,175	2,301
Deferred income tax liabilities		30,385	35,034
		34,772	42,547
Current liabilities			
Trade and bills payables	<i>13</i>	111,331	103,960
Other payables, accruals and contract liabilities		66,661	71,431
Derivative financial instruments	<i>11</i>	657	–
Borrowings	<i>14</i>	199,867	161,472
Lease liabilities		962	1,495
Tax payable		4,051	3,356
		383,529	341,714
Liabilities directly associated with assets classified as held for sale		277	–
Total current liabilities		383,806	341,714
Total liabilities		418,578	384,261
Total equity and liabilities		885,323	846,529

Notes:

1. BASIS OF PREPARATION

The consolidated financial statements of the Company have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“**HKFRS**”) and requirements of the Hong Kong Companies Ordinance Cap. 622. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of right-of-use assets, investment properties, financial assets through other comprehensive income, financial assets and financial liabilities through profit or loss (including derivative instruments) which are carried at fair value. Assets held for sale are stated at the lower of carrying amount and fair value less costs to sell.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements.

(i) Amended standards adopted by the Group

The following amendments to standards are adopted by the Group for the financial year beginning on 1st January 2021.

Amendments to HKFRS 9, Hong Kong Accounting Standard (“ HKAS ”) 39, HKFRS 7, HKFRS 4 and HKFRS 16	Interest Rate Benchmark Reform – Phase 2
HKFRS 16 (Amendment)	Covid-19 – Related Rent Concessions beyond 30 June 2021

These amendments to standards did not have material impact on the Group’s accounting policies and did not require any adjustments.

- (ii) The following standards, amendments and interpretations have been published but are not mandatory for 31st December 2021 reporting period and have not been early adopted by the Group:

		Effective for the accounting period beginning on or after
Annual improvement project (Amendments)	Annual Improvements to HKFRSs 2018-2021	1st January 2022
HKFRS 3 (Amendment)	Reference to the Conceptual Framework	1st January 2022
HKAS 16 (Amendment)	Proceeds before Intended Use	1st January 2022
HKAS 37 (Amendment)	Onerous Contracts – Costs of Fulfilling a Contract	1st January 2022
Accounting Guideline 5 (Revised)	Merger Accounting for Common Control Combinations	1st January 2022
HKAS 1 and HKFRS Practice Statement 2 (Amendments)	Disclosure of Accounting Policies	1st January 2022
HKAS 8 (Amendments)	Definition of Accounting Estimates	1st January 2022
HKAS 12 (Amendments)	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1st January 2022
Hong Kong Interpretation 5 (2020)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1st January 2023
HKAS 1 (Amendments)	Classification of Liabilities as Current or Non-current	1st January 2023
HKFRS 17 (New Standard)	Insurance Contracts	1st January 2023
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

2. SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the chief operating decision maker (“CODM”), the Board of Directors, that are used to make strategic decisions.

The Board considers the business from a geographic perspective. Geographically, management considers the performance in the Mainland China, Hong Kong and other countries and territories.

The Group is principally engaged in the trading of metalworking machinery, measuring instruments, cutting tools and electronics equipment in three main geographical areas, namely Mainland China, Hong Kong and other countries and territories (principally Singapore, Germany, Malaysia and Indonesia).

The Board assesses the performance of the operating segments based on a measure of segment result, total assets and total capital expenditure. The Group primarily operates in Hong Kong and Mainland China. The Group's sales by geographical location are determined by the country in which the customer is located.

	For the year ended 31st December 2021			
	Mainland China HK\$'000	HK HK\$'000	Others HK\$'000	Total HK\$'000
Sales	<u>667,811</u>	<u>27,518</u>	<u>12,423</u>	<u>707,752</u>
Segment results	<u>(9,264)</u>	<u>3,049</u>	<u>(3,117)</u>	<u>(9,332)</u>
Finance income				950
Finance expenses				(3,923)
Share of post-tax profits of associates				3,526
Release of exchange reserve upon dissolution of a subsidiary				<u>(26,343)</u>
Loss before income tax				(35,122)
Income tax expenses				<u>(4,625)</u>
Loss for the year				<u>(39,747)</u>

	For the year ended 31st December 2020			
	Mainland China HK\$'000	HK HK\$'000	Others HK\$'000	Total HK\$'000
Sales	<u>552,115</u>	<u>33,179</u>	<u>32,643</u>	<u>617,937</u>
Segment results	<u>31,723</u>	<u>(5,090)</u>	<u>(17,458)</u>	9,175
Finance income				1,115
Finance expenses				(5,691)
Share of post-tax losses of associates				(6,777)
Gain on disposal of an associate				<u>8,479</u>
Profit before income tax				6,301
Income tax expenses				<u>(4,132)</u>
Profit for the year				<u>2,169</u>

During the year ended 31st December 2021, there is no single customer whose revenue amounted to 10% or more of the Group's revenue (2020: Nil).

Contract liabilities of HK\$46,543,000 (2020: HK\$43,093,000) were classified within "other payables, accruals and contract liabilities". It represents advanced payments received from customers for goods that have not been transferred to the customers. During the year ended 31st December 2021, all brought-forward contract liabilities at the beginning of the financial year were fully recognised as revenue. Increase in contract liabilities is mainly due to the increase in sales orders with advanced payments.

The provision for slow moving inventories charged for the year ended 31st December 2021 are HK\$3,686,000 (2020: HK\$2,722,000).

The net impairment losses on financial assets charged for the year ended 31st December 2021 are HK\$701,000 (2020: net reversal of impairment losses of HK\$1,756,000).

The total depreciation of plant and equipment and right-of-use assets for the year ended 31st December 2021 are HK\$9,400,000 (2020: HK\$10,565,000).

Segment assets

	2021	2020
	HK\$'000	HK\$'000
Total assets:		
Mainland China	404,247	361,867
Hong Kong	285,982	304,483
Other countries and territories (<i>Note (a)</i>)	195,094	180,179
	885,323	846,529

Segment assets are allocated by reference to the principal markets in which the Group operates.

Segment liabilities

	2021	2020
	HK\$'000	HK\$'000
Total liabilities:		
Mainland China	302,960	231,082
Hong Kong	88,172	97,864
Other countries and territories (<i>Note (a)</i>)	27,446	55,315
	<u>418,578</u>	<u>384,261</u>

Segment liabilities are allocated by reference to the principal markets in which the Group operates.

Capital expenditure

	2021	2020
	HK\$'000	HK\$'000
Capital expenditure:		
Mainland China	1,130	49
Hong Kong	7,251	19
Other countries and territories (<i>Note (a)</i>)	160	54
	<u>8,541</u>	<u>122</u>

Capital expenditure is allocated based on where the assets are located.

Capital expenditure comprises mainly additions to plant and equipment.

Note:

- (a) Other countries and territories include Italy, Germany, Finland, Taiwan, Singapore, Macau, Indonesia and Malaysia.

3. OTHER INCOME AND GAINS – NET

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Derivative instruments – forward contracts:		
– Realised and unrealised net fair value (loss)/gain	(647)	229
Rental income	2,629	2,087
Service income	7,637	7,089
Commission income	408	1,506
Net fair value (loss)/gain on an investment properties	(292)	2,490
Other income	30	914
Reversal of other financial liabilities	–	3,159
Government grants	456	5,010
Management fee income from a former associate	–	1,115
	<u>10,221</u>	<u>23,599</u>

4. EXPENSES BY NATURE

Expenses included in cost of goods sold, selling and distribution costs and administrative expenses are analysed as follows:

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Auditors' remuneration		
– Audit services	1,800	1,986
– Non-audit services	351	353
Cost of inventories sold	602,246	521,930
Depreciation on plant and equipment	1,942	2,274
Depreciation on right-of-use assets	7,458	8,291
Short-term leases	300	1,060
Provision for slow moving inventories	3,686	2,722
Foreign exchange loss/(gain)	3,707	(3,529)
Employee benefits expenses (including directors' remuneration)	56,756	60,787
Other expenses	48,358	38,243
	<u>726,604</u>	<u>634,117</u>

5. INCOME TAX EXPENSE

The amount of taxation charged to the consolidated income statement represents:

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Current income tax		
– Hong Kong profits tax	–	–
– PRC and overseas taxation	4,625	3,698
– Under provision in prior year	–	162
Deferred income tax	–	272
	<u>4,625</u>	<u>4,132</u>

Hong Kong profits tax has been provided at the rate of 16.5% (2020: 16.5%) on the estimated assessable profit for the year.

Enterprise income tax (“EIT”) in the PRC has been provided at the rate of 25% (2020: 25%) on the estimated assessable profit for the year with certain preferential provisions.

Corporate tax in Singapore has been provided at the rate of 17% (2020: 17%) on the estimated assessable profit for the year.

Taxation on other overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the subsidiaries of the Group operate.

6. DIVIDENDS

The dividends paid in 2021 and 2020 were HK\$13,805,000 (HK6.0 cents per share) and HK\$5,752,000 (HK2.5 cents per share) respectively.

Final dividend was proposed at HK2.5 cents (2020: HK3.5 cents) per ordinary share for the shareholders of the Company for the year ended 31st December 2021.

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Special dividend, paid, of HK2.5 cents (2020: HK2.5 cents) per ordinary share	5,752	5,752
Final dividend, proposed, of HK2.5 cents (2020: HK3.5 cents)	5,752	8,053
	<u>11,504</u>	<u>13,805</u>

7. (LOSSES)/EARNINGS PER SHARE

(a) Basic

Basic (losses)/earnings per share is calculated by dividing the (loss)/profit attributable to equity owners of the Company by the weighted average number of ordinary shares in issue during the year.

	2021	2020
(Loss)/profit attributable to owners of the Company (HK\$'000)	<u>(38,984)</u>	<u>4,451</u>
Weighted average number of ordinary shares in issue (in thousands)	<u>230,076</u>	<u>230,076</u>
Basic (losses)/earnings per share attributable to equity owners of the Company (HK cents per share)	<u>(16.94)</u>	<u>1.93</u>

(b) Diluted

Diluted (losses)/earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary share: share options. For share options, the number of shares that would have been issued assuming the exercise of the share options less the number of shares that could have been issued at fair value (determined as the average market price per share for the year) for the same total proceeds is the number of shares issued for no consideration. The resulting number of shares issued for no consideration is included in the weighted average number of ordinary shares as the denominator for calculating diluted (losses)/earnings per share. There are no share options issued/outstanding during the year ended 31st December 2020 and 2021, hence no diluted (losses)/earnings per share was presented.

8. INVESTMENT PROPERTIES

	2021	2020
At fair value	<i>HK\$'000</i>	<i>HK\$'000</i>
Opening balance at 1st January	70,205	55,674
Transfer from right-of-use assets	–	11,936
Net (loss)/gain from fair value adjustment	(292)	2,490
Exchange difference	<u>(124)</u>	<u>105</u>
Closing balance at 31st December	<u>69,789</u>	<u>70,205</u>

(a) **Amounts recognised in profit and loss for investment properties**

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Rental income	<u>2,629</u>	<u>2,087</u>

The direct operating expenses from investment properties was not significant for the years ended 31st December 2021 and 2020.

As at 31st December 2021, the Group had no unprovided contractual obligations for further repairs and maintenance (2020: nil).

The investment properties situated in Hong Kong and Singapore are held on lease of between 10 to 50 years.

The investment property located in Hong Kong was revalued as at 31st December 2021 by Jones Lang LaSalle Limited, a member of the Hong Kong Institute of Surveyors. The investment property of the Group located in Singapore was revalued as at 31st December 2021 by Dickson Property Consultants Pte Ltd. (2020: Dickson Property Consultants Pte Ltd.), an independent firm of professional valuers.

The valuation was derived using the direct comparison approach, assuming sale of the property interest in their existing state with the benefit of immediate vacant possession and by making reference to comparable sales transactions as available in the relevant market.

The fair value measurement of the Group's investment properties are categorised into level 3 in the fair value hierarchy based on the inputs to valuation techniques used.

The Group's policy is to recognise transfers into/out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. There were no such transfers during the year.

Below is a summary of the key inputs to the valuation of investment properties:

	Significant unobservable inputs	Price per square foot	Relationship of unobservable inputs to fair value
As at 31st December 2021			
Land and buildings in Hong Kong	Market unit sale price (per square foot)	HK\$3,652 – HK\$9,192 (HK\$8,060)	The higher the price per square foot, the higher the fair value
Land and buildings in Singapore	Market unit sale price (per square foot)	HK\$897	The higher the price per square foot, the higher the fair value
As at 31st December 2020			
Land and buildings in Hong Kong	Market unit sale price (per square foot)	HK\$3,652 – HK\$9,192 (HK\$8,060)	The higher the price per square foot, the higher the fair value
Land and buildings in Singapore	Market unit sale price (per square foot)	HK\$946	The higher the price per square foot, the higher the fair value

Bank borrowings are secured on investment properties with a carrying amount of HK\$62,210,000 (2020: HK\$70,205,000).

9(a). INVESTMENTS IN ASSOCIATES

Movements of investments in associates are as follows:

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
At 1st January	61,397	63,895
Share of post-tax profits/(losses) of associates	3,526	(6,777)
Currency translation difference	(1,914)	4,279
	<hr/>	<hr/>
At 31st December	63,009	61,397

Set out below are the associates held by the Group. The associates as listed below have share capital consisting solely of ordinary shares.

Details of investment in associates as at 31st December 2021 and 2020 are as follows:

Company name	Place of business/ country of incorporation	Effective % of ownership interest		Principal activities and place of operation
		2021	2020	
OPS-Ingersoll Holding GmbH (“OPS”)	Germany/Germany	33.84	33.84	Manufacturing of metal working machinery
Prima Power Suzhou Co., Ltd. (“Prima”)	The PRC/The PRC	30	30	Manufacturing of metal forming machinery

There are no contingent liabilities relating to the Group’s interest in the associates.

9(b). LOAN TO AN ASSOCIATE

The balance represents a loan made to an associate – OPS. The loan is unsecured, interest bearing at HIBOR plus 4.5% per annum and will not be repaid within the next twelve months but within two years from the reporting date. During the year, interest received from OPS amounted to HK\$822,000 (2020: HK\$871,000).

As at 31st December 2021, the carrying value of the loan to an associate was HK\$17,717,000 (2020: HK\$19,166,000). Expected credit loss of HK\$160,000 (2020: HK\$117,000) was recognised as of 31st December 2021.

10. TRADE AND BILLS RECEIVABLES

As at 31st December 2021 and 2020, the ageing analysis of trade and bills receivables by invoice date are as follows:

	2021	2020
	<i>HK\$'000</i>	<i>HK\$'000</i>
Within 3 months	90,742	77,752
4-6 months	8,360	8,285
7-12 months	6,412	9,121
Over 12 months	7,499	9,791
	113,013	104,949
Less: provision for impairment	(3,033)	(2,520)
	109,980	102,429

The Group generally grants credit terms of 30 days to its customers. Longer payment terms might be granted to those customers who have good payment history and long-term business relationship with the Group.

There is no concentration of credit risk with respect to trade receivables as the Group has a large number of customers.

11. DERIVATIVE FINANCIAL INSTRUMENTS

	2021		2020	
	Assets	Liabilities	Assets	Liabilities
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Forward foreign exchange contracts				
– non-hedge instruments	25	657	14	–

Derivatives held for trading purpose are classified as a current asset or liability. As at 31st December 2021, the Group had outstanding gross-settled foreign currency forward contracts to buy EUR1,115,000 for HK\$10,057,000 and JPY373,680,000 for HK\$25,786,000 (2020: buy GBP200,000 for HK\$2,105,000 and JPY52,015,000 for HK\$3,904,000).

**12. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2021**

	Attributable to owners of the Company				Non- controlling interests HK\$'000	Total equity HK\$'000
	Share capital HK\$'000	Other reserves HK\$'000	Retained earnings HK\$'000	Total HK\$'000		
Balance at 1st January 2021	<u>23,007</u>	<u>260,883</u>	<u>182,645</u>	<u>466,535</u>	<u>(4,267)</u>	<u>462,268</u>
Comprehensive income						
Loss for the year	-	-	(38,984)	(38,984)	(763)	(39,747)
Other comprehensive income/(loss)						
Gain on revaluation of land and buildings	-	6,774	-	6,774	-	6,774
Movement of deferred tax	-	4,649	-	4,649	-	4,649
Change of value of financial assets at fair value through other comprehensive income	-	15,769	-	15,769	-	15,769
Currency translation differences	-	4,779	-	4,779	(285)	4,494
Release of exchange reserve upon dissolution of a subsidiary	-	43,100	(16,757)	26,343	-	26,343
Release of revaluation reserve upon disposal of land and building	-	(29,451)	29,451	-	-	-
Total other comprehensive income/(loss), net of tax	-	<u>45,620</u>	<u>12,694</u>	<u>58,314</u>	<u>(285)</u>	<u>58,029</u>
Total comprehensive income/(loss)	-	<u>45,620</u>	<u>(26,290)</u>	<u>19,330</u>	<u>(1,048)</u>	<u>18,282</u>
Transfer of property revaluation reserve to retained earnings on depreciation of buildings	-	(2,859)	2,859	-	-	-
Transactions with owners of the Company recognised directly in equity						
Special dividend paid	-	-	(5,752)	(5,752)	-	(5,752)
Dividend payable relating to 2020	-	-	(8,053)	(8,053)	-	(8,053)
Total transactions with owners, recognised directly in equity	-	-	<u>(13,805)</u>	<u>(13,805)</u>	-	<u>(13,805)</u>
Balance at 31st December 2021	<u>23,007</u>	<u>303,644</u>	<u>145,409</u>	<u>472,060</u>	<u>(5,315)</u>	<u>466,745</u>

	Attributable to owners of the Company				Non-controlling interests HK\$'000	Total equity HK\$'000
	Share capital HK\$'000	Other reserves HK\$'000	Retained earnings HK\$'000	Total HK\$'000		
Balance at 1st January 2020	23,007	236,347	180,623	439,977	(1,754)	438,223
Comprehensive loss						
Profits for the year	–	–	4,451	4,451	(2,282)	2,169
Other comprehensive income/(loss)						
Gain on revaluation of land and buildings	–	14,098	–	14,098	–	14,098
Movement of deferred tax	–	(2,363)	–	(2,363)	–	(2,363)
Change of value of financial assets at fair value through other comprehensive income	–	(1,355)	–	(1,355)	–	(1,355)
Currency translation differences	–	9,270	–	9,270	323	9,593
Release of exchange reserve upon disposal of an associate	–	8,147	–	8,147	–	8,147
Total other comprehensive income/(loss), net of tax	–	27,797	–	27,797	323	28,120
Total comprehensive income/(loss)	–	27,797	4,451	32,248	(1,959)	30,289
Transfer of property revaluation reserve to retained earnings on depreciation of buildings	–	(3,959)	3,959	–	–	–
Transfer of loss on disposal of equity investments at fair value through other comprehensive income to retained earnings	–	36	(36)	–	–	–
Transactions with owners of the Company recognised directly in equity						
Transaction with non-controlling interests	–	62	–	62	(554)	(492)
Special dividend paid	–	–	(5,752)	(5,752)	–	(5,752)
Total transactions with owners, recognised directly in equity	–	62	(5,752)	(5,690)	(554)	(6,244)
Balance at 31st December 2020	23,007	260,883	182,645	466,535	(4,267)	462,268

13. TRADE AND BILLS PAYABLES

At 31st December, the ageing analysis of trade and bills payables by due date are as follows:

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Current	87,454	85,367
1-3 months	13,265	10,608
4-6 months	1,991	1,448
7-12 months	114	1,181
Over 12 months	8,507	5,356
	<u>111,331</u>	<u>103,960</u>

14. BORROWINGS

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Current		
Trust receipt loans	78,936	70,072
Term loans from banks due for repayment within one year	120,931	91,400
	<u>199,867</u>	<u>161,472</u>

As at 31st December 2021, certain land and buildings, investment properties and restricted bank deposits in Hong Kong, Mainland China and Singapore with an aggregate carrying value of approximately HK\$259,520,000 (2020: HK\$274,183,000) were pledged to secure the banking facilities of the Group.

The facilities expiring within one year are annual facilities subject to review at various dates during 2022.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed during the following periods:

- (i) from 24th June 2022 (Friday) to 29th June 2022 (Wednesday), both days inclusive, for the purpose of ascertaining shareholders' entitlement to attend and vote at the 2022 Annual General Meeting. In order to be eligible to attend and vote at the 2022 Annual General Meeting, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on 23rd June 2022 (Thursday); and
- (ii) from 6th July 2022 (Wednesday) to 7th July 2022 (Thursday), both days inclusive, for the purpose of ascertaining shareholders' entitlement to the proposed final dividend. In order to establish entitlements to the proposed final dividend, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on 5th July 2022 (Tuesday).

During the periods mentioned in sub-paragraphs (i) and (ii) above, no transfers of shares will be registered.

BUSINESS REVIEW

Trading

The COVID-19 pandemic has continued to affect the whole world in 2021. China has successfully contained the pandemic and minimised its impact on the social and economic activities within the country. The economic achievement of China in 2021 outperformed the major economic entities in the world. The GDP growth rate in 2021 was 8.1%, the value of industrial production grew by 9.6%, and the value of exports grew by 21.2%.

Some of the manufacturing industries in China achieved a significant increase in value in 2021. For example, the value of the electric/hybrid-energy car, robot, integrated circuit and mini-computer industries increased by 145.6%, 44.9%, 33.3% and 22.3% respectively. Traditional industries such as the mobile phone, automotive and general equipment industries also grew to a certain degree in 2021.

The business of Leeport Group benefitted from the demand from companies that manufactured automotive and electronic products. The order intake for machine tools and electronic equipment was significantly higher than in 2020, and the business for the Cutting Tools Division also achieved steady growth in the year.

The value of the Group's order intake in 2021 was HK\$887,485,000 compared with HK\$657,013,000 in 2020, representing an increase of 35.1%. Unfortunately, due to the global issues of the shortage of computer chips and the chaos of the disruptions to freight shipping, the delivery cycles of most of our suppliers were seriously delayed. The invoiced amount in 2021 was significantly lower than our original expectations, so the financial result for the year was disappointing.

The value of outstanding orders at the end of February 2022 was 830,509,000, compared with HK\$225,334,000 at the end of February 2021, representing an increase of 268.6%.

Investment

The business for both of the Group's associated companies, OPS Ingersoll Funkenerosion GmbH and Prima Power Suzhou Company Limited, improved in 2021 as compared with 2020. In Europe and China, the business of the two companies was better in 2021 than in 2020, with both of them making a profit in 2021. The share of post-tax profits of the associated companies in 2021 was HK\$3,526,000, compared with a share of post-tax losses of HK\$6,777,000 in 2020.

LIQUIDITY AND FINANCIAL RESOURCES

The balance of cash of the Group as at 31st December 2021 was HK\$65,522,000 (31st December 2020: HK\$92,591,000). The decrease of bank balance is due mainly to the deposit paid to suppliers as large orders were processed towards the end of year 2021, anyhow the Group still maintained a reasonable cash position.

The Group's inventory balance as at 31st December 2021 was HK\$111,908,000 (31st December 2020: HK\$76,798,000). The turnover days of inventory were 67 at the end of December 2021, compared with 53 at the end of December 2020. The increase of inventory was due mainly to some equipment delivered to customers have not completed final acceptance which was taken as inventory.

The balance of trade receivable and bills receivable was HK\$109,980,000 as at 31st December 2021 (31st December 2020: HK\$102,429,000). The turnover days of trade receivable were 57 and was slightly less than last year (31st December 2020: 61). The decrease of turnover days of trade receivable was due to the increase in the sales of cutting tools and measuring instruments of which the credit period for customers was shorter.

The balance of trade payable and bills payable was HK\$111,331,000 as at 31st December 2021 (31st December 2020: HK\$103,960,000). The higher balances trade payables as at 31st December 2021 were due to increase in shipment towards the end of year 2021.

The balance of short-term borrowings was HK\$199,867,000 as at 31st December 2021 (31st December 2020: HK\$161,472,000). A higher borrowing level in 2021 was required in order to satisfy the deposit payment for suppliers.

The Group's net gearing ratio was approximately 26.4% as at 31st December 2021 (31st December 2020: 12.5%). The net gearing ratio was higher than in 2020. The net gearing ratio is calculated as net debt divided by total equity. Net debt is calculated as total borrowings less cash and cash equivalent and restricted bank deposits. The net gearing ratio was higher due to the higher borrowing level.

The Group generally finances its operations with internally generated resources and banking facilities provided by banks. As at 31st December 2021, the Group had aggregate banking facilities of approximately HK\$485,558,000, of which approximately HK\$213,726,000 was utilized, bearing interest at prevailing market rates and secured by certain land and buildings, investment property and restricted bank deposits of the Group in Hong Kong, Mainland China and Singapore, with an aggregate carrying amount of HK\$259,520,000 (31st December 2020: HK\$274,183,000). The Directors are confident that the Group is able to meet its operational and capital expenditure requirements.

FINANCIAL KEY PERFORMANCE INDICATORS

The Group measures its business performance by various financial key performance indicators in terms of Gross Profit ratio (“**GP ratio**”), Net Profit (“**NP ratio**”), Return on Equity ratio (“**ROE ratio**”) and Net Gearing ratio (“**NG ratio**”).

GP ratio measures the Group's ability to cover its operational expenses by its gross profit. The GP ratio is calculated as gross profit divided by sales. The Group's GP ratio was approximately 14.3% in the year of 2021 (2020: 15.0%). The GP ratio is lower due to the gross profit of equipment business was decreased due to keen market competition. This indicates the Group should increase the business volume of equipment business to obtain more profit under current keen competition environment.

NP ratio measures how effectively the Group can convert sales into net income and the performance of the Group's associates. It reveals the remaining profit after cost of goods sold, selling and distribution costs, administrative expenses, finance expenses and income tax expenses. The NP ratio is calculated as profit for this year divided by sales. The Group's NP ratio was approximately (5.6)% in the year of 2021 (2020: 0.4%). In view of the drop of NP ratio, it was due mainly to the one off reclassification of the HK\$26,343,000 cumulative amount of exchange reserve from equity to profit or loss on the dissolution of a subsidiary in Macao. The Group still made a loss in 2021 after exclusion of above extraordinary adjustment. Thus, the Group should implement its progressive business development plan and enhance its sales income in the future.

ROE ratio measures the efficiency of the Group to utilize the fund from equity holders to generate profit and grow the company. The ROE ratio is calculated as profit for the year divided by average equity. The Group's ROE ratio was approximately (8.6)% for the year of 2021 (2020: 0.5%). The Group has obtained a negative ROE ratio in the year of 2021, which was due mainly to the one off reclassification of the HK\$26,343,000 cumulative amount of exchange reserve from equity to profit or loss on the dissolution of a subsidiary in Macao. As the Group still made a loss after exclusion such extraordinary adjustment, the Group will streamline the operations process and minimize operational expenses to achieve substantial improvement of profit attributable to equity holders.

NG ratio measures the Group's financial leverage about the degree of its business activities are funded by the owner's cash or by bank loan. The NG ratio is calculated as net debt divided by total equity. Net debt is calculated as total borrowings less cash and cash equivalent and restricted bank deposits. The Group's NG ratio was approximately 26.4% as at 31st December 2021 (31st December 2020: 12.5%). The NG ratio is increased since the Group increased bank borrowing level to satisfy the higher operating activities during the year.

FUTURE PLANS AND PROSPECTS

The order intake of the Group has had a good start so far in 2022. The value of our order intake for the first two months was HK\$587,839,000, mainly attributable to orders from a key customer in the automotive manufacturing industry.

The Chinese Government recently announced its target of 5.5% GDP growth in 2022. Given the current pandemic situation, this is an aggressive target. Furthermore, the outbreak of the Russian-Ukrainian war has caused uncertainty throughout the global economy, and China will certainly not be able to avoid the impact of that. The challenge of the global shortage of computer chips, the high cost of transportation, the disruptions in freight shipping and the rising cost of raw materials will also adversely affect the recovery of the global economy, including China.

On the other hand, China is still, without a doubt, the leading manufacturing centre in the world. In 2022, the prospect for exports is still promising, and the government's continued investment in infrastructure, its support of environmental and pollution-reduction initiatives, its reduction of taxes and fees, and its relaxation of the restrictions on property development are likely to have a positive effect on the economy. Although the economic situation is a bit uncertain at the moment, we believe the China market is still big enough for Leeport Group to grow its business in the year.

Since last year, the Group has strengthened its sales force by adding more frontline sales staff and managers. The enhancement of the sales force will continue in 2022. One of the major customer segments into which the Group has put a great deal of effort is automotive manufacturing. With the addition of a sales team that is experienced in and knowledgeable about the automotive manufacturing industry, we are winning new customers in this segment. There is no doubt that the market for manufacturing equipment for the automotive industry is huge.

Leeport is facing challenges and also opportunities in 2022. Basically, the value of outstanding contracts on hand is high, i.e., HK\$830,509,000, and the invoiced amount will be reflected in the year. But for the rest of the year, there is uncertainty about the political and economic situation, from a global perspective. However, we are cautiously optimistic about the financial performance of the Group in 2022.

EMPLOYEES

As at 31st December 2021, the Group had 250 employees (31st December 2020: 262). Of these, 57 were based in Hong Kong, 181 were based in mainland China, and 12 were based in other offices around Asia and Germany. Competitive remuneration packages were structured to be commensurate with our employees' individual job duties, qualifications, performance and years of experience. In addition to basic salaries, pension scheme contribution in different countries, the Group offered staff benefits including medical schemes, education subsidies and discretionary performance bonuses.

SHARE CAPITAL

Share capital

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Authorised:		
1,000,000,000 ordinary shares of HK\$0.10 each	<u>100,000</u>	<u>100,000</u>
	Number of shares (in thousand)	Number of shares (in thousand)
Issued and fully paid:		
At 1st January 2021 and 31st December 2021		
230,076,062 ordinary shares of HK\$0.10 each	<u>230,076</u>	<u>230,076</u>

Share options

At the annual general meeting of shareholders held on 15th May 2013, a share option scheme (the “**Scheme**”) was adopted by the Company. The Scheme continues to recognise and acknowledge the contributions of the Eligible Participants (as defined in the Scheme) to the Group. The Scheme is also designed to provide incentives and help the Group in retaining its existing employees and recruiting additional employees.

Pursuant to the Scheme, the Company can grant options to Eligible Participants for a consideration of HK\$1 for each grant payable by the Eligible Participants to the Company. The total number of shares issued and to be issued upon exercise of options granted to each Eligible Participant (including exercised, cancelled and outstanding options) shall not exceed 10% of the shares in issue as at the date of such shareholder’s approval. At the date of this announcement, the total number of options that can be granted under the Scheme was 12,546,406 representing approximately 5.45% of the number of issued shares.

Subscription price in relation to each option pursuant to the Scheme shall not be less than the higher of (i) the closing price of the shares as stated in the Stock Exchange’s daily quotation sheet on the date on which the option is offered to an Eligible Participant; (ii) the average closing price of the shares as stated in the Stock Exchange’s daily quotation sheets for the five business days immediately preceding the date of offer; and (iii) the nominal value of the shares.

The options are exercisable within the option period as determined by the Board of the Company. The Scheme shall be valid and effective for a period of 10 years commencing from 15th May 2013, the date of the approval of the Scheme.

The Group has no legal or constructive obligation to repurchase or settle the options in cash.

No share options were outstanding at the end of the year.

No share options were granted, exercised or lapsed during the year ended 31st December 2021 and 2020.

DETAILS OF THE CHARGES ON THE GROUP'S ASSETS

As at 31st December 2021, certain land and buildings, investment properties and restricted bank deposits in Hong Kong, Mainland China and Singapore, with an aggregate carrying value of approximately HK\$259,520,000 (31st December 2020: HK\$274,183,000), were pledged to secure the banking facilities of the Group.

CAPITAL EXPENDITURE AND CONTINGENT LIABILITIES

During the year 2021, the Group spent a total of HK\$8,541,000 (31st December 2020: HK\$122,000) in capital expenditure, primarily consisting of leasehold improvement and plant and equipment. As at 31st December 2021 and 31st December 2020, the Group had no capital commitment. In the meantime, a total of HK\$3,676,000 (31st December 2020: HK\$6,964,000) in contingent liabilities in respect of letters of guarantee was given to customers.

EXPOSURE OF FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGES

A substantial portion of the Group's sales and purchases were denominated in foreign currencies, which are subject to exchange rate risks. The Group will use the foreign exchange received from its customers to settle payment to overseas suppliers. In the event that any material payment cannot be fully matched, the Group will enter into foreign currency forward contracts with its bankers to minimize the Group's exposure to foreign exchange rate risks.

As at 31st December 2021, the Group had outstanding gross-settled foreign currency forward contracts to buy EUR1,115,000 for HKD10,057,000 and JPY373,680,000 for HKD25,786,000 (2020: buy GBP200,000 for HKD2,105,000 and JPY52,015,000 for HKD3,904,000).

Foreign exchange gains and losses are calculated on the settlement of monetary transactions and on the translation of monetary assets and liabilities at the exchange rates of the end of the year.

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company has not redeemed any of its shares during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the year under review.

CORPORATE GOVERNANCE

During the year ended 31st December 2021, the Company has complied with the code provisions set out in the Corporate Governance Code as stated in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited except the then Code Provision A.2.1.

The Board is of the view that although Mr. Lee Sou Leung, Joseph is the Chairman and Group Chief Executive Officer of the Company, the balance of power and authority is ensured by the operation of the Board, which comprises experienced individuals and meet from time to time to discuss issues affecting operation of the company. The Board will regularly review the need to appoint different individuals to perform the roles of chairman and chief executive officer separately.

COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED COMPANIES (“MODEL CODE”)

For the year ended 31st December 2021, the Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules. The Company has made specific enquiry of all directors regarding any non-compliance with the Model Code during the year ended 31st December 2021 under review and they all confirmed that they have fully complied with the required standard set out in the Model Code.

AUDIT COMMITTEE

The Audit Committee, comprised of three independent non-executive directors of the Company, namely Mr. WONG Tat Cheong, Frederick, Mr. ZAVATTI Samuel Mario and Mr. FUNG Wai Hing has reviewed the accounting principles and practices adopted by the Group with the management and has discussed risk management and internal control systems and financial reporting matters, including a review of the consolidated financial statements for the year ended 31st December 2021 with the directors.

REVIEW OF CONSOLIDATED FINANCIAL STATEMENTS

The Audit Committee of the Company has reviewed the annual results of the Group for the year ended 31st December 2021. The figures in respect of the Group's consolidated balance sheet, consolidated income statement, consolidated statement of comprehensive income and the related notes thereto for the year ended 31st December 2021 as set out in the preliminary announcement have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PricewaterhouseCoopers on the preliminary announcement.

2022 ANNUAL GENERAL MEETING

It is proposed that the 2022 Annual General Meeting of the Company will be held on 29th June 2022 (Wednesday). A notice convening the 2022 Annual General Meeting will be published on the websites of the Stock Exchange and the Company in due course and will be dispatched to the shareholders of the Company accordingly.

By order of the Board
Leeport (Holdings) Limited
LEE Sou Leung, Joseph
Chairman

Hong Kong, 25th March 2022

As at the date of this announcement, the board of directors comprises 3 executive directors, namely Mr. LEE Sou Leung, Joseph, Mr. CHAN Ching Huen, Stanley and Mr. LEE Ee Sian; and 3 independent non-executive directors, namely Mr. ZAVATTI Samuel Mario, Mr. FUNG Wai Hing and Mr. WONG Tat Cheong, Frederick.

* For identification purpose only