



有利集團有限公司

Yau Lee Holdings Limited

(Incorporated in Bermuda with limited liability)

Stock Code: 0406

BIM FOR
FULL LIFECYCLE
MANAGEMENT



INDUSTRIALIZED
BUILDING PROCESS

MODULAR INTEGRATED
CONSTRUCTION

2022
Interim Report



This interim report is printed on environmentally friendly paper

Board of directors

Executive directors

Wong Ip Kuen (*Chairman*)
 Wong Tin Cheung (*Vice Chairman*)
 Wong Rosana Wai Man
 Sun Chun Wai

Independent non-executive directors

Chan, Bernard Charnwut
 Wu King Cheong
 Yeung Tsun Man, Eric

Audit committee

Yeung Tsun Man, Eric (*Chairman*)
 Chan, Bernard Charnwut
 Wu King Cheong

Remuneration committee

Chan, Bernard Charnwut (*Chairman*)
 Wong Tin Cheung
 Wu King Cheong
 Yeung Tsun Man, Eric

Nomination committee

Wu King Cheung (*Chairman*)
 Chan, Bernard Charnwut
 Yeung Tsun Man, Eric

Corporate governance committee

Chan, Bernard Charnwut (*Chairman*)
 Wong Tin Cheung
 Wong Rosana Wai Man
 Wu King Cheung
 Yeung Tsun Man, Eric

Registered office

Clarendon House
 2 Church Street
 Hamilton HM11
 Bermuda

Head office and principal place of business

10th Floor, Tower 1
 Enterprise Square
 9 Sheung Yuet Road
 Kowloon Bay
 Hong Kong

Websites: <http://www.yaulee.com>
<http://www.irasia.com/listco/hk/yaulee/>

Company secretary

Lam Kwok Fan

Principal bankers

Bank of China (Hong Kong) Limited
 Hang Seng Bank Limited
 Nanyang Commercial Bank, Limited
 The Hongkong and Shanghai Banking Corporation Limited

Independent auditor

PricewaterhouseCoopers
 Certified Public Accountants
 Registered Public Interest Entity Auditor

Solicitors

Gallant
 T.H. Koo & Associates

Hong Kong share registrar and transfer office

Computershare Hong Kong Investor Services Ltd.
 Shops 1712-1716
 17th Floor
 Hopewell Centre
 183 Queen's Road East
 Wanchai
 Hong Kong



HIGHLIGHTS

The Group reported revenue of HK\$3,109,305,000 (2021: HK\$3,124,031,000) for the six months ended 30 September 2022 (the “period”).

The gross profit for the period was HK\$251,278,000 (2021: HK\$273,462,000).

Profit for the period was HK\$21,615,000 (2021: HK\$44,724,000).

Basic and diluted earnings per share were approximately HK5.12 cents (2021: HK10.41 cents).

The net asset value attributable to equity holders of the Company as at 30 September 2022 was HK\$1,448,839,000 (31 March 2022: HK\$1,541,475,000), equivalent to HK\$3.31 (31 March 2022: HK\$3.52) per share based on the 438,053,600 (31 March 2022: 438,053,600) ordinary shares in issue.

The Board of Directors (the “Board”) of Yau Lee Holdings Limited (the “Company”) is pleased to announce that the unaudited consolidated interim results of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30 September 2022 were as follows:

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 September 2022

		Six months ended 30 September	
	<i>Note</i>	2022 HK\$'000	2021 HK\$'000
Revenue	6	3,109,305	3,124,031
Cost of sales	8	(2,858,027)	(2,850,569)
Gross profit		251,278	273,462
Other income and losses, net	7	3,529	17,401
Selling and distribution costs	8	(4,300)	(10,039)
Administrative expenses	8	(210,034)	(222,176)
Other operating expenses	8	(1,582)	(1,594)
Operating profit		38,891	57,054
Finance costs	9	(5,652)	(3,056)
Share of loss of an associate		(77)	(151)
Share of loss of joint ventures		(3,622)	(2,345)
Profit before income tax		29,540	51,502
Income tax expense	10	(7,925)	(6,778)
Profit for the period		21,615	44,724
Attributable to:			
Equity holders of the Company		22,449	45,581
Non-controlling interests		(834)	(857)
		21,615	44,724
Interim dividend	11	10,951	10,951
Earnings per share (basic and diluted)	12	HK5.12 cents	HK10.41 cents

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF
COMPREHENSIVE INCOME

For the six months ended 30 September 2022

	Six months ended 30 September	
	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Profit for the period	21,615	44,724
Other comprehensive income		
<i>Item that may be reclassified to profit or loss:</i>		
Currency translation differences	<u>(104,134)</u>	—
Total comprehensive (loss)/income for the period	<u>(82,519)</u>	<u>44,724</u>
Attributable to:		
Equity holders of the Company	(81,685)	45,581
Non-controlling interests	<u>(834)</u>	<u>(857)</u>
Total comprehensive (loss)/income for the period	<u>(82,519)</u>	<u>44,724</u>

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET

As at 30 September 2022

		30 September 2022	31 March 2022
	<i>Note</i>	HK\$'000	<i>HK\$'000</i>
ASSETS			
Non-current assets			
Property, plant and equipment	13	1,101,863	1,171,205
Investment properties	13	173,980	177,240
Other intangible assets		6,702	7,230
Goodwill		17,898	17,898
Associate		45	361
Joint ventures		76,115	93,789
Deferred income tax assets		3,179	7,214
Mortgage loans receivables		12,386	25,931
		1,392,168	1,500,868
Current assets			
Cash and bank balances	14	663,351	1,045,149
Trade debtors, net	15	660,760	672,666
Contract assets		1,038,198	814,519
Prepayments, deposits and other receivables		296,707	293,383
Mortgage loans receivables		1,225	1,561
Inventories		117,699	80,093
Completed properties held for sale		222,760	222,760
Due from joint ventures/joint operations		44,648	46,473
Due from other partners of joint operations		12,805	–
Prepaid income tax		56,388	59,986
		3,114,541	3,236,590
Total assets		4,506,709	4,737,458

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET
(CONTINUED)

As at 30 September 2022

		30 September 2022	31 March 2022
	<i>Note</i>	HK\$'000	<i>HK\$'000</i>
EQUITY			
Share capital	16	87,611	87,611
Other reserves		389,890	494,024
Retained profits		971,338	959,840
		<hr/>	<hr/>
Attributable to equity holders of the Company		1,448,839	1,541,475
Non-controlling interests		(952)	(118)
		<hr/>	<hr/>
Total equity		1,447,887	1,541,357
		<hr/>	<hr/>
LIABILITIES			
Non-current liabilities			
Long-term borrowings	17	317,900	336,600
Deferred income tax liabilities		9,017	7,455
Other non-current liabilities		13,744	23,725
		<hr/>	<hr/>
		340,661	367,780
		<hr/>	<hr/>
Current liabilities			
Short-term bank loans	17	584,935	459,480
Current portion of long-term borrowings	17	287,400	522,400
Payables to suppliers and subcontractors	18	275,495	247,082
Accruals, retention payables, deposits received and other liabilities		884,018	822,985
Income tax payable		11,775	10,059
Contract liabilities		630,307	721,496
Due to joint operations		2,799	2,799
Due to other partners of joint operations		41,432	42,020
		<hr/>	<hr/>
		2,718,161	2,828,321
		<hr/>	<hr/>
Total liabilities		3,058,822	3,196,101
		<hr/>	<hr/>
Total equity and liabilities		4,506,709	4,737,458
		<hr/>	<hr/>

UNAUDITED CONDENSED CONSOLIDATED
STATEMENT OF CHANGES IN EQUITY
For the six months ended 30 September 2022

	Attributable to equity holders of the Company							Sub-total	Non-controlling interests	Total
	Share capital	Share premium	Capital redemption reserve	Currency translation reserve	Property revaluation reserve	Other reserve	Retained profits			
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
As at 1 April 2021	87,611	413,776	359	(11,972)	55,366	704	932,393	1,478,237	2,065	1,480,302
Profit/(loss) for the period	-	-	-	-	-	-	45,581	45,581	(857)	44,724
2021 final dividend (Note 11)	-	-	-	-	-	-	(29,788)	(29,788)	-	(29,788)
As at 30 September 2021	<u>87,611</u>	<u>413,776</u>	<u>359</u>	<u>(11,972)</u>	<u>55,366</u>	<u>704</u>	<u>948,186</u>	<u>1,494,030</u>	<u>1,208</u>	<u>1,495,238</u>
As at 1 April 2022	87,611	413,776	359	23,819	55,366	704	959,840	1,541,475	(118)	1,541,357
Profit/(loss) for the period	-	-	-	-	-	-	22,449	22,449	(834)	21,615
Other comprehensive income:										
Currency translation differences	-	-	-	(104,134)	-	-	-	(104,134)	-	(104,134)
2022 final dividend (Note 11)	-	-	-	-	-	-	(10,951)	(10,951)	-	(10,951)
As at 30 September 2022	<u>87,611</u>	<u>413,776</u>	<u>359</u>	<u>(80,315)</u>	<u>55,366</u>	<u>704</u>	<u>971,338</u>	<u>1,448,839</u>	<u>(952)</u>	<u>1,447,887</u>

UNAUDITED CONDENSED CONSOLIDATED
CASH FLOW STATEMENT

For the six months ended 30 September 2022

	Six months ended 30 September	
	2022	2021
	HK\$'000	HK\$'000
Cash flows from operating activities		
Operating profit	38,891	57,054
Interest income	(3,146)	(7,734)
Interest expense	4,840	5,804
(Gain)/loss on disposal of other property, plant and equipment, net	(434)	4
Gain on lease modification	–	(94)
Fair value loss on investment properties, net	3,260	–
Amortisation of intangible assets	528	528
Depreciation	47,722	53,461
Movement in loss allowance for trade debtors	3,662	1,222
Loss on derivative financial liabilities	–	123
	<hr/>	<hr/>
Operating profit before working capital changes	95,323	110,368
Trade debtors, net	(10,586)	168,887
Inventories	(37,606)	(11,911)
Prepayments, deposits and other receivables	(1,598)	37,725
Contract assets	(224,636)	(169,792)
Property under development for sale	–	(32,589)
Completed properties held for sale	–	7,764
Net change in balances with joint ventures/joint operations/ other partners of joint operations	(11,568)	(2,049)
Payables to suppliers and subcontractors	29,324	8,465
Accruals, retention payables, deposit received and other liabilities	51,147	(35,121)
Contract liabilities	(91,178)	341,573
	<hr/>	<hr/>
Net cash (used in)/from operations	(201,378)	423,320
Hong Kong profits tax refunded	387	–
Hong Kong profits tax paid	(1,725)	(2,308)
Non-Hong Kong tax paid	(258)	(338)
	<hr/>	<hr/>
Net cash (used in)/from operating activities	(202,974)	420,674
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UNAUDITED CONDENSED CONSOLIDATED
CASH FLOW STATEMENT (CONTINUED)
For the six months ended 30 September 2022

	Six months ended 30 September	
<i>Note</i>	2022 HK\$'000	2021 HK\$'000
Cash flows from investing activities		
Purchase of property, plant and equipment	(30,787)	(15,287)
Proceeds from disposal of financial assets at fair value through other comprehensive income	–	11,800
Acquisition of a subsidiary, net of cash acquired	–	(1,236)
Proceeds from disposal of property, plant and equipment	1,252	358
Reduction on capital of an associate	239	–
Interest received	1,497	1,650
Net decrease in mortgage loan receivables	13,804	12,741
Net cash (used in)/from investing activities	(13,995)	10,026
Cash flows from financing activities		
Repayment of bank loans	(253,700)	(226,000)
Drawdown of bank loans	125,455	314,004
Decrease/(increase) in restricted deposits	57,498	(389,990)
Capital element of lease payments	(8,577)	(13,517)
Interest element of lease payments	(267)	(487)
Interest paid	(10,225)	(13,002)
Net cash used in financing activities	(89,816)	(328,992)
Net (decrease)/increase in cash and cash equivalents	(306,785)	101,708
Cash and cash equivalents at beginning of period	934,312	650,748
Exchange loss on cash and cash equivalents	(17,515)	–
Cash and cash equivalents at end of period	610,012	752,456
Analysis of cash and cash equivalents		
14(b)		
Cash and bank balances	477,874	747,395
Time deposits	132,138	5,061
	610,012	752,456

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1. GENERAL INFORMATION

Yau Lee Holdings Limited (the “Company”) and its subsidiaries (collectively the “Group”) are principally engaged in contracting of building construction, plumbing, renovation, maintenance and fitting-out projects, electrical and mechanical installation, building materials supply, property investment and development and hotel operations. The Group is also engaged in other activities which mainly include computer software development and architectural and engineering services.

The Company is a limited liability company incorporated in Bermuda on 25 June 1991. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. The Company is listed on the Main Board of The Stock Exchange of Hong Kong Limited (“SEHK”).

Condensed consolidated interim financial information is presented in thousands of Hong Kong dollars (“HK\$’000”), unless otherwise stated. The condensed consolidated interim financial information has been approved for issue by the Board of Directors on 28 November 2022.

2. BASIS OF PREPARATION

This condensed consolidated interim financial information for the six months ended 30 September 2022 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34, “Interim Financial Reporting”. The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 March 2022, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”).

The unaudited condensed consolidated interim financial information has been prepared under historical cost convention, as modified by the revaluation of financial assets at fair value through other comprehensive income, financial assets and liabilities (including derivative financial instruments) at fair value through profit or loss and investment properties which are carried at fair value.

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

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED
INTERIM FINANCIAL INFORMATION
(CONTINUED)

3. ACCOUNTING POLICIES

Except as described below, the accounting policies applied are consistent with those of the audited consolidated financial statements for the year ended 31 March 2022.

3.1 Amendments to standards and annual improvement adopted by the Group

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

The adoption of these amendments to standards and annual improvement does not have any significant change to the accounting policies or any significant effect on the results and financial position of the Group.

3.2 New standard, amendments to standards and interpretation have been issued but are not yet effective

The following new standard, amendments to standards and interpretation have been published that are not mandatory for the financial year beginning on 1 April 2022 and have not been early adopted by the Group:

		Effective for accounting periods beginning on or after
HKFRS 17	Insurance Contracts	1 January 2023
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies	1 January 2023
Amendments to HKAS 8	Definition of Accounting Estimates	1 January 2023
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Hong Kong Interpretation 5 (2020)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2023
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an investor and its Associate or Joint Venture	To be announced



NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED
INTERIM FINANCIAL INFORMATION
(CONTINUED)

4. ESTIMATES

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

In preparing this condensed consolidated interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 March 2022.

5. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk and cash flow interest rate risk), credit risk and liquidity risk.

The condensed consolidated interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 March 2022.

There have been no changes in any risk management policies since the financial year end.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED
INTERIM FINANCIAL INFORMATION
(CONTINUED)

6. REVENUE AND SEGMENT INFORMATION

The Group is principally engaged in contracting of building construction, plumbing, renovation, maintenance and fitting-out projects, electrical and mechanical installation, building materials supply, property investment and development and hotel operations.

	Six months ended	
	30 September	
	2022	2021
	HK\$'000	<i>HK\$'000</i>
Revenue		
Construction	1,879,748	2,117,594
Electrical and mechanical installation	1,171,732	857,827
Building materials supply	42,144	120,440
Property investment and development	1,267	10,651
Hotel operations	998	1,310
Others	13,416	16,209
	<u>3,109,305</u>	<u>3,124,031</u>

For the six months ended 30 September 2022, the Group recognised revenue from contracts with customers (including construction, electrical and mechanical installation, hotel operations and others) over time except for revenue from building materials supply of HK\$42,144,000 (2021: HK\$120,440,000), property sales of Nil (2021: HK\$9,839,000) and others of HK\$9,973,000 (2021: HK\$14,751,000), which were recognised at a point in time. The revenue from other source (rental income included in property investment and development and hotel operations) amounted to HK\$2,265,000 (2021: HK\$2,122,000).

The chief operating decision makers have been identified as the Executive Directors. In accordance with the Group's internal financial reporting provided to the Executive Directors, who are responsible for allocating resources, assessing performance of the operating segments and making strategic decisions, the reportable operating segments are as follows:

- Construction – Contracting of building construction, plumbing, renovation, maintenance and fitting-out projects
- Electrical and mechanical installation – Provision of electrical, mechanical, ventilation and air conditioning, fire, plumbing and environmental engineering services
- Building materials supply – Supply of construction and building materials
- Property investment and development
- Hotel operations

Other operations of the Group mainly comprise computer software development and architectural and engineering services which are not of a sufficient size to be reported separately.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED
INTERIM FINANCIAL INFORMATION
(CONTINUED)

6. REVENUE AND SEGMENT INFORMATION (CONTINUED)

	Construction <i>HK\$'000</i>	Electrical and mechanical installation <i>HK\$'000</i>	Building materials supply <i>HK\$'000</i>	Property investment and development <i>HK\$'000</i>	Hotel operations <i>HK\$'000</i>	Others <i>HK\$'000</i>	Total <i>HK\$'000</i>
For the six months ended 30 September 2022							
Total sales	1,890,024	1,228,268	138,431	1,293	998	71,300	3,330,314
Inter-segment sales	(10,276)	(56,536)	(96,287)	(26)	-	(57,884)	(221,009)
External sales	<u>1,879,748</u>	<u>1,171,732</u>	<u>42,144</u>	<u>1,267</u>	<u>998</u>	<u>13,416</u>	<u>3,109,305</u>
Segment results	55,742	17,227	(17,278)	(3,618)	(10,964)	(7,771)	33,338
Share of loss of an associate	-	(77)	-	-	-	-	(77)
Share of loss of joint ventures	-	-	(3,622)	-	-	-	(3,622)
	<u>55,742</u>	<u>17,150</u>	<u>(20,900)</u>	<u>(3,618)</u>	<u>(10,964)</u>	<u>(7,771)</u>	29,639
Unallocated income							5,553
Finance costs							(5,652)
Profit before income tax							29,540
Income tax expense							(7,925)
Profit for the period							<u>21,615</u>
At 30 September 2022							
Segment assets	1,703,430	906,737	752,629	413,604	478,219	154,016	4,408,635
Interests in an associate	-	20	-	-	-	25	45
Interests in joint ventures	-	-	76,115	-	-	-	76,115
Unallocated assets							21,914
Total assets							<u>4,506,709</u>
Segment liabilities	(929,226)	(736,770)	(65,461)	(106,151)	(1,269)	(10,353)	(1,849,230)
Bank loans							(1,190,235)
Unallocated liabilities							(19,357)
Total liabilities							<u>(3,058,822)</u>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED
INTERIM FINANCIAL INFORMATION
(CONTINUED)

6. REVENUE AND SEGMENT INFORMATION (CONTINUED)

	Construction <i>HK\$'000</i>	Electrical and mechanical installation <i>HK\$'000</i>	Building materials supply <i>HK\$'000</i>	Property investment and development <i>HK\$'000</i>	Hotel operations <i>HK\$'000</i>	Others <i>HK\$'000</i>	Total <i>HK\$'000</i>
For the six months ended 30 September 2021							
Total sales	2,171,006	1,073,354	314,780	10,651	1,310	64,456	3,635,557
Inter-segment sales	(53,412)	(215,527)	(194,340)	-	-	(48,247)	(511,526)
External sales	<u>2,117,594</u>	<u>857,827</u>	<u>120,440</u>	<u>10,651</u>	<u>1,310</u>	<u>16,209</u>	<u>3,124,031</u>
Segment results	67,880	14,233	(6,737)	(3,544)	(11,040)	(6,443)	54,349
Share of loss of an associate	-	(151)	-	-	-	-	(151)
Share of loss of joint ventures	-	-	(2,345)	-	-	-	(2,345)
	<u>67,880</u>	<u>14,082</u>	<u>(9,082)</u>	<u>(3,544)</u>	<u>(11,040)</u>	<u>(6,443)</u>	<u>51,853</u>
Unallocated income							2,705
Finance costs							(3,056)
Profit before income tax							51,502
Income tax expense							(6,778)
Profit for the period							<u>44,724</u>
At 31 March 2022							
Segment assets	1,732,726	962,681	812,260	442,553	488,419	173,677	4,612,316
Interests in an associate	-	336	-	-	-	25	361
Interests in joint ventures	-	-	93,789	-	-	-	93,789
Unallocated assets							<u>30,992</u>
Total assets							<u>4,737,458</u>
Segment liabilities	(871,039)	(822,547)	(44,846)	(112,982)	(1,414)	(13,220)	(1,866,048)
Bank loans							(1,318,480)
Unallocated liabilities							<u>(11,573)</u>
Total liabilities							<u>(3,196,101)</u>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED
INTERIM FINANCIAL INFORMATION
(CONTINUED)

7. OTHER INCOME AND LOSSES, NET

	Six months ended	
	30 September	
	2022	2021
	HK\$'000	<i>HK\$'000</i>
Other income		
Bank interest income	1,497	1,650
Interest income from subcontractors	1,649	6,084
Management service income from a joint operation	8	8
Sundry income	5,249	8,844
	<u>8,403</u>	<u>16,586</u>
Other (losses)/gains, net		
Fair value loss on investment properties, net	(3,260)	–
Gain/(loss) on disposal of property, plant and equipment, net	434	(4)
Exchange (loss)/gain, net	(2,048)	819
	<u>(4,874)</u>	<u>815</u>
	<u>3,529</u>	<u>17,401</u>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED
INTERIM FINANCIAL INFORMATION
(CONTINUED)

8. EXPENSES BY NATURE

	Six months ended 30 September	
	2022	2021
	HK\$'000	HK\$'000
Cost of construction	2,338,918	2,211,786
Cost of inventories sold	67,619	185,690
Cost of properties sold	–	7,764
Staff costs (including directors' emoluments)*	534,330	520,326
Depreciation		
Owned property, plant and equipment	36,857	39,818
Leased property, plant and equipment	10,865	13,643
	47,722	53,461
Expenses relating to short-term leases of		
Land and buildings	2,091	2,141
Other equipment	16,501	27,307
	18,592	29,448
Amortisation of intangible assets	528	528
Movement in loss allowance for trade debtors	3,662	1,222
Auditor's remuneration	2,573	2,261
Direct operating expenses arising from investment properties		
– Generate rental income	191	379
– Not generate rental income	33	33
Selling and distribution costs	4,300	10,039
Others	55,475	61,441
Total cost of sales, selling and distribution costs, administrative and other operating expenses	3,073,943	3,084,378

* During the six months ended 30 September 2022, subsidies of approximately HK\$13,346,000 from the Employment Support Scheme under Anti-epidemic Fund set up by the Government of the Hong Kong Special Administrative Region were recognised in "cost of sales" and "administrative expenses" and offset against the "staff costs".

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED
INTERIM FINANCIAL INFORMATION
(CONTINUED)

9. FINANCE COSTS

	Six months ended 30 September	
	2022	2021
	HK\$'000	<i>HK\$'000</i>
Interest on overdrafts and short-term bank loans	4,231	4,653
Interest on long-term bank loans	5,994	8,349
Interest element of lease payments	267	487
	<hr/>	<hr/>
Total borrowing costs incurred	10,492	13,489
Less: Classified as cost of construction	(4,840)	(5,804)
Capitalised in property under development for sale	–	(4,629)
	<hr/>	<hr/>
	5,652	3,056
	<hr/> <hr/>	<hr/> <hr/>

10. INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the applicable rates of 8.25% and 16.5% (2021: 8.25% and 16.5%) on the estimated assessable profits for the six months ended 30 September 2022. Under the two-tiered profits tax rates regime introduced on 29 March 2018, Hong Kong profits tax rate for the first HK\$2 million of assessable profits is 8.25%. Assessable profits above HK\$2 million is at the rate of 16.5%.

Taxation on non-Hong Kong profits has been calculated on the estimated assessable profits for the period at the rates of taxation prevailing in the countries/regions in which the Group operates.

The amount of income tax charged to the unaudited condensed consolidated income statement represents:

	Six months ended 30 September	
	2022	2021
	HK\$'000	<i>HK\$'000</i>
Hong Kong profits tax provision for the period	2,070	6,862
(Over)/under-provision in prior years	(62)	3
Deferred income tax relating to the origination and reversal of temporary differences	5,917	(87)
	<hr/>	<hr/>
	7,925	6,778
	<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED
INTERIM FINANCIAL INFORMATION
(CONTINUED)

11. DIVIDENDS

	Six months ended 30 September	
	2022	2021
	HK\$'000	HK\$'000
Dividends payable during the period		
Final in respect of the financial year ended 31 March 2022 – HK2.50 cents (2021: HK6.80 cents) per ordinary share	<u>10,951</u>	<u>29,788</u>
Declared interim dividend		
Interim – HK2.50 cents (2021: HK2.50 cents) per ordinary share	<u>10,951</u>	<u>10,951</u>

The interim dividend was declared after the period ended 30 September 2022, and therefore has not been included as a liability in the condensed consolidated balance sheet. The interim dividend will be paid to the shareholders whose names appear on the Company's register of members on 23 December 2022.

12. EARNINGS PER SHARE (BASIC AND DILUTED)

The calculation of earnings per share is based on:

	Six months ended 30 September	
	2022	2021
	HK\$'000	HK\$'000
Net profit attributable to the equity holders of the Company	22,449	45,581
Weighted average number of shares in issue during the period	438,053,600	438,053,600
Basic earnings per share	<u>HK5.12 cents</u>	<u>HK10.41 cents</u>

Diluted earnings per share for the six months ended 30 September 2022 and 2021 are equal to basic earnings per share as there are no potential dilutive shares in issue during the periods.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED
INTERIM FINANCIAL INFORMATION
(CONTINUED)

13. CAPITAL EXPENDITURE

	Property, plant and equipment	Investment properties
	<i>HK\$'000</i>	<i>(Note) HK\$'000</i>
Net book amount as at 1 April 2021	1,185,289	183,040
Additions	20,180	-
Disposals	(362)	-
Lease modification	(1,690)	-
Depreciation charge <i>(Note 8)</i>	(53,461)	-
	<hr/>	<hr/>
Net book amount as at 30 September 2021	<u>1,149,956</u>	<u>183,040</u>
Net book amount as at 1 April 2022	1,171,205	177,240
Additions	31,010	-
Fair value loss on investment properties, net	-	(3,260)
Currency translation differences	(52,017)	-
Disposals	(818)	-
Lease modification	205	-
Depreciation charge <i>(Note 8)</i>	(47,722)	-
	<hr/>	<hr/>
Net book amount as at 30 September 2022	<u>1,101,863</u>	<u>173,980</u>

Note: The fair value of the Group's investment properties has been arrived at based on the valuations carried out by an independent firm of qualified property valuers not connected with the Group.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED
INTERIM FINANCIAL INFORMATION
(CONTINUED)

14. CASH AND BANK BALANCES

	30 September 2022 HK\$'000	31 March 2022 HK\$'000
Cash and bank balances	477,874	928,138
Time deposits	132,138	6,174
Restricted deposits (<i>Note a</i>)	<u>53,339</u>	<u>110,837</u>
	<u>663,351</u>	<u>1,045,149</u>

Notes:

- (a) Restricted deposits of HK\$53,339,000 (31 March 2022: HK\$78,395,000) are funds which are pledged as security for the banking facilities of the Group. As at 31 March 2022, the remaining HK\$32,442,000 represents proceeds received from sale of properties of certain property projects deposited into designated stakeholders' accounts.
- (b) Cash and cash equivalents include the following for the purpose of the condensed consolidated cash flow statement:

	30 September 2022 HK\$'000	31 March 2022 HK\$'000
Cash and bank balances	477,874	928,138
Time deposits with original maturity of less than three months	<u>132,138</u>	<u>6,174</u>
	<u>610,012</u>	<u>934,312</u>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED
INTERIM FINANCIAL INFORMATION
(CONTINUED)

15. TRADE DEBTORS, NET

Trade debtors, net included trade debtors and retention receivables less provision for impairment.

The trade debtors are due from 30 days to 150 days after invoicing depending on the nature of services or products. The aging analysis of the trade debtors, net by overdue day(s) is as follows:

	30 September 2022 HK\$'000	31 March 2022 HK\$'000
Current	<u>550,858</u>	<u>557,922</u>
1-30 days	20,334	45,100
31-90 days	20,759	18,502
91-180 days	22,500	15,000
Over 180 days	<u>46,309</u>	<u>36,142</u>
	<u>109,902</u>	<u>114,744</u>
	<u>660,760</u>	<u>672,666</u>

16. SHARE CAPITAL

	Number of shares		Amount	
	30 September 2022	31 March 2022	30 September 2022 HK\$'000	31 March 2022 HK\$'000
Ordinary shares of HK\$0.2 each				
Authorised:				
At beginning and end of the period/year	<u>1,000,000,000</u>	<u>1,000,000,000</u>	<u>200,000</u>	<u>200,000</u>
Issued and fully paid:				
At beginning and end of the period/year	<u>438,053,600</u>	<u>438,053,600</u>	<u>87,611</u>	<u>87,611</u>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED
INTERIM FINANCIAL INFORMATION
(CONTINUED)

17. BORROWINGS

The maturity of borrowings is as follows:

	Bank loans	
	30 September 2022 HK\$'000	31 March 2022 HK\$'000
Within 1 year	872,335	981,880
After 1 year but within 2 years	93,500	37,400
After 2 years but within 5 years	224,400	299,200
	<u>1,190,235</u>	<u>1,318,480</u>

The bank borrowings are secured by certain property, plant and equipment, investment properties, property under development for sale and restricted deposits of the Group.

18. PAYABLES TO SUPPLIERS AND SUBCONTRACTORS

The aging analysis of payables to suppliers and subcontractors by overdue day(s) is as follows:

	30 September 2022 HK\$'000	31 March 2022 HK\$'000
Current	235,439	205,186
1-30 days	34,017	36,370
31-90 days	987	2,307
91-180 days	1,823	567
Over 180 days	3,229	2,652
	<u>40,056</u>	<u>41,896</u>
	<u>275,495</u>	<u>247,082</u>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED
INTERIM FINANCIAL INFORMATION
(CONTINUED)

19. COMMITMENTS AND CONTINGENT LIABILITIES

The Group has the following outstanding commitments and contingent liabilities:

- (a) In the normal course of its business, the Group is subject to various claims under its construction contracts. As at 30 September 2022, the Group has various liquidated damages claims on certain contracts for which the respective extension of time claims have been forwarded and filed to the clients. The amount of the ultimate liquidated damages, if any, cannot be ascertained but the Directors are of the opinion that any resulting liability would not materially affect the financial position of the Group.
- (b) The Group has provided performance bonds amounting to approximately HK\$631,381,000 (31 March 2022: HK\$418,394,000) in favour of the Group's customers.
- (c) As at 30 September 2022, the Group has capital expenditure contracted for but not yet incurred in relation to plant and equipment and joint ventures of approximately HK\$1,043,000 (31 March 2022: HK\$1,043,000) and RMB26,036,000 (31 March 2022: RMB26,036,000) respectively.
- (d) The future aggregate minimum lease rental payable under non-cancellable short-term leases is as follows:

	30 September 2022 HK\$'000	31 March 2022 HK\$'000
Land and buildings Within one year	<u> -</u>	<u> 54</u>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED
INTERIM FINANCIAL INFORMATION
(CONTINUED)

20. FUTURE MINIMUM RENTAL RECEIVABLE

The Group has future aggregate minimum lease receipts under non-cancellable operating leases in respect of its investment properties as follows:

	30 September 2022 HK\$'000	31 March 2022 HK\$'000
Within one year	1,856	2,583
One year to five years	1,807	2,585
	3,663	5,168

21. RELATED PARTY TRANSACTIONS

Key management compensation

Key management includes the Directors (Executive and Independent Non-Executive Directors) of the Group. The compensation paid or payable to key management for employee services is shown below:

	Six months ended 30 September	
	2022 HK\$'000	2021 HK\$'000
Salaries and fees	10,901	10,362
Pension costs – defined contribution scheme	519	492
Others	16	22
	11,436	10,876

Interim Results and Review of Operation

The Group has delivered a solid interim result in the face of the serious challenges resulting from the pandemic which will soon enter the fourth year.

The Group's revenue for the first six months in 2022 held steady at HK\$3,109 million which was comparable to prior period. As to the segment sales, the increase in sales reported by the electrical and mechanical installation ("E&M") segment covered the decline in sales by building material supply. The expanding order books achieved by the E&M segment in past few years underpinned growth in sales in coming periods. Besides, a few sizeable projects have reached the peak period that generated large amount of work done. For the first six months, E&M got a growth in revenue by 14% period on period. Yet, sales from building material supply fell, mainly due to the interruptions resulting from the fifth-wave of pandemic. The lack of resources including manpower and material supplies and new cross-boundary land transport measures affected significantly site progress which in turn deferred the delivery of building materials. Besides, some project designs were changed upon clients' requests to adopt more on-site works instead of prefabrication so as to mitigate the impact of prolonged delivery time. The factory revenue has been halved comparing to prior period. Despite the land transport arrangements has been somewhat relaxed recently smoothing the traffic flow, it is believed that the logistic flow would not be able to resume normal in next few months. We anticipate the yearly revenue from building material supply would be lower than last year and the original budget.

Consolidated gross profit was almost level with the prior period at HK\$251 million. The overall gross profit margin for the first half of the year was 8%, against the prior period one of 8.7%. The gross profit margin of E&M fell because there were quite a number of new projects commenced in the period which in general brought smaller profits in early stages.

Total operating expenses was HK\$216 million, reduced by HK\$18 million or 8% period on period. The savings were mostly in depreciation, transportation costs and sales expenses. The reduction in transportation costs was in line with the decrease in product deliveries by the factory. For the selling expenses, the difference came mainly from the spending in relation to the Tai Kok Tsui residential properties' sales which was of non-recurrent in nature.

Consolidated net profits before tax for the period was HK\$30 million versus the prior period of HK\$52 million. The differences were mainly attributable to the variations in interest income, unrealizable foreign exchange valuation and investment properties revaluation. The depreciation of Renminbi against HK dollar in the period caused us foreign exchange loss from the translation of Renminbi denominated monetary assets and liabilities whilst we made a gain in last period. Also, the revaluation of our investment properties reflected some losses in light of the current sagging property market. The Group repaid quite a bit of bank borrowings last year. With improved net cash position, the impact of surging interest rates on profit was much alleviated.

As to the order book, all segments showed further growth in first six months. Contracts in hand as at 30 September 2022 grew by 21% to HK\$25,991 million compared to 31 March 2022. Again, our E&M segment achieved a high volume of new orders in the period. The success was partly driven by the expansion of the environmental protection engineering business. Also, it won a large joint venture contract building water treatment plants and facilities. Through collaborations with distinctive environmental services specialists in past few years, E&M broadened its revenue streams, gaining both business and technical knowhow. With a strong order book, the fundamental outlook remains positive.

Our perseverance to building sustainable future drives us to invest inexorably in construction technologies and keeps us at the forefront of innovation. Our digital construction capability is one of many edges that are well regarded in the industry. Global Virtual Design and Construction Limited (“GVDC”) is the Group’s core entity established more than 10 years ago to specialize in digital technologies. During the period, the company has been presented by The Celebration of BIM Achievement 2022 with three awards, including:

- BIM Organisation 2022
- BIMers 2022
- BIM Project 2022

These awards recognized not only our excellent innovations and achievements in Building Information Modeling (“BIM”), but also BIM skills of our teams, as well as our experiences and knowledge sharing.

To enhance speed and efficiency, the Hong Kong Government said in the Policy Address that they will devise a roadmap on the industry’s use of BIM in preparing building plans for submission to departments for approval. The move intensifies the competition for BIM professionals who are already in short supply. Talent development is high on our agenda. We aim to advocate the technology advancement not only in our Group but in the industry and Hong Kong society as a whole. To this end, GVDC opened a training center. By collaborating with various industry leaders, the Center provides a wide range of courses from BIM, Artificial Intelligence (“AI”) Full Lifecycle Management to tailor-made coaching, to share the latest knowledge of innovative technologies and practical skill with students and industry practitioners. GVDC is certified by ISO9001 and ISO19650 and the quality of tutors and courses are thus guaranteed.

Movement of Contracts

For the six months ended 30 September 2022

	31 March 2022 <i>HK\$'million</i>	Contracts		30 September 2022 <i>HK\$'million</i>
		Secured <i>HK\$'million</i>	Completed <i>HK\$'million</i>	
Building construction, renovation and maintenance	14,210	3,838	(374)	17,674
Electrical and mechanical installation	9,987	1,658	(215)	11,430
Building materials supply	1,739	748	(495)	1,992
Others	15	9	(8)	16
Less: Inter-segment contracts	(4,524)	(927)	330	(5,121)
	<u>21,427</u>	<u>5,326</u>	<u>(762)</u>	<u>25,991</u>

Financial Position

The Group's finance and treasury functions have been centrally managed and controlled at the headquarters in Hong Kong. As at 30 September 2022, the Group's total cash and bank balances was HK\$663 million (31 March 2022: HK\$1,045 million) and total borrowings was HK\$1,190 million (31 March 2022: HK\$1,318 million). The reduction of total cash and bank balances was primarily due to repayment of a project loan upon project completion and lower income received from construction projects, of which many are in initial phase. The current ratio (total current assets: total current liabilities) as at 30 September 2022 was 1.1 (31 March 2022: 1.1). The amount of bank loans and other facilities fall due beyond one year was HK\$318 million (31 March 2022: HK\$337 million). With prudent financial management policy in place, the Group considers the financial position as healthy with sufficient liquidity.

All the bank borrowings are arranged on a floating rate basis. The Group will closely monitor and manage its exposure to interest rate fluctuations and consider engaging relevant hedging arrangements when appropriate. As at 30 September 2022, the Group had total banking facilities in respect of bank overdrafts, bank loans, bank guarantees and trade financing of HK\$3,915 million (31 March 2022: HK\$4,071 million), of which HK\$1,642 million (31 March 2022: HK\$1,632 million) had been utilised. The Group considers it has sufficient committed and unutilised banking facilities to meet its current business operation, property development requirement and capital expenditure.

Human Resources

As at 30 September 2022, the Group had approximately 3,500 (31 March 2022: 3,200) employees. There are approximately 2,800 (31 March 2022: 2,500) employees in Hong Kong, Macau and Singapore and 700 (31 March 2022: 700) in Mainland China. Yau Lee aims to be a good and attractive employer as we understand people are key to long-term success. The Group offers competitive remuneration packages and employees are rewarded on a performance related basis. The Group is firmly committed to training and staff development. We work continuously to ensure employees can realise their full potentials and thus to foster their development to the Group.

Outlook

The Hong Kong economy and construction industry are still facing severe challenges. The main risks are the spread of COVID-19 variants, interest rate hike and cost-pushed inflation driven by supply chain and workforce shortages.

In spite of ongoing headwinds weighting on the economy, we still think the construction sector would be well on its way to recovery. On market demands, the Hong Kong Government's series of stimulus policies pave the way for the growth in the construction sector. The Year 2022 Policy Address presented clear targets and strategies giving impetus for growth. In the next few years, the Government's annual capital works expenditure will exceed HK\$100 billion. In addition to the transitional housing, the new Light Public Housing was introduced which brought around 30,000 units' work in next five years. Also, sufficient land to build about 360,000 public housing units in coming decade has been identified. And, the Northern Metropolis project would be taken forward in full steam. In fact, a number of developments in the area such as Kwu Tung North/ Fanling North, Yuen Long South etc. have already commenced. With clear and abundant project pipelines in short-term and long-term, the Group could devise our resources allocations and growth plans accordingly.

Notwithstanding the strong business opportunities, the industry has to survive numerous challenges. The vigorous market demands, compounded by supply-chain congestion and workforce shortage posed great difficulties to project execution and profitability. Supply chain disruptions drive up materials cost, logistic cost and delay project execution. A lack of new entrants coupled with increasing attrition and high retirement rate of the aging workforce exacerbated the shortage in skilled labor as well as professionals in various disciplines. The productivity and cost crisis are expected to worsen and would last for a rather long period. Offsite construction, digital construction and lean construction are some keys to overcome these issues.

We have all along advocated innovation to uplift our competitiveness and to deliver new values to our clients. As a preeminent leader of construction technologies, we have already developed our own patented concrete Modular Integrated Construction ("MiC") systems with proven track records. Besides, we have developed and launched a number of AI-aided solutions and digital tools such as construction robots, 5D BIM and BEANiE, Hong Kong's first BIM-enabled blockchain multifunctional platform to uplift project performance. BEANiE has been developed to the fifth version (i.e. BEANiE 5.0) which is equipped with Bluetooth technology for zone control to enhance traceability and safety (TRACY). Moreover, our expertise across the entire project life cycle and customer focused approach facilitate our deployment of lean construction practices to drive efficiency on projects. Connecting with clients on their value, our competence in construction engineering and digital solutions help to map the value stream that maximize return and minimize wastages. Work processes optimization could also be done to raise productivity and lower costs. The pursuits of project excellence and sustainable growth navigate our path forward.

We uphold the principles of innovation, sustainable development and foster a culture of continuous improvement. We aim to widen our competency spectrum ensuring that we are well placed for the future growth and return.

OTHER INFORMATION

INTERIM DIVIDEND

On 28 November 2022, the Board has resolved to declare the payment of an interim dividend of HK2.50 cents (2021: HK2.50 cents) per ordinary share in respect of the six months ended 30 September 2022 to shareholders registered on the register of members on 23 December 2022. The interim dividend will be payable on or before 13 January 2023.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 21 December 2022 (Wednesday) to 23 December 2022 (Friday), both days inclusive, during which period no transfer of shares shall be effected. To qualify for the interim dividend, all transfers of shares, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on 20 December 2022 (Tuesday).

DIRECTORS' INTERESTS

At the date of this report, the interests of each Director and chief executive in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of the Securities and Futures Ordinance ("SFO")), as recorded in the register maintained by the Company under Section 352 of the SFO or as notified to the Company and the SEHK pursuant to the Model Code for Securities Transactions by Directors of Listed Companies ("Model Code") were as follows:

Shares of HK\$0.2 each in the Company

Director	Number of shares held (long position)	
	Corporate interest	Percentage
Mr. Wong Ip Kuen	267,642,599	61.10%

The shares referred to above are registered in the names of All Fine Investment Company Limited and Billion Goal Holdings Limited with respective registered holding of 230,679,599 shares and 36,963,000 shares. Mr. Wong Ip Kuen owns the entire issued share capital of All Fine Investment Company Limited and Billion Goal Holdings Limited. All Fine Investment Company Limited and Billion Goal Holdings Limited are incorporated in the Cook Islands and the British Virgin Islands respectively. Mr. Wong Ip Kuen is a director of both All Fine Investment Company Limited and Billion Goal Holdings Limited.

DIRECTORS' INTERESTS (CONTINUED)

During the six months ended 30 September 2022, none of the Directors and chief executives (including their spouses and minor children) had any interests in, or had been granted, or exercised, any rights to subscribe for shares or debentures of the Company and its associated corporations (within the meaning of the SFO).

At no time during the period was the Company, its subsidiaries, its associates, its joint ventures or its joint operations, a party to any arrangement to enable the Directors and chief executives of the Company to hold any interests or short positions in the shares or underlying shares in, or debentures of, the Company or its associated corporations.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES OF THE COMPANY

As at 30 September 2022, the register of substantial shareholders maintained under Section 336 of Part XV of the SFO showed that the Company had not been notified of any substantial shareholders' interests and short positions, being 5% or more of the Company's issued share capital, other than those of the Directors and chief executives as disclosed above.

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company has not redeemed, and neither the Company nor any of its subsidiaries had purchased or sold, the Company's listed securities during the six months ended 30 September 2022.

REVIEW OF INTERIM FINANCIAL INFORMATION

The Audit Committee, together with management, has reviewed the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of the Group's unaudited interim results.

CORPORATE GOVERNANCE

The Board believes that corporate governance is fundamental to corporate long-term success and the enhancement of shareholder value. The Company has adopted the principles and practices of the Corporate Governance Code (the "Code") as set out in the Appendix 14 of The Rules Governing the Listing of Securities on The SEHK ("Listing Rules"). The Company strives to improve the transparency of its corporate governance practices and maximise the return to its shareholders through prudent management, investment and treasury policies. Detailed disclosure of the Company's corporate governance practices is available in the 2022 Annual Report.

OTHER INFORMATION (CONTINUED)

COMPLIANCE WITH LISTING RULES

In the opinion of the Directors, the Company has complied with the requirements of the Code as set out in Appendix 14 of the Listing Rules for the six months ended 30 September 2022 except for the Code provision A.2.1.

Code provision A.2.1 requires the roles of chairman and chief executive officer be separated and not be performed by the same individual. The division of responsibilities between the chairman and chief executive officer should be clearly established and set out in writing. However, the roles of the chairman and the chief executive officer of the Company are not separated and are performed by the same individual, Mr. Wong Ip Kuen. The current structure will enable the Company to make and facilitate the implementation of decisions promptly and efficiently.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the requirements of the Model Code as set out in Appendix 10 of the Listing Rules as its own code of conduct regarding the securities transactions of the Directors of the Company. Having made specific enquiries to all Directors of the Company, they have confirmed that they complied with the required standard set out in the Model Code during the six months ended 30 September 2022.

By order of the Board
Wong Ip Kuen
Chairman

Hong Kong, 28 November 2022