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## **EVERCHINA INT'L HOLDINGS COMPANY LIMITED**

**潤中國際控股有限公司**

*(incorporated in Hong Kong with limited liability)*

**(Stock Code: 202)**

### **ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2022**

#### **FINANCIAL HIGHLIGHTS**

For the year ended 31 March 2022, the audited results of the Group were as follows:

- Revenue amounted to approximately HK\$149,347,000, representing an increase of 17.5% as compared to the last year.
- Loss for the year amounted to HK\$238,636,000, representing an increase of 76.6% as compared to the last year.
- The Board does not recommend the payment of final dividend for the year ended 31 March 2022 (2021: Nil).
- At 31 March 2022, total equity amounted to approximately HK\$1,846,740,000, representing a decrease of 8.3% as compared to approximately HK\$2,014,463,000 as at 31 March 2021.
- At 31 March 2022, net assets per share was HK\$0.25, representing a decrease of 10.7% as compared to HK\$0.28 as at 31 March 2021.

The board (the “**Board**”) of directors (the “**Directors**”) of EverChina Int’l Holdings Company Limited (the “**Company**”) announces the audited consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 March 2022, together with the comparative figures, as follows:

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	<i>Notes</i>	<b>2022</b> <i>HK\$’000</i>	2021 <i>HK\$’000</i>
Revenue	4	<b>149,347</b>	127,093
Cost of sales		<b>(61,512)</b>	(57,808)
Gross profit		<b>87,835</b>	69,285
Other income and gain, net	5	<b>4,273</b>	2,491
Staff costs		<b>(30,376)</b>	(27,728)
Administrative costs		<b>(55,556)</b>	(47,985)
Impairment loss recognised on property, plant and equipment		<b>(342)</b>	(38,120)
Impairment loss recognised on mining rights		<b>(109,109)</b>	–
Allowance for expected credit losses on trade and other receivables and loan receivables, net		<b>(1,835)</b>	(51,660)
Loss arising on changes in fair value of investment properties		<b>(50,909)</b>	(43,373)
Gain arising on changes in fair value less costs to sell on biological assets		<b>12,675</b>	380
(Loss)/gain on change in fair value of financial assets at fair value through profit or loss		<b>(68,883)</b>	93,116
Loss from operations	6	<b>(212,227)</b>	(43,594)
Finance costs	7	<b>(38,659)</b>	(106,505)
Loss before taxation		<b>(250,886)</b>	(150,099)
Tax credit	8	<b>12,250</b>	15,008
<b>Loss for the year</b>		<b>(238,636)</b>	(135,091)
<b>Attributable to:</b>			
Owners of the Company		<b>(233,386)</b>	(135,055)
Non-controlling interests		<b>(5,250)</b>	(36)
		<b>(238,636)</b>	(135,091)
<b>Loss per share attributable to the owners of the Company</b>			
— Basic and diluted	9	<b>HK3.200 cents</b>	HK1.851 cents

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME**

*FOR THE YEAR ENDED 31 MARCH 2022*

	<b>2022</b>	2021
	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>Loss for the year</b>	<b>(238,636)</b>	(135,091)
<b>Other comprehensive income</b>		
<i>Item that maybe reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of overseas subsidiaries	<u>41,341</u>	<u>116,100</u>
<b>Total comprehensive expenses for the year</b>	<u><b>(197,295)</b></u>	<u>(18,991)</u>
<b>Total comprehensive expenses attributable to:</b>		
Owners of the Company	<b>(192,045)</b>	(18,955)
Non-controlling interests	<u>(5,250)</u>	<u>(36)</u>
	<u><b>(197,295)</b></u>	<u>(18,991)</u>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AT 31 MARCH 2022**

	<i>Notes</i>	<b>2022</b> <b>HK\$'000</b>	2021 <i>HK\$'000</i>
<b>Non-current assets</b>			
Investment properties		<b>1,159,259</b>	1,207,028
Property, plant and equipment		<b>868,371</b>	847,506
Right-of-use assets		<b>895</b>	870
Mining rights		<b>69,555</b>	178,664
Prepayment for property, plant and equipment		–	390
Interest in an associate		<b>610</b>	–
		<u><b>2,098,690</b></u>	<u>2,234,458</u>
<b>Current assets</b>			
Inventories		<b>8,237</b>	6,557
Biological assets		<b>35,201</b>	21,783
Trade and other receivables and prepayments	<i>11</i>	<b>51,127</b>	77,727
Loan receivables		–	41,488
Financial assets at fair value through profit or loss	<i>12</i>	<b>667,906</b>	720,279
Cash and cash equivalents		<b>40,926</b>	33,413
		<u><b>803,397</b></u>	<u>901,247</u>
<b>Total assets</b>		<u><b>2,902,087</b></u>	<u>3,135,705</u>
<b>Capital and reserves</b>			
Share capital		<b>2,664,298</b>	2,664,298
Reserves		<b>(850,210)</b>	(687,737)
		<u><b>1,814,088</b></u>	<u>1,976,561</u>
Equity attributable to owners of the Company		<b>1,814,088</b>	1,976,561
Non-controlling interests		<b>32,652</b>	37,902
		<u><b>1,846,740</b></u>	<u>2,014,463</u>
<b>Total equity</b>		<u><b>1,846,740</b></u>	<u>2,014,463</u>

	<i>Notes</i>	<b>2022</b> <i>HK\$'000</i>	2021 <i>HK\$'000</i>
<b>Non-current liabilities</b>			
Lease liabilities		<b>235</b>	–
Bank borrowings		–	3,658
Amount due to a related company	<i>14</i>	<b>238,124</b>	202,075
Deferred tax liabilities		<b>80,594</b>	93,509
		<u><b>318,953</b></u>	<u>299,242</u>
<b>Current liabilities</b>			
Trade and other payables and deposits received	<i>13</i>	<b>73,907</b>	75,590
Lease liabilities		<b>678</b>	757
Tax payable		<b>6,237</b>	6,237
Bank and other borrowings		<b>266,000</b>	36,340
Amount due to a related company	<i>14</i>	<b>389,572</b>	703,076
		<u><b>736,394</b></u>	<u>822,000</u>
<b>Total liabilities</b>		<u><b>1,055,347</b></u>	<u>1,121,242</u>
<b>Total equity and liabilities</b>		<u><b>2,902,087</b></u>	<u>3,135,705</u>
<b>Net current assets</b>		<u><b>67,003</b></u>	<u>79,247</u>
<b>Total assets less current liabilities</b>		<u><b>2,165,693</b></u>	<u>2,313,705</u>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 1. GENERAL INFORMATION

The financial information relating to the years ended 31 March 2022 and 2021 included in this preliminary announcement of the annual results for the year ended 31 March 2022 do not constitute the statutory annual consolidated financial statements of EverChina Int'l Holdings Company Limited (the “**Company**”) for those years but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong (the “**Companies Ordinance**”)) is as follows:

The Company has delivered the financial statements for the year ended 31 March 2021 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance and will deliver the financial statements for the year ended 31 March 2022 in due course.

The Company’s auditor has reported on the financial statements of the Company and its subsidiaries (collectively referred to as the “**Group**”) for both years. The auditor’s reports were unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under sections 406(2), 407(2) or 407(3) of the Companies Ordinance.

### 2. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”), which is a collective term that includes all HKFRSs, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations (“**Ints**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”), accounting principles generally accepted in Hong Kong and the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) and by the Hong Kong Companies Ordinance. For the purpose of preparation of the consolidated financial statements, information is considered material with such information is reasonably expected to influence decisions made by primary users. The consolidated financial statements have been prepared on the historical cost basis except for certain investment properties, biological assets and financial instruments that are measured at fair value at the end of the reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

### 3. APPLICATION OF AMENDMENTS TO HKFRSs

#### Amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRSs issued by the HKICPA for the first time, which are mandatorily effective for the annual periods beginning on or after 1 April 2021 for the preparation of the consolidated financial statements:

Amendments to HKFRS 16	Covid-19-Related Rent Concessions
Amendments to HKFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021
Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	Interest Rate Benchmark Reform — Phase 2

In addition the Group applied the agenda decision of the IFRS Interpretations Committee (the “Committee”) of the International Accounting Standards Board issued in June 2021 which clarified the costs an entity should include as “estimated cost necessary to make the sale” when determining the net realisable value of inventories.

The application of the amendments to HKFRSs in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in the consolidated financial statements.

#### New and amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

HKFRS 17	Insurance Contracts and the related Amendment <sup>2</sup>
Amendments to HKFRS 3	Reference to the Conceptual Framework <sup>1</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup>
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) <sup>2</sup>
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies <sup>2</sup>
Amendments to HKAS 8	Definition of Accounting Estimates <sup>2</sup>
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction <sup>2</sup>
Amendments to HKAS 16	Property, Plant and Equipment — Proceeds before Intended Use <sup>1</sup>
Amendments to HKAS 37	Onerous Contracts — Cost of Fulfilling a Contract <sup>1</sup>
Amendments to HKFRSs	Annual Improvements to HKFRSs 2018–2020 <sup>1</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2022.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2023.

<sup>3</sup> Effective for annual periods beginning on or after a date to be determined.

The directors of the Company anticipate that the application of all new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

#### 4. SEGMENT INFORMATION

For management purpose, the Group's operating businesses are structured and managed separately according to the nature of their operations and the products and services they provide. Each of the Group's operating segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of the other operating segments. Particulars of the Group's reportable operating segments are summarised as follows:

Property investment operation	—	Leasing of rental property in the People's Republic of China (the "PRC")
Hotel operation	—	Hotel operation in the PRC
Agricultural operation	—	Agricultural farming and sales of crops and cattle raising and sales of cattle in the Plurinational State of Bolivia ("Bolivia")
Securities investment and financing operation	—	Provision of securities investment and financing operation in Hong Kong and the PRC
Resources operation	—	Mining and production of manganese products in Republic of Indonesia ("Indonesia")

##### (a) Segment revenue and result

The following is an analysis of the Group's revenue and result by reportable and operating segment:

	Segment revenue		Segment result	
	2022 HK\$'000	2021 HK\$'000	2022 HK\$'000	2021 HK\$'000
Property investment operation	31,257	31,918	(34,259)	(24,163)
Hotel operation	36,707	36,516	2,753	(1,514)
Agricultural operation	81,383	58,659	26,389	(33,208)
Securities investment and financing operation	—	—	(62,451)	91,613
Resources operation	—	—	(105,093)	(847)
Total	<u>149,347</u>	<u>127,093</u>	<u>(172,661)</u>	<u>31,881</u>
Interest income and other revenue			4,273	2,491
Unallocated expenses			<u>(43,839)</u>	<u>(77,966)</u>
Loss from operations			<u>(212,227)</u>	<u>(43,594)</u>
Finance costs			<u>(38,659)</u>	<u>(106,505)</u>
Loss before taxation			<u><u>(250,886)</u></u>	<u><u>(150,099)</u></u>

Revenue reported above represents revenue generated from external customers. There were no inter-segment sales during the year ended 31 March 2022 (2021: Nil).

Segment result represents the result generated from each segment without allocation of central administration costs including directors' salaries, interest income and other revenue, finance costs and income tax credit. This is the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

**(b) Segment assets and liabilities**

	<b>2022</b>	2021
	<b>HK\$'000</b>	HK\$'000
<b>Segment assets</b>		
Property investment operation	<b>1,202,604</b>	1,262,649
Hotel operation	<b>478,993</b>	482,508
Securities investment and financing operation	<b>667,911</b>	761,781
Agricultural operation	<b>437,119</b>	424,725
Resources operation	<b>70,063</b>	179,554
	<hr/>	<hr/>
Total segment assets	<b>2,856,690</b>	3,111,217
Unallocated assets	<b>45,397</b>	24,488
	<hr/>	<hr/>
Consolidated total assets	<b>2,902,087</b>	3,135,705
	<hr/> <hr/>	<hr/> <hr/>
	<b>2022</b>	2021
	<b>HK\$'000</b>	HK\$'000
<b>Segment liabilities</b>		
Property investment operation	<b>38,719</b>	44,866
Hotel operation	<b>44,912</b>	47,421
Securities investment and financing operation	<b>180</b>	180
Agricultural operation	<b>44,265</b>	53,496
Resources operation	<b>1,174</b>	6,105
	<hr/>	<hr/>
Total segment liabilities	<b>129,250</b>	152,068
Unallocated bank and other borrowings	<b>266,000</b>	33,000
Unallocated liabilities	<b>653,860</b>	929,937
Tax payable	<b>6,237</b>	6,237
	<hr/>	<hr/>
Consolidated total liabilities	<b>1,055,347</b>	1,121,242
	<hr/> <hr/>	<hr/> <hr/>

For the purposes of monitoring segment performance and allocating resource between segments:

All assets are allocated to reportable segments other than certain property, plant and equipment, right-of-use assets, interest in an associate, certain other receivables, certain prepayments, certain deposits and certain cash and cash equivalents that are not attributable to individual segments.

All liabilities are allocated to reportable segments other than certain other payables, other borrowings, lease liabilities and amount due to a related company that are not attributable to individual segments.

(c) **Other segment information**

Amounts included in the measure of segment profit or loss or segments assets:

**For the year ended 31 March 2022**

	Property Investment operation HK\$'000	Hotel operation HK\$'000	Securities Investment and financing operation HK\$'000	Agricultural operation HK\$'000	Resources operation HK\$'000	Unallocated HK\$'000	Consolidated total HK\$'000
<b>Other segment information</b>							
Depreciation of property, plant and equipment	110	13,885	-	6,608	-	1,083	21,686
Depreciation of right-of-use assets	-	-	-	-	-	1,318	1,318
Capital expenditure ( <i>note</i> )	-	-	-	6,839	-	317	7,156
Impairment loss recognised on property, plant and equipment	-	-	-	342	-	-	342
Impairment loss recognised on mining rights	-	-	-	-	109,109	-	109,109
Loss arising on change in fair value of investment properties	50,909	-	-	-	-	-	50,909
Loss arising on change in fair value of financial assets at fair value through profit or loss	-	-	68,883	-	-	-	68,883
Gain arising on change in fair value less cost to sell on biological assets	-	-	-	(12,675)	-	-	(12,675)
Allowance for/(reversal of) expected credit losses on trade and other receivables and loan receivables, net	-	15	(6,640)	(154)	-	8,614	1,835

*note:* Capital expenditure includes addition to property, plant and equipment, excluding biological assets.

For the year ended 31 March 2021

	Property Investment operation <i>HK\$'000</i>	Hotel operation <i>HK\$'000</i>	Securities Investment and financing operation <i>HK\$'000</i>	Agricultural operation <i>HK\$'000</i>	Resources operation <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Consolidated total <i>HK\$'000</i>
Other segment information							
Depreciation of property, plant and equipment	114	13,064	-	1,913	-	262	15,353
Depreciation of right-of-use assets	-	-	-	-	-	2,087	2,087
Capital expenditure ( <i>note</i> )	-	-	-	3,078	-	-	3,078
Impairment loss recognised on property, plant and equipment	-	-	-	38,006	114	-	38,120
Loss arising on change in fair value of investment properties	43,373	-	-	-	-	-	43,373
Gain arising on change in fair value of financial assets at fair value through profit or loss	-	-	(93,116)	-	-	-	(93,116)
Gain arising on change in fair value less cost to sell on biological assets	-	-	-	(380)	-	-	(380)
Allowance for/(reversal of) expected credit losses on trade and other receivables and loan receivables, net	-	(48)	1,293	(627)	-	51,042	51,660

*note:* Capital expenditure includes addition to property, plant and equipment, excluding biological assets.

**(d) Geographical information**

The following table sets out information about the geographical location of the Group's revenue from external customers and the Group's investment properties, property, plant and equipment, right-of-use assets, mining rights and goodwill (collectively referred to as "Specified Non-current Assets"). The geographical location of customers is based on the location at which the services were provided or goods were delivered. The geographical location of the specified non-current assets is based on the physical location of the asset or the location of the operation to which they are allocated.

	Revenue from external customers		Specified non-current assets	
	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Hong Kong	-	-	26,267	26,779
The PRC	67,964	68,434	1,627,222	1,652,526
Bolivia	81,383	58,659	375,646	376,147
Indonesia	-	-	69,555	179,006
	<u>149,347</u>	<u>127,093</u>	<u>2,098,690</u>	<u>2,234,458</u>

(e) **Information from major customers**

Revenue from a major customer for the years ended 31 March 2022 and 2021 contributing over 10% of the Group's total revenue are as follows:

	<b>Year ended 31 March</b>	
	<b>2022</b>	2021
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Agricultural operation — Customer A	<b>69,661</b>	44,078

**5. OTHER INCOME AND GAIN, NET**

	<b>Year ended 31 March</b>	
	<b>2022</b>	2021
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Bank interest income	<b>305</b>	203
Other loan interest income	<b>782</b>	948
Net foreign exchange gain/(loss)	<b>2,917</b>	(415)
Investment income	<b>161</b>	792
Government grants	–	756
Bargain purchase gain on acquisition of a subsidiary	–	32
Sundry income	<b>108</b>	175
	<b>4,273</b>	2,491

## 6. LOSS FROM OPERATIONS

Loss from operations has been arrived at after charging/(crediting):

	Year ended 31 March	
	2022	2021
	HK\$'000	HK\$'000
Depreciation of property, plant and equipment	21,686	15,353
Depreciation of right-of-use assets	1,318	2,087
Auditors' remuneration	2,798	2,768
Allowance for expected credit loss ("ECL") on trade and other receivables and loan receivables, net	1,835	51,660
Impairment loss recognised on property, plant and equipment	342	38,120
Impairment loss recognised on mining rights	109,109	–
Short-term lease payment	280	281
Written-off property, plant and equipment	726	–
Expenses relating to leases of low value assets	35	35
Fair value change in investment properties	50,909	43,373
Gain arising on change in fair value less costs to sell on biological assets	(12,675)	(380)
Gross rental income from investment properties	(31,257)	(31,918)
Less: direct operating expenses from investment properties that generated rental income during the period	990	1,094
	<b>(30,267)</b>	<b>(30,824)</b>

## 7. FINANCE COSTS

	Year ended 31 March	
	2022	2021
	HK\$'000	HK\$'000
Interests on:		
— Bank borrowings	315	563
— Other borrowings	15,127	65,428
— Lease liabilities	52	98
Imputed interest on amount due to a related company	23,165	40,416
	<b>38,659</b>	<b>106,505</b>

## 8. TAX CREDIT

	Year ended 31 March	
	2022	2021
	HK\$'000	HK\$'000
PRC Enterprise Income Tax		
— Current tax expenses	(1,902)	(5,082)
Deferred tax credit	<u>14,152</u>	<u>20,090</u>
	<u><u>12,250</u></u>	<u><u>15,008</u></u>

### Hong Kong Profits Tax

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

No provision for taxation in Hong Kong has been made as the Group has no assessable profit for Hong Kong Profit Tax for both years.

### The PRC Enterprise Income Tax

All the Company's subsidiaries established in the PRC are either subject to PRC Enterprise Income Tax at 25% of the assessable income of each company or preferential enterprise income tax rate of the assessable income of each company during the years ended 31 March 2022 and 2021, as determined in accordance with the relevant PRC income tax rules and regulations.

### The Indonesia Corporate Tax

According to local tax authority, the corporate tax rate applicable to the subsidiary which is operating in the Indonesia drops to 22% for the year ended 31 March 2022 (2021: 25%). No Indonesia Corporate Tax was recognised as the subsidiary in the Indonesia has no estimated assessable profit for both years.

### The Bolivia Corporate Tax

The corporate tax rate applicable to the subsidiaries which are operating in Bolivia is 25% for the year ended 31 March 2022 (2021: 25%). No Bolivia Corporate Tax was recognised as the subsidiary in Bolivia has no estimated assessable profit for both years.

## 9. LOSS PER SHARE

The calculation of basic loss per share is based on the following data:

	Year ended 31 March	
	2022	2021
	HK\$'000	HK\$'000
Loss for the year attributable to owners of the Company for the purpose of basic and diluted loss per share	<u>233,386</u>	<u>135,055</u>
	Year ended 31 March	
	2022	2021
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	<u>7,294,369,363</u>	<u>7,294,369,363</u>

The diluted loss per share is the same as basic loss per share as the Company had no dilutive potential ordinary share outstanding for the years ended 31 March 2022 and 2021.

## 10. DIVIDEND

The directors of the Company did not recommend the payment of any dividend for the year ended 31 March 2022 and 2021.

## 11. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

The aging analysis of trade receivables, based on the invoice date which was included in trade and other receivables and prepayments as the end of the reporting period is as follows:

	<b>2022</b> <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Trade receivables		
0 to 30 days	<b>4,374</b>	525
31 to 60 days	–	–
61 to 90 days	–	2,792
91 to 180 days	–	–
Over 180 days	<b>24</b>	1,864
	<hr/>	<hr/>
	<b>4,398</b>	5,181
Other receivables and deposits	<b>181,254</b>	213,068
	<hr/>	<hr/>
	<b>185,652</b>	218,249
Less: allowance for ECL, net	<b>(146,062)</b>	(150,738)
	<hr/>	<hr/>
	<b>39,590</b>	67,511
Prepayments	<b>11,537</b>	10,606
	<hr/>	<hr/>
	<b>51,127</b>	78,117
Less: non-current portion	–	(390)
	<hr/>	<hr/>
	<b>51,127</b>	77,727
	<hr/> <hr/>	<hr/> <hr/>

The average credit period granted to customers is 60 to 90 days (31 March 2021: 60 to 90 days). The Group does not hold any collateral over these balances.

The Group's prepayments and other receivables as 31 March 2022 and 2021, inter alia, the following:

- (i) approximately HK\$131,480,000 (31 March 2021: HK\$151,679,000) paid for acquisition and construction of several potential water plant project in the PRC; and
- (ii) approximately Nil (31 March 2021: HK\$390,000) paid for acquisition of land.

## 12. FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Held for trading:		
Listed equity securities – the PRC, at fair value	<u>667,906</u>	<u>720,279</u>

Movement in the financial asset at fair value through profit or loss was as follow:

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
At 1 April	720,279	578,384
Net unrealised (loss)/gain arising on change in fair value	(68,883)	93,116
Exchange alignment	<u>16,510</u>	<u>48,779</u>
At 31 March	<u>667,906</u>	<u>720,279</u>

*Notes:*

- (i) At 31 March 2022, no financial asset at fair value through profit or loss have been pledged to secure loan facilities granted to the Group (31 March 2021: HK\$719,289,000).
- (ii) The fair value of all equity securities is based on their closing prices as at 31 March 2022 and 2021 in an active market.

## 13. TRADE AND OTHER PAYABLES AND DEPOSITS RECEIVED

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Trade payables:		
0 to 30 days	1,702	2,369
31 to 60 days	3,142	3,098
Over 60 days	<u>6,651</u>	<u>8,918</u>
	11,495	14,385
Other payables and deposits received	<u>62,412</u>	<u>61,205</u>
	<u>73,907</u>	<u>75,590</u>

The Group's other payables and deposits received as at 31 March 2022 and 2021, inter alia, the followings:

- (i) interest payable of approximately HK\$5,545,000 (31 March 2021: HK\$5,274,000);
- (ii) deposit of decoration expenses received from Heilongjiang Interchina Water Treatment Company Limited of approximately HK\$6,543,000 (31 March 2021: HK\$6,386,000);
- (iii) amount due to a director of the Company of approximately HK\$12,494,000 (31 March 2021: HK\$8,543,000) represents an unsecured, unguaranteed, interest-free and repayable on demand to a director;
- (iv) deposit received for hotel acquisition from potential buyer of approximately HK\$6,173,000 (2021: Nil); and
- (v) rental deposit received from customer approximately HK\$5,360,000 (2021: HK\$4,881,000).

#### 14. AMOUNT DUE TO A RELATED COMPANY

As at 31 March 2022, the amount due to a related company denominated in RMB represents an unsecured and unguaranteed amount from Shanghai Pengxin (Group) Company Limited (“**Shanghai Pengxin**”), which is controlled by Mr. Jiang Zhaobai (“**Mr. Jiang**”), who is a substantial shareholder and the executive director and chairman of the Company. The amounts are repayable on demand except for HK\$238,124,000 (2021: HK\$202,075,000) are repayable after one year. The borrowing is carried at amortised cost using the effective interest method. The effective interest rate applied was 10.6% (2021: 10.6%) per annum.

On 30 September 2021, Shanghai Pengxin granted a repayment extension on a portion of principal amount of HK\$37,037,000 to repay on 31 December 2022, which was repayable on 31 December 2021. On 31 March 2022, Shanghai Pengxin granted another repayment extension on a portion of principal amount of HK\$283,591,000 to repay on 31 December 2023, which is repayable on 31 December 2022.

The difference of the principal and the fair value of the borrowing at initial recognition amounting to approximately HK\$29,572,000 (2021: HK\$43,907,000) was credited as deemed capital contribution from the shareholder in equity.

As at 31 March 2022, the principal amount of amount due to a related company of approximately HK\$389,572,000 (2021: HK\$703,076,000) is unsecured, unguaranteed, interest-free and repayable on demand from Shanghai Pengxin.

## **DIVIDEND**

The Board resolved not to declare the payment of any dividend for the year ended 31 March 2022 (2021: Nil).

## **Scope of work of HLB Hodgson Impey Cheng Limited**

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 March 2022 as set out in the announcement have been agreed by the Group's auditors, HLB Hodgson Impey Cheng Limited, to the amounts set out in the Group's consolidated financial statements for the year. The work performed by HLB Hodgson Impey Cheng Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by HLB Hodgson Impey Cheng Limited on the announcement.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **RESULTS OF OPERATIONS**

For the year ended 31 March 2022, the Group's revenue amounted to approximately HK\$149,347,000 (2021: HK\$127,093,000), representing an increase of approximately 17.5% as compared to last year. Such increase was mainly due to the increase in revenue from agricultural operation by approximately HK\$22,724,000 as a result of the increase in average selling price of soybean as compared to last year.

The Group recorded a loss of approximately HK\$238,636,000 for the year ended 31 March 2022 (2021: HK\$135,091,000), representing an increase of approximately 76.6% as compared to last year. The increase was mainly due to the net effect of:

- (i) an impairment loss recognised in respect of the mining rights of approximately HK\$109,109,000 (2021: Nil) as a result of decrease in the market price of manganese ore during the year;
- (ii) the recognition of the loss on changes in fair value of financial assets at fair value through profit and loss of approximately HK\$68,883,000 (2021: gain of approximately HK\$93,116,000) due to the decrease in share price of a listed equity investment (i.e. Heilongjiang Interchina Water Treatment Company Limited, a company listed in the Shanghai Stock Exchange) of the Group;
- (iii) an increase in loss on changes in fair value of the Group's investment properties by approximately 17.4% to approximately HK\$50,909,000 (2021: HK\$43,373,000);

- (iv) a decrease in allowance for expected credit losses on trade and other receivables and loan receivables, net by approximately 96.4% to approximately HK\$1,835,000 (2021: HK\$51,660,000);
- (v) a decrease in impairment loss recognised on the Group's property, plant and equipment by approximately 99.1% to approximately HK\$342,000 (2021: HK\$38,120,000); and
- (vi) a decrease in finance costs by approximately 63.7% to approximately HK\$38,659,000 (2021: HK\$106,505,000), mainly due to decrease in interest expenses on other borrowings.

Loss for the year attributable to shareholders of the Company amounted to approximately HK\$233,386,000 (2021: HK\$135,055,000). The basic and diluted loss per share amounted to HK3.200 cents (2021: HK1.851 cents).

## **BUSINESS REVIEW**

### **Property Investment Operation**

The Group's property investment operation mainly comprise two investment properties located in the centre of Beijing and Shanghai (collectively referred to as the "**Beijing Property**" and "**Shanghai Property**") respectively. At 31 March 2022, the Beijing Property was valued at approximately HK\$618,518,000 (31 March 2021: HK\$615,663,000) and the Shanghai Property was valued at approximately HK\$540,741,000 (31 March 2021: HK\$566,265,000). Based on the independent valuation performed, loss on changes in fair value of investment properties of approximately HK\$50,909,000 was recorded for the year (2021: HK\$43,373,000). The downward adjustment in the re-valuation was mainly derived from the decrease in fair value of the Shanghai Property due to the persistence of COVID-19 pandemic has adversely affected the fair value of investment properties.

During the year, rental income generated from property investment operation slightly decreased by 2.1% to approximately HK\$31,257,000 (31 March 2021: HK\$31,918,000), which accounted for 20.9% of total revenue. As impacted by the epidemic of the COVID-19, the average occupancy rate of the Shanghai Property further reduced from 51% at 31 March 2021 to 43% at 31 March 2022. The average occupancy rate of the Beijing Property stay flat at approximately 96% as of 31 March 2022. The segment loss amounted to approximately HK\$34,259,000 (2021: HK\$24,163,000). The loss was mainly attributable to the loss on changes in fair value of the Group's investment properties for the year.

The Group will from time to time review its investment properties portfolio and make every endeavour to increase its rental income.

## **Hotel Operation**

At 31 March 2022, the sole hotel property held by the Group, is the Holiday Inn Express Shanghai Wujiaochang (the “**Hotel**”) located in Yangpu District, Shanghai, the PRC, which is a 20-storey hotel with total gross floor area of approximately 15,900 sq. m., and 296 guest rooms and 2-storey basement carpark with total gross floor area of approximately 18,329 sq. m. which can provide approximately 370 carparking spaces.

The Hotel participates the medical observation program organised by the Health Commission of Yangpu District, Shanghai and becomes quarantine hotel by the end of March 2020. Visitor of Shanghai could stay in the Hotel during the medical observation period. It could procure a steady income stream and cashflow to the Hotel during this difficult time. As a result, the average occupancy rate of the Hotel was maintained at approximately the same level as the same period of last year i.e. 95%.

During the year, revenue generated from hotel operation slightly increased to approximately HK\$36,707,000 (2021: HK\$36,516,000), which accounted for 24.6% of total revenue. Before depreciation of approximately HK\$13,885,000, this segment recorded a profit of approximately HK\$16,638,000 (2021: HK\$11,550,000). The segment profit amounted to approximately HK\$2,753,000 (2021: Loss of HK\$1,514,000).

The construction of the hotel properties was completed in 2007 and the Hotel has been in operation since December 2007. Except for minor facilities upgrade/improvement is carried regularly, a material renovation of the Hotel has not been conducted. It expects the Hotel has a strong need to upgrade its facilities to tailor for the demand and expectation of its guests. However, the pandemic situation continues to change, and it has increased the investment risk to the Group’s hotel operation. Timetable of full recovery remains uncertain. The Company is of the view that the business outlook of the Hotel is less optimistic.

On 13 December 2021, EverChina Hotel Investment Limited (“**EverChina Hotel**”), a wholly-owned subsidiary of the Company entered into a non-legally binding letter of intent with an independent third party, in relation to the potential disposal of the entire issued shares of Loyal Rich International Investment Limited (“**Loyal Rich**”), an indirect wholly-owned subsidiary of EverChina Hotel and owner of the Hotel property at the proposed consideration of RMB410,000,000 to the potential purchasers. Details of the letter of intent were set out in the Company’s announcement dated 13 December 2021. Since both parties could not reach an agreement on the major terms and conditions in respect of the potential disposal, it is mutually agreed that the negotiation was terminated on 24 June 2022. The Group has been in active discussion the possibility of the potential disposal with another potential purchaser, no agreement has been entered as at the date of this announcement.

## **Agricultural Operation**

The Group's agricultural operation engages in agricultural farming and cattle raising in Bolivia. As at 31 March 2022, the Group totally owns approximately 18,730 hectares of farmland in Bolivia with carrying value of approximately HK\$345,213,000 (31 March 2021: HK\$345,156,000).

During the year, revenue generated from agricultural operation increased by 38.7% to approximately HK\$81,383,000 (2021: HK\$58,659,000), which account for 54.5% of total revenue. Revenue from sale of crops amounted to approximately HK\$77,135,000 for the year (2021: HK\$57,421,000). The major crops of the farm is soybean. During the year, approximately 11,000 hectare of soybeans was planted, the average yield was 2.3 ton per hectare with a grain production of approximately 25,500 tonnes (2021: 23,000 tonnes). The average selling price of soybean was US\$380/MT, representing an increase of 22% as compared to last year. The segment profit amounted to approximately HK\$26,389,000 (2021: loss of HK\$33,208,000). The turnaround to profit was mainly due to increase in revenue for the year and decrease in impairment loss on the Group's property, plant and equipment by approximately 99% to approximately HK\$342,000 (2021: HK\$38,006,000).

In view of the global demand and supply of soybean have been rising, we are confident that this segment will continue to make stable contribution to the Group's revenue and cash-flow stream in the time ahead.

## **Securities Investment and Financing Operation**

During the year, the Group did not make any new securities investment nor carry any financing operation. This segment did not contribute any revenue to the Group for the year (2021: Nil). The segment loss amounted to approximately HK\$62,451,000 for the year (2021: profit of approximately HK\$91,613,000). The turnaround to loss was mainly due to the loss of HK\$68,883,000 arising on change in fair value of the financial assets at fair value through profit or loss recognised for the year (2021: gain of HK\$93,116,000).

As at 31 March 2022, total securities investment, which was booked under financial assets at fair value through profit and loss amounted to approximately HK\$667,906,000 (31 March 2021: HK\$720,279,000), representing 36.2% (31 March 2021: 35.8%) of the Group's net assets of HK\$1,846,740,000 (31 March 2021: HK\$2,014,463,000). The Group through Interchina (Tianjin) Water Treatment Company Limited ("**Interchina Tianjin**"), a wholly-owned subsidiary of the Company solely held 227,312,500 shares of Heilongjiang Interchina Water Treatment Company Limited ("**Heilongjiang Interchina**", whose shares are listed on Shanghai Stock Exchange, stock code: 600187), representing 13.74% Heilongjiang Interchina's total issued shares. The cost of investment in Heilongjiang Interchina's share was approximately RMB1.1059 at 31 March 2022 (31 March 2021: RMB1.1059).

Heilongjiang Interchina and its subsidiaries are principally engaged in the provision of sewage water treatment, water supply and the provision of environmental technology services. As disclosed in the latest annual report of Heilongjiang Interchina for the year ended 31 December 2021, Heilongjiang Interchina recorded revenue of approximately RMB384,499,000 (equivalent to approximately HK\$474,690,000), loss for the year of approximately RMB93,541,000 (equivalent to approximately HK\$115,483,000) and net assets of approximately RMB3,329,298,000 (equivalent to approximately HK\$4,110,244,000). Heilongjiang Interchina currently operates six sewage and water supply projects with aggregate daily processing capacity of approximately 513,400 tonnes and a clean energy project in the PRC.

The Group will review its investment strategy for this segment and will closely monitor the market change and not eliminate the possibility of realizing its investment in Heilongjiang Interchina to enhance the Group's working capital if necessary and when timing is appropriate.

### **Resources Operation**

The Group through a non-wholly owned subsidiary of the Company, PT Satwa Lestari Permai owns a mining license to conduct the activities of construction, production, sales transportation and processing/refinery of manganese ore in the district of Kupang City Nusantara Timor Tenggara, Indonesia for a period of twenty years which should expire on 4 November 2031 (the “**Mining Right**”). Production has not been commenced since the Group acquired the Mining Right in November 2011.

The demand for manganese is closely related to the production of steel. The steel market has been adversely affected by the COVID-19. The market price of manganese ore has been decreasing since the COVID-19 in 2020. Manganese ore benchmark price per ton dropped by from US\$158 at 31 March 2020 to US\$151 at 31 March 2021 and further dropped to US\$145 at 31 March 2022. The Company has undertaken a review on the carrying value of the Mining Right with reference to independent valuation report prepared by International Valuation Limited, an impairment loss on the Mining Right of approximately HK\$109,109,000 was recognised for the year (2021: Nil) as a result of further decrease in the market price of manganese ore at 31 March 2022 as compared to the last year. At 31 March 2022, the value of the Mining Right amounted to approximately HK\$69,555,000 (31 March 2021: HK\$178,664,000).

This segment did not contribute any revenue to the Group for the year (2021: Nil). The segment loss amount to approximately HK\$105,093,000 (2021: HK\$847,000). The loss was mainly represented the impairment loss on the Mining Right and administrative expenses for the year.

On 23 September 2021, the Company entered into the JV Agreement with Pengxin International Mining Co., Ltd (“**Pengxin Mining**”) in relation to the formation of the JV Company, which will be owned as to 12.5% by the Company and as to 87.5% by the JV Partner. The formation of the JV Company enables the Group to leverage on Pengxin Mining’s capital and capabilities in principally geological survey and subsequently, if appropriate, operating and management of this mining assets. In long run, it expected the project can generate economic benefit to the Group. The transaction constitutes a connected transaction of the Company under the Listing Rules. Details of the transaction were set out in the Company’s announcement dated 23 September 2021. The JV Company, namely 上海鵬錳礦業有限責任公司 has been established on 25 January 2022 and is classified as interest in an associate of the Company.

## **OUTLOOK**

Amid the political and economic instability, the business outlook will remain difficult and challenging. The post-pandemic economy is still recovering. The Group will continue to adopt appropriate measures to minimise any impact caused by the COVID-19 pandemic. In the meanwhile, we will constantly review, reinforce and, in appropriate circumstance, restructure its existing business segments to maintain the sustainable long-term growth of the Group.

With the implementation of the one-child policy in the past, China will face various problems arising from an aging population, and it is expected that the demand for health care and elderly services will increase in the coming future. The chairman of the Board has given instruction to the Company to understand the possibility of investing health care and elderly services and its related business in China. At the same time, the Group will grasp investment opportunities to diversify the Group’s business with an aim to improving its profitability, increasing shareholder returns, and laying a solid foundation for its future development.

## **FINANCIAL REVIEW**

### **Liquidity and Financial Resources**

At 31 March 2022, the equity amounted to approximately HK\$1,846,740,000 (31 March 2021: approximately HK\$2,014,463,000). At 31 March 2022, the Group’s cash on hand and deposits in bank was approximately HK\$40,926,000 (31 March 2021: approximately HK\$33,413,000), mainly denominated in Renminbi (“**RMB**”) and Hong Kong dollars. At 31 March 2022, the Group’s net current assets were approximately HK\$67,003,000 (31 March 2021: approximately HK\$79,247,000). The current ratio of the Group as at 31 March 2022 was 1.09 (31 March 2021: 1.10). The gearing ratio (total outstanding borrowings over total assets) of the Group as of 31 March 2022 was 30.8% (31 March 2021: 30.1%).

At 31 March 2022, the Group's total borrowings including the amount due to a related company of approximately HK\$893,696,000 (31 March 2021: approximately HK\$945,149,000), which mainly comprised secured bank borrowings of approximately HK\$Nil (31 March 2021: approximately HK\$6,998,000), secured other borrowings of approximately HK\$250,000,000 (31 March 2021: approximately HK\$17,000,000) and unsecured other borrowings of approximately HK\$16,000,000 (31 March 2021: approximately HK\$16,000,000). As at 31 March 2022, the Group's borrowings were denominated in RMB, HKD and USD, amounting to approximately RMB508,434,000 (31 March 2021: approximately RMB751,275,000), approximately HK\$266,000,000 (31 March 2021: approximately HK\$33,000,000) and approximately US\$Nil (31 March 2021: approximately US\$897,000) respectively.

There has been no change in the share capital of the Company during the period. As at 1 April 2021 and 31 March 2022, the number of issued shares of the Company was 7,294,369,363.

### **Pledged of Assets**

At 31 March 2022, the Group's bank and other borrowings were secured by charges on (i) the Group's freehold land with carrying amounts of approximately HK\$152,084,000 (31 March 2021: approximately HK\$152,473,000); and (ii) certain subsidiaries of the Group with carrying amounts of approximately HK\$279,769,000 (31 March 2021: Nil).

### **Material Acquisition and Disposal**

Save for the information disclosed in other parts of this section, the Group did not have any material acquisition or disposal of subsidiaries or associates for the years ended 31 March 2022 and 2021.

### **Contingent Liability**

As at 31 March 2022, the Group had no material contingent liabilities (31 March 2021: Nil).

### **Capital Commitment**

As at 31 March 2022, the Group had approximately HK\$5,488,000 (31 March 2021: Nil) capital commitment in respect of capital contribution to an associate.

## **Foreign Exchange Exposure**

The majority of the Group's assets and liabilities are denominated in Renminbi, Hong Kong dollars and US dollars which are the functional currencies of respective group companies. The Group has not entered into any instruments on the foreign exchange exposure. The Group will closely monitor exchange rate movement and will take appropriate activities to reduce the exchange risk.

## **Human Resources**

As at 31 March 2022, the Group employed approximately 160 employees (31 March 2021: approximately 153). The Group maintains a policy of paying competitive remuneration packages and employees are also rewarded on performance related basis including salary and bonus.

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

During the year ended 31 March 2022, neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities of the Company.

## **CORPORATE GOVERNANCE CODE**

Throughout the period under review, the Company had complied, to the extent applicable and permissible, with the code provision as set out in the Corporate Governance Code (the "CG Code") except for the deviations as stated below:

- (i) The Code Provision D.1.4 (re-numbered to C.3.3 from 1 January 2022) of the CG Code stipulates that issuers should have formal letters of appointment for directors setting out the key terms and conditions of their appointment. All Directors, except independent non-executive Directors, have formal letters of appointment. The independent non-executive Directors have followed the guidelines set out in "A Guide on Directors' Duties" issued by the Companies Registry and "Guidelines for Directors" and "Guide for Independent Non-Executive Directors" published by the Hong Kong Institute of Directors in performing their duties and responsibilities as Directors. The independent non-executive Directors clearly understand role and responsibilities of independent non-executive Directors. The Board considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those prescribed by code provisions D.1.4 of the CG Code and therefore does not intend to take any steps in this regard at the moment.

- (ii) The Code Provision E.2.1 (re-numbered to F.2.2 from 1 January 2022) of the CG Code stipulates that the chairman of the board should attend the AGM to answer questions at the AGM. Mr. Jiang Zhaobai, the chairman of the Board did not attend the 2021 AGM due to other business engagements. Mr. Lam Cheung Shing, Richard, being the executive Director of the Company, who took chair of the AGM on 3 September 2021 together with other members of the Board who attended the AGM, were of sufficient calibre for answering questions at the AGM and had answered questions at the AGM competently.
- (iii) The Code Provision A.6.7 (re-numbered to C.1.6 from 1 January 2022) of the CG Code stipulates that independent non-executive Directors and other non-executive Directors should attend general meetings to gain and develop a balanced understanding of the views of shareholders. Mr. Ho Yiu Yue, Louis, being an independent non-executive Director was unable to attend the AGM and the general meeting of the Company held on 3 September 2021, due to sickness. Considering that all other independent non-executive Directors attended the meetings, the Board is of the view that the Board gained and developed a balanced understanding of the views of the shareholders of the Company.
- (iv) The Code Provision A.2.7 (re-numbered to C.2.7 from 1 January 2022) of the CG Code stipulates that the chairman of the board should at least annually hold meetings with independent non-executive directors without the presence of other directors. Due to the various other business engagement, the Chairman of the Board did not meet up with the independent non-executive directors during the year. Although the Chairman did not hold any formal meeting with the independent non-executive Directors without the presence of other Directors during the year, he delegated the Company Secretary to gather any opinions/questions that the independent non-executive Directors might have and report to him for follow up. As such, the independent non-executive Directors of the Company were given opportunities to voice their concerns to the Chairman directly.

### **Compliance with the Model Code for Securities Transactions by Directors of Listed Issuers**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the “**Model Code**”) as the Company’s code of conduct regarding securities transactions by its Directors. Specific enquiry has been made to all directors, who have confirmed that they had complied with the required standard set out in the Model Code for the year ended 31 March 2022.

## **PUBLICATION OF THE ANNUAL REPORT**

The annual report of the Group for the year ended 31 March 2022 will be published on the website of The Stock Exchange of Hong Kong Limited ([www.hkex.com.hk](http://www.hkex.com.hk)) and the website of the Company ([www.everchina202.com.hk](http://www.everchina202.com.hk)) in due course.

By order of the Board of  
**EverChina Int'l Holdings Company Limited**  
**Lam Cheung Shing, Richard**  
*Executive Director and Chief Executive Officer*

Hong Kong, 29 June 2022

*As of the date of this announcement, the executive Directors are Mr. Jiang Zhaobai, Mr. Lam Cheung Shing, Richard and Mr. Chen Yi, Ethan, the independent non-executive Directors are Mr. Ho Yiu Yue, Louis, Mr. Ko Ming Tung, Edward and Mr. Ng Ge Bun.*