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**CONTINENTAL
HOLDINGS LIMITED**

恒和珠寶集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00513)

**RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 30 JUNE 2021**

The board of directors (the “Board”) of Continental Holdings Limited (the “Company”) announces the audited consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 30 June 2021 together with comparative figures for the previous financial year as follows:

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

For the year ended 30 June 2021

	<i>Notes</i>	2021 HK\$'000	2020 HK\$'000
Revenue	<i>3</i>	536,267	420,315
Cost of sales		(420,078)	(328,284)
Gross profit		116,189	92,031
Selling and distribution costs		(17,872)	(18,920)
Administrative expenses		(93,339)	(111,444)
Other operating income		15,629	4,902
Impairment loss on trade and other long-term receivables, net		(2,389)	(12,534)
Change in fair value of investment properties		77,708	(5,257)
(Impairment loss)/Reversal of impairment loss on property, plant and equipment		(5,759)	464
(Impairment loss)/Reversal of impairment loss on mining right		(59,892)	17,592
Share-based compensation		–	(200)
Gain on disposal of subsidiaries		–	12,477
Finance costs	<i>4</i>	(4,511)	(7,301)
Share of results of joint ventures		(931)	(26)
Share of results of an associate		(2,523)	14,543

	<i>Notes</i>	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Profit/(Loss) before income tax	5	22,310	(13,673)
Income tax credit/(expense)	6	11,959	(4,209)
Profit/(Loss) for the year		34,269	(17,882)
Other comprehensive income, net of tax			
Items that may be subsequently reclassified to profit or loss:			
Change in fair value of debt instruments at fair value through other comprehensive income		(945)	–
Reclassified to profit or loss upon disposal of debt instrument at fair value through other comprehensive income		8	–
Exchange differences on translation of foreign operations		45,079	(17,551)
Items that will not be subsequently reclassified to profit or loss:			
Change in fair value of equity instruments at fair value through other comprehensive income		1,819	(9,440)
Other comprehensive income for the year, net of tax		45,961	(26,991)
Total comprehensive income for the year		80,230	(44,873)
Profit/(Loss) for the year attributable to:			
Owners of the Company		19,885	(15,341)
Non-controlling interests		14,384	(2,541)
		34,269	(17,882)
Total comprehensive income for the year attributable to:			
Owners of the Company		65,791	(42,332)
Non-controlling interests		14,439	(2,541)
		80,230	(44,873)
		<i>HK cents</i>	(Restated) <i>HK cents</i>
Earning/(Loss) per share for profit/(loss) attributable to the owners of the Company			
– Basic	8	2.91	(2.25)
– Diluted		2.91	(2.25)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

	<i>Notes</i>	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		39,629	48,652
Right-of-use assets		46,863	47,641
Investment properties		1,928,300	1,564,100
Goodwill		8,124	8,124
Intangible assets		8,234	8,222
Mining right		591,056	594,773
Interests in associates		29,882	32,405
Interests in joint ventures		1,042	1,973
Financial assets at fair value through other comprehensive income		37,945	15,750
Financial assets at fair value through profit or loss		11,370	–
Long-term receivables		–	–
Deferred tax assets		2,728	5,762
		2,705,173	2,327,402
Current assets			
Property under development		335,843	318,763
Inventories		214,417	220,522
Trade receivables	9	99,943	92,687
Prepayments, deposits and other receivables		10,509	15,382
Financial assets at fair value through profit or loss		12,185	13,201
Cash and cash equivalents		340,207	468,521
		1,013,104	1,129,076

	<i>Notes</i>	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Current liabilities			
Trade payables	<i>10</i>	(67,725)	(74,010)
Other payables and accruals		(119,273)	(44,460)
Contract liabilities		(720)	(475)
Bank and other loans	<i>11</i>	(707,010)	(751,663)
Lease liabilities		(4,162)	(3,976)
Due to related companies		(7,225)	–
Due to joint ventures		(1,036)	(696)
Due to non-controlling interests		–	(29,340)
Provision for tax		(3,034)	(1,998)
		<u>(910,185)</u>	<u>(906,618)</u>
Net current assets		<u>102,919</u>	<u>222,458</u>
Total assets less current liabilities		<u>2,808,092</u>	<u>2,549,860</u>
Non-current liabilities			
Bank and other loans	<i>11</i>	(129,200)	–
Lease liabilities		(15,167)	(15,397)
Due to related companies		(33,011)	(30,550)
Loan from a controlling shareholder		(4,802)	(4,388)
Due to non-controlling interests		(48,785)	–
Deferred tax liabilities		(130,619)	(133,250)
		<u>(361,584)</u>	<u>(183,585)</u>
Net assets		<u><u>2,446,508</u></u>	<u><u>2,366,275</u></u>
EQUITY			
Share capital		560,673	560,673
Reserves		<u>1,683,578</u>	<u>1,618,910</u>
Equity attributable to the owners of the Company		<u>2,244,251</u>	<u>2,179,583</u>
Non-controlling interests		<u>202,257</u>	<u>186,692</u>
Total equity		<u><u>2,446,508</u></u>	<u><u>2,366,275</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The consolidated financial statements of Continental Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) which collective terms include all applicable Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the Hong Kong Companies Ordinance. The consolidated financial statements also include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The financial information relating to the year ended 30 June 2021 included in this preliminary announcement of annual results does not constitute the Company’s statutory annual consolidated financial statements for that year 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 Hong Kong Companies Ordinance, Cap. 622 (the “Companies Ordinance”) is as follows:

The Company had delivered the financial statements for the year ended 30 June 2020 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 30 June 2021 in due course.

The Company’s auditor has reported on those financial statements of 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 report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Companies Ordinance.

2. ADOPTION OF HKFRSs

(a) Adoption of new or revised HKFRSs – effective 1 July 2020

The Group has adopted the following new or revised HKFRSs issued by the HKICPA that are relevant to its operations and effective for annual periods beginning on or after 1 July 2020.

Amendments to HKFRS 3	Definition of a Business
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform
Amendments to HKFRS 16	COVID-19 – Related Rent Concessions
Amendments to HKAS 1 and HKAS 8	Definition of Material

The adoption of these new or amended HKFRSs has no material impact on the Group's consolidated financial statements.

(b) New/revised HKFRSs that have been issued but are not yet effective

The following new/revised HKFRSs, potentially relevant to the Group's financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group's current intention is to apply these changes on the date they become effective.

Amendments to HKFRS 3	Reference to the Conceptual Framework ³
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) ⁴
Amendments to HKAS 16	Property, Plant and Equipment: Proceeds before Intended Use ³
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract ³
Annual Improvements to HKFRSs	Annual Improvements to HKFRSs 2018-2020 Cycle ³
Amendments to HKAS 39, HKFRS 4, HKFRS 7, HKFRS 9 and HKFRS 16	Interest Rate Benchmark Reform – Phase 2 ¹
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies ⁴
Amendments to HKAS 8	Definition of Accounting Estimates ⁴
2021 Amendments to HKFRS 16	COVID-19 – Related Rent Concessions beyond 30 June 2021 ²
Amendments to HKAS 12	Recognition of Deferred Tax Liabilities and Deferred Tax Assets ⁴

2. ADOPTION OF HKFRSs (Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (Continued)

- ¹ Effective for annual periods beginning on or after 1 January 2021
- ² Effective for annual periods beginning on or after 1 April 2021
- ³ Effective for annual periods beginning on or after 1 January 2022
- ⁴ Effective for annual periods beginning on or after 1 January 2023

The directors of the Company have performed an assessment on new standards, amendments and interpretations, and have concluded on a preliminary basis that these new standards and amendments would not have a significant impact on the Group's consolidated financial statements in subsequent years.

3. REVENUE AND SEGMENT INFORMATION

Revenue recognised during the year is as follows:

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Revenue from contracts with customers		
Sale of goods	526,427	403,043
Revenue from other sources		
Rental income	5,463	4,959
Interest income	3,156	9,618
Dividend income from investments	1,221	2,695
	<u>536,267</u>	<u>420,315</u>

3. REVENUE AND SEGMENT INFORMATION (Continued)

The following table provides information about trade receivables and contract liabilities from contracts with customers.

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Trade receivables	99,943	92,687
Contract liabilities	<u>720</u>	<u>475</u>

As at 30 June 2020, the contract liabilities mainly related to the advance consideration received from customers which has been recognised as revenue for the year ended 30 June 2021.

As at 30 June 2021, the advance consideration received from customers of HK\$720,000 (2020: HK\$475,000) represents unfulfilled performance obligation under the Group's exiting contracts. This amount represents revenue expected to be recognised in the future. The Group will recognise the expected revenue in future when performance obligation is completed, which is expected to occur within one year.

The Group determines its operating segments based on the reports reviewed by the chief operating decision-maker that are used to assess performance and allocate resources.

The chief operating decision-maker has been identified as the Company's executive directors. The executive directors have identified the Group's four business lines as operating segments. These four business lines are:

- Design, manufacturing, marketing and trading of fine jewellery and diamonds (the "Jewellery Business")
- Property investment and development
- Mining operation
- Investment

3. REVENUE AND SEGMENT INFORMATION (Continued)

(a) Business segment

	Jewellery Business		Property investment and development		Mining operation		Investment		Consolidated	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment revenue:										
Sales to/Revenue from external parties	<u>526,427</u>	<u>403,043</u>	<u>5,463</u>	<u>4,959</u>	<u>-</u>	<u>-</u>	<u>4,377</u>	<u>12,313</u>	<u>536,267</u>	<u>420,315</u>
Segment results	<u>34,169</u>	<u>(20,649)</u>	<u>68,603</u>	<u>2,025</u>	<u>(73,244)</u>	<u>11,097</u>	<u>(1,660)</u>	<u>6,405</u>	<u>27,868</u>	<u>(1,122)</u>
Unallocated expenses									(3,351)	(7,149)
Share-based compensation									-	(200)
Finance costs									<u>(2,207)</u>	<u>(5,202)</u>
Profit/(Loss) before income tax									<u>22,310</u>	<u>(13,673)</u>
	Jewellery Business		Property investment and development		Mining operation		Investment		Consolidated	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment assets	369,570	384,537	2,295,755	1,917,452	639,957	646,533	68,321	31,934	3,373,603	2,980,456
Cash and cash equivalents									340,207	468,521
Deferred tax assets									2,728	5,762
Unallocated corporate assets									<u>1,739</u>	<u>1,739</u>
Total assets									<u>3,718,277</u>	<u>3,456,478</u>
Segment liabilities	113,453	115,333	139,896	45,993	39,057	35,548	3,813	886	296,219	197,760
Bank and other loans									836,210	751,663
Loan from a controlling shareholder									4,802	4,388
Provision for tax									3,034	1,998
Deferred tax liabilities									130,619	133,250
Unallocated corporate liabilities									<u>885</u>	<u>1,144</u>
Total liabilities									<u>1,271,769</u>	<u>1,090,203</u>

3. REVENUE AND SEGMENT INFORMATION (Continued)

(a) Business segment (Continued)

	Jewellery Business		Property investment and development		Mining operation		Investment		Consolidated	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Other segment information:										
Depreciation of property,										
plant and equipment	(3,677)	(3,652)	-	-	(440)	(407)	-	-	(4,117)	(4,059)
Depreciation of right-of-use assets	(4,850)	(3,315)	-	-	(1,292)	(1,181)	-	-	(6,142)	(4,496)
Change in fair value of										
investment properties	-	-	77,708	(5,257)	-	-	-	-	77,708	(5,257)
Fair value gain/(loss) on financial assets at fair value through profit or loss	(332)	-	-	-	-	-	898	(223)	566	(223)
Loss on disposal of debt instruments measured at fair value through other comprehensive income	-	-	-	-	-	-	(8)	-	(8)	-
Gain/(Loss) on disposal of property, plant and equipment and right-of-use assets	3,130	(63)	-	-	-	-	-	-	3,130	(63)
Write-off of property, plant and equipment	(92)	(2)	-	-	-	-	(17)	-	(109)	(2)
Share of results of joint ventures	-	-	(931)	(26)	-	-	-	-	(931)	(26)
Share of result of an associate	-	-	(2,523)	14,543	-	-	-	-	(2,523)	14,543
(Impairment loss)/Reversal on impairment loss on mining right	-	-	-	-	(59,892)	17,592	-	-	(59,892)	17,592
(Impairment loss)/Reversal on impairment loss on property, plant and equipment	-	-	-	-	(5,759)	464	-	-	(5,759)	464
Provision for inventories	(7,658)	(2,912)	-	-	-	-	-	-	(7,658)	(2,912)
Provision for trade receivables and other long-term receivables, net	(2,389)	(12,534)	-	-	-	-	-	-	(2,389)	(12,534)
Interest income	-	-	-	-	-	-	3,156	9,618	3,156	9,618
Interest expenses	(862)	(778)	-	-	(1,442)	(1,321)	-	-	(2,304)	(2,099)
Gain on debt modification on amount due to a related company	-	-	-	-	1,446	1,318	-	-	1,446	1,318
Additions to non-current segment assets	5,815	7,021	278,061	42,513	181	-	-	-	284,057	49,534

3. REVENUE AND SEGMENT INFORMATION (Continued)

(b) Geographical information

The Group's segment revenue from external customers and its non-current assets (other than financial instruments and deferred tax assets) are divided into the following geographical areas.

	Revenue from external customers	
	2021	2020
	<i>HK\$'000</i>	<i>HK\$'000</i>
Hong Kong (place of domicile)	38,512	38,237
North America	278,299	202,087
Europe and Middle East	205,058	173,870
Other locations	14,398	6,121
	<u>536,267</u>	<u>420,315</u>
Total	<u><u>536,267</u></u>	<u><u>420,315</u></u>

	Non-current assets	
	2021	2020
	<i>HK\$'000</i>	<i>HK\$'000</i>
Hong Kong (place of domicile)	1,965,730	1,607,413
North America	28,816	30,631
United Kingdom	5,522	5,334
Mainland China	653,062	662,512
	<u>2,653,130</u>	<u>2,305,890</u>
Total	<u><u>2,653,130</u></u>	<u><u>2,305,890</u></u>

The revenue information above is based on the location of the customers. The geographical location of the non-current assets (other than financial instruments and deferred tax assets) is based on the physical location of the assets.

The executive directors determine the Group is domiciled in Hong Kong, which is the location of the Group's principal office.

3. REVENUE AND SEGMENT INFORMATION (Continued)

(b) Geographical information (Continued)

Information about major customers

Revenue from a major customer, which amounted to 10% or more of the Group's revenue, is set out below:

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Customer A*	<u>90,737</u>	<u>67,371</u>

* *The revenue from Customer A was all derived by the segment engaging in the Jewellery Business.*

4. FINANCE COSTS

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Interest charges on:		
Bank and other loans	12,987	24,592
Interest on lease liabilities	862	778
Imputed interest expenses arising from amount due to a related company	<u>1,442</u>	<u>1,321</u>
Total borrowing costs:	15,291	26,691
<i>Less:</i> interests capitalised in		
– investment properties	(8,431)	(15,644)
– property under development	<u>(2,349)</u>	<u>(3,746)</u>
	<u>4,511</u>	<u>7,301</u>

5. PROFIT/(LOSS) BEFORE INCOME TAX

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
The Group's profit/(loss) before income tax is arrived at after charging/(crediting):		
Cost of inventories sold	375,239	290,473
Depreciation of property, plant and equipment	4,117	4,059
Depreciation of right-of-use assets	6,142	4,496
Auditor's remuneration	1,150	1,370
Short-term leases charges	32	305
Low-value assets leases charges	1,663	1,916
Provision for inventories*	7,658	2,912
Fair value (gain)/loss on financial assets at fair value through profit or loss	(566)	223
Net foreign exchange (gain)/loss	(9,258)	5,097
(Gain)/Loss on disposal of property, plant and equipment and right-of-use-assets	(3,130)	63
Gain on debt modification on amount due to a related company	(1,446)	(1,318)
Write-off of property, plant and equipment	<u>109</u>	<u>2</u>

* *Provision for inventories for the year was included in "cost of sales" on the face of the consolidated statement of profit or loss and other comprehensive income.*

6. INCOME TAX (CREDIT)/EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2020: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the applicable rates of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Current tax		
Hong Kong	88	30
Overseas	114	–
Over provision in prior years	<u>(19)</u>	<u>(257)</u>
	183	(227)
Deferred tax		
Current year	<u>(12,142)</u>	<u>4,436</u>
Total income tax (credit)/expense	<u><u>(11,959)</u></u>	<u><u>4,209</u></u>

7. DIVIDENDS

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Final dividend paid in respect of the prior year of HK0.25 cent per share (before Share Consolidation)	<u><u>–</u></u>	<u><u>17,078</u></u>

At the board meeting held on 27 September 2021, the directors resolved to recommend a final dividend of HK2.00 cents per ordinary share. The proposed dividend has not been recognised as a dividend payable as at 30 June 2021, but will be reflected as an appropriation of retained profits for the year ending 30 June 2022.

The directors did not recommend any payment of dividends in respect of the year ended 30 June 2020.

The final dividend approved on 30 September 2019 amounted to HK\$17,078,000 was paid on 2 January 2020.

8. EARNINGS/(LOSS) PER SHARE

The calculations of basic and diluted earnings/(loss) per share attributable to the owners of the Company are based on the following data:

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Profit/(Loss) attributable to the owners of the Company for the purpose of basic earnings/(loss) per share	<u>19,885</u>	<u>(15,341)</u>
	Number of shares	
	2021	2020 (Restated)
Weighted average number of ordinary shares for the purpose of basic earnings/(loss) per share	683,118,258	683,118,258
Effect of dilutive potential ordinary shares in respect of – Share option (<i>note (i)</i>)	<u>175,342</u>	<u>–</u>
Weighted average number of ordinary shares for the purpose of diluted earnings/(loss) per share	<u>683,293,600</u>	<u>683,118,258</u>

Notes:

- (i) For the year ended 30 June 2021, the calculation of basic earnings per share attributable to the owners of the Company was based on the profit for the year attributable to the owners of the Company of HK\$19,885,000 (2020: loss for the year attributable to the owners of the Company of HK\$15,341,000) and on weighted average of 683,118,258 (2020: 683,118,258) ordinary shares during the year.

For the year ended 30 June 2021, diluted earnings per share amounts is based on profit for the year attributable to owners of the Company of HK\$19,885,000 and on the adjusted weight average 683,293,600 ordinary shares outstanding during the year, being the weight average of number of ordinary shares of 683,118,258 used in basic earnings per share calculation and adjusted for the effect of deemed exercise on share options of 175,342 existing during the year.

The weighted average number of ordinary shares for the purposes of calculating basic and diluted earnings/(loss) per share have been retrospectively adjusted for the effects of share consolidation completed on 31 May 2021.

For the year ended 30 June 2020, the computation of diluted loss per share did not assume the exercise of share option as they were anti-dilutive.

9. TRADE RECEIVABLES

The Group normally grants credit terms to its customers according to industry practice together with consideration of their creditability, repayment history and years of establishment. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are regularly reviewed by senior management.

An ageing analysis of trade receivables, net of provision, as at the reporting date, based on the date of recognition of the sale, is as follows:

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
0 – 30 days	40,742	16,928
31 – 60 days	35,769	10,222
61 – 90 days	15,115	3,562
Over 90 days	<u>8,317</u>	<u>61,975</u>
	<u>99,943</u>	<u>92,687</u>

10. TRADE PAYABLES

The credit terms of trade payables vary according to the terms agreed with different suppliers. The ageing analysis of trade payables of the Group as at the reporting date, based on the invoice dates, is as follows:

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
0 – 30 days	31,292	24,050
31 – 60 days	13,601	3,424
61 – 90 days	4,317	8,074
Over 90 days	<u>18,515</u>	<u>38,462</u>
	<u>67,725</u>	<u>74,010</u>

11. BANK AND OTHER LOANS

The analysis of the carrying amount of bank and other loans is as follows:

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Current liabilities		
Portion of bank and other loans due for repayment within one year		
– Guaranteed	15,000	15,000
– Secured and guaranteed	658,583	62,291
– Unsecured and unguaranteed	<u>–</u>	<u>4,405</u>
	673,583	81,696
Portion of bank and other loans due for repayment after one year which contain a repayable on demand clause		
– Secured and guaranteed	<u>33,427</u>	<u>669,967</u>
	<u><u>707,010</u></u>	<u><u>751,663</u></u>
Non-current liabilities		
Portion of bank and other loans due for repayment after one year		
– Secured and guaranteed	<u><u>129,200</u></u>	<u><u>–</u></u>

At 30 June 2021, the bank and other loans were scheduled to repay as follows:

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Bank and other loans:		
Repayable within one year	673,583	81,696
Repayable in the second year	16,733	636,604
Repayable in the third to fifth year, inclusive	<u>145,894</u>	<u>33,363</u>
	<u><u>836,210</u></u>	<u><u>751,663</u></u>

11. BANK AND OTHER LOANS (Continued)

The amounts due are based on the scheduled repayment dates set out in the loan agreements and ignore the effect of any repayment on demand clause.

The bank and other loans of the Group denominated in HK\$ of HK\$813,558,000 (2020: HK\$719,289,000) and US\$ in the equivalent amount of HK\$22,652,000 (2020: HK\$32,374,000) have floating interest rates ranging from 1.24% to 3.09% (2020: 1.00% to 3.14%) per annum.

12. EVENT AFTER THE REPORTING PERIOD

On 1 September 2021, the Group entered into six Preliminary Agreements with five independent third parties relating to acquisition of six properties located at (i) Ground Floor, First Floor, Second Floor and a portion of the Roof, No.164 Boundary Street, Kowloon, Hong Kong; and (ii) Ground Floor, First Floor and Second Floor, No.164A Boundary Street, Kowloon, Hong Kong at a total consideration of HK\$183,500,000 (the “Boundary Acquisition”). The Boundary Acquisition constitutes a major transaction for the Company under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and completion will take place on or before 22 December 2021. Details of the Boundary Acquisition was set out in the announcement of the Company dated 1 September 2021.

BUSINESS REVIEW AND MANAGEMENT DISCUSSION AND ANALYSIS

For the fiscal year ended 30 June 2021, the Group's consolidated revenue recorded an increase of approximately HK\$116.0 million or 27.6 % from last year's HK\$420.3 million to HK\$536.3 million. During the year, profit attributable to owners of the Company was HK\$19.9 million as compared to last year's loss of HK\$15.3 million. The turnaround from loss to profit for the year was mainly due to (i) recognition of profit of approximately HK\$77.7 million arising from the change in fair value of investment properties for the fiscal year ended 30 June 2021 which partially offset the impairment loss on mining right of HK\$59.9 million; (ii) improvements in operating results of jewellery; and (iii) net foreign exchange gain of approximately HK\$9.3 million for the year. The basic earnings per share was HK2.91 cents (2020: basic loss per share of HK2.25 cents (after Share Consolidation)).

2020 was an unforeseen year with COVID-19 disrupting and dampening the global economy in a big way. The pandemic led to major lockdowns around the world and resulting in economic restrictions and stagnation. As International trade is at the heart of our jewellery business, cancellation of international tradeshows, city lockdowns, travel restrictions and social distancing have impacted the jewellery industry throughout most of 2020. Fortunately, in the 4th quarter of 2020, economic activities gradually resumed and few major economies started to show signs of a recovery. Whilst travel restrictions remained and tradeshows still being called off, the associated impact of COVID-19 has led to shifts in how, where and what customers purchased. The Group has proactively adapted to the change in customer behaviour by working more closely with e-tailers and pivoted towards online in both sales and marketing, supporting customers with online and digital solutions. This creates a new window to continuously promote and sell products through different channels and expands our presence on marketplaces. Entering 2021, with vaccines being available in many countries and social distancing measures relaxed, the global economy showed a strong recovery. Jewellery retail sales in United States ("US" or the "USA") and Europe increased positively. As a result, the Group's revenues of jewellery segment recorded an increase of approximately HK\$123.4 million or 30.6 % from last year's HK\$403.0 million to HK\$526.4 million for the year ended 30 June 2021. Meanwhile, with the disciplined cost management, increase in net foreign exchange gain as well as subsidies from government relating to COVID-19, the jewellery segment resulted a turnaround from last year's loss of approximately HK\$20.6 million to a profit of approximately HK\$34.2 million for the year ended 30 June 2021.

Furthermore, the previous acquisition and expansion of subsidiaries in the USA and United Kingdom (“UK”) have strengthened the Group’s local presence and support, allowing customers to direct contact with dedicated sales team and offering timely replenishment lead times. These were extremely important during the pandemic when overseas travel was restricted and international cargo service was limited. Localized communication and fulfillment also mitigated the impact on global trade and positioned the Group to serve customers with regional support, servicing and deliveries. While tightened measures to control travel is expected to remain, the Group will continue to leverage on its overseas offices to penetrate the local markets and further enhance its market positions.

In property, as Hong Kong’s property market began to see the silver lining in the first half of 2021 following the COVID-19 pandemic and social tensions over the past year or so, the Group continues to manage a diverse and balanced portfolio which comprises a mix of residential and commercial properties.

The Group currently holds 75% of the interests in a piece of land located at No. 232 Wan Chai Road, Hong Kong (the “Wan Chai Road Property”) with a site area of approximately 5,798 sq. ft. The land is currently under redevelopment into a premium grade office and retail composite building of approximately 28-storey tall with a gross floor area of approximately 86,970 sq. ft. and to hold it for long term leasing investment purpose. The project is expected to be completed at the end of 2021 as scheduled. The leasing planning has begun, and the property shall start marketing during the third quarter of 2021.

The Group also owns 90% interests of sites at Nos. 7, 7A, 9, and 9A of Cheung Wah Street, Cheung Sha Wan, Kowloon, (the “Cheung Wah Street Property”) with a site area of approximately 3,240 sq. ft. The plan is to redevelop the existing buildings into a 25-storey residential development with 2-storey of retail podium/high-rise composite building, with a proposed gross floor area of approximately 29,147 sq. ft. The foundation works have been completed and the superstructure works have commenced in December 2020. The project is in good progress and the expected completion date of the redevelopment is in late 2022.

The 12 floors of Glassview Commercial Building located at 65 Castle Peak Road, Yuen Long, New Territories, with a gross floor area of approximately 14,508 sq. ft. were acquired in 2018. Despite of the COVID-19 pandemic and social distancing policies, the units are currently fully let and continue to generate a steady income to the Group. During the year, the Group managed to enhance the overall rental yield with renewed leases.

In May 2021, the Group has acquired Shop A and Shop B on G/F., and Office A, B, C, D, E, F, G & H located on 1/F of Hart Avenue Court at 19-23 Hart Avenue, Kowloon, with a gross floor area of approximately 5,100 sq. ft. The properties are fully let and generate a stable rental income to the Group.

In the mining segment, operation at HongZhuang Gold Mine was minimized. The Company focusing the exploration at the north eastern of Yuanling. Meanwhile, we will continue developing new shaft and re-visiting the old shaft in the Yuanling mine site.

BUSINESS OUTLOOK

Although the economic disruption from the pandemic has started to ease in most countries, some continue to experience uncertainty and volatility. With the risk of Delta Variant of COVID-19, market conditions are expected to remain challenging and it is still unclear how the recovery will develop. Notwithstanding this volatility, the domestic consumption is expected to remain steady with modest growth. The Group's strategic move in strengthening local support and service will continue to be an advantage adapting to the changing market environment. Furthermore, with the implementation of digital and online solutions, the Group will stay ahead of its competition and further expand its sales reach to customers. In summary, the consumer and market behaviour have changed even when the pandemic is over and things are back to normal. We believe the Group has well positioned itself for an economy recovery and the long term growth in the industry.

In property, Hong Kong's containment of the COVID-19 pandemic and the increasing vaccination rates have stabilized the overall real estate market. Despite the commercial market suffering from moderate declines in rents during the past year, the Group foresees positive momentum and the economic recovery will support market demands in driving growth in capital value in the medium to long term horizon.

Looking ahead the Group's broad portfolio and geographic footprint, coupled with its leading market position will provide a solid foundation for sustainable growth. Whilst uncertainty remains and travelling is still severely impacted, management remains optimistic about the growth prospects for all of its businesses and believes the Group is well positioned to capture the opportunities to drive long-term growth and shareholder value.

IMPAIRMENT LOSS ON MINING RIGHT AND PROPERTY, PLANT AND EQUIPMENT

During the year ended 30 June 2021, the Directors appointed an independent professional valuer, BMI Appraisals Limited, to perform a valuation with respect to Hongzhuang Gold Mine situated at Henan Province, China and impairment loss of mining right and property plant and equipment amounting to HK\$59,892,000 (2020: reverse of impairment loss HK\$17,592,000) and HK\$1,168,000 (2020: reverse of impairment loss HK\$464,000) respectively has been recognized in the consolidated statement of profit or loss and other comprehensive income.

The fair value of Hongzhuang Gold Mine was estimated based on the Market Based Approach with reference to comparable transactions, in which such approach was consistent with mining right valuation as at 30 June 2020.

The key inputs used in the valuation were the consideration-to-resources multiples obtained from comparable transactions, the adjusted contained gold metal based on the technical review report prepared by SRK Consulting China Limited under Chinese standard and discount due to COVID-19 pandemic.

The Chinese standard resources estimates as reported by SRK Consulting China Limited were risk with uncertainty. The estimated fair value of the Hongzhuang Gold Mine has been assigned a lower or no credit to those resources with high resources risks.

As at 30 June 2021, the Directors also conducted an impairment assessment on certain of the Group's property, plant and equipment under Yuanling mine site due to the delay of the operation plan. Accordingly, an impairment loss of property, plant and equipment of approximately HK\$4,591,000 (2020: Nil) had been recognized and included in the consolidated statement of profit or loss and other comprehensive income.

All the above-mentioned impairment loss on mining right and property, plant and equipment was included in the Group's mining segment in the reportable and operating segment of the Group.

ANNUAL UPDATE ON DETAILS OF RESOURCES AND/OR RESERVES UNDER RULES OF 18.15, 18.17 AND 18.18 OF THE LISTING RULES

There has been no material change on the resources and/or reserves of the Group during the year. The following table shows the details of resources and/or reserves of the Group as at 30 June 2021:

Subsidiary	Mine field	Area (<i>km</i> ²)	Reporting date	Type of mining operation	Gold resources (<i>t</i>)	Reporting Standard	Gold grade (<i>g/t</i>)
Henan Multi-Resources Mining Company Limited*	Hongzhuang	1.09	30 June 2021	Underground	10.73	PRC 122b	5.58
					5.46	PRC 332	1.89
					24.66	PRC 333	4.46
	Yuanling	4.57	30 June 2021	Underground	–	PRC 122b	–
					–	PRC 333	–

Factors and assumptions such as gold grade, ore body thickness and shape of vein were considered for estimating the resources and/or reserves. Please refer to Section 8 of Appendix VII of the circular of the Company dated 25 January 2010 for further information of the resources and/or reserves estimation.

* *The unofficial English translations or transliterations of Chinese names are for identification purpose only.*

LIQUIDITY, FINANCIAL RESOURCES AND GEARING

As of 30 June 2021, the Group's gearing ratio was 0.1996 (2020: 0.1344), which is calculated on net debt divided by total equity plus net debt. Net debt is calculated as the sum of bank and other borrowings less cash and cash equivalents. The cash and cash equivalents of HK\$340,207,000 (2020: HK\$468,521,000) which were mainly denominated in Hong Kong Dollar, US Dollar, Renminbi and British Pound. Other borrowings in respect of amounts due to joint ventures, amounts due to related companies, loan from a controlling shareholder, amounts due to non-controlling interests and lease liabilities were approximately of HK\$114,188,000 (2020: HK\$84,347,000). Bank and other loans denominated in HK\$ and US\$ were approximately HK\$836,210,000 (2020: HK\$751,663,000). For details of pledge of assets in respect of bank loans, please refer to the PLEDGE OF ASSETS section.

The decrease in the Group's cash and cash equivalent as at 30 June 2021 were mainly due to the acquisition of a real property located at Hart Avenue, Kowloon and payment of the construction costs for the projects at Cheung Wah Street and Wan Chai Road. In line with the Group's prudent financial management, the Directors considered that the Group has sufficient working capital to meet its ongoing operational requirements.

PLEDGE OF ASSETS

As of 30 June 2021, the Group's bank loans denominated in HK\$ of HK\$813,558,000 (2020: HK\$719,289,000) are secured by the Group's certain property, plant and equipment, investment properties, certain right-of-use assets, property under development, pledged by ordinary shares of certain subsidiaries of the Company and guaranteed by corporate guarantees executed by the Company. Whereas, a bank loan denominated in US\$ in the equivalent amount of HK\$22,652,000 (2020: 27,969,000) is secured by all the assets of a subsidiary of the Company and guaranteed by corporate guarantees executed by the Company.

CAPITAL STRUCTURE

All the Group's borrowings are denominated in Hong Kong Dollar, US Dollar and Renminbi. Interest is determined with reference to Hong Kong Interbank Offered Rate or Prime Rate for Hong Kong Dollar borrowings, London Interbank Offered Rate for US Dollar borrowings and the benchmark lending rate of the People's Bank of China for Renminbi borrowings. The Group also made use of foreign exchange forward contract in order to minimise exchange rate risk as a result of fluctuation in British Pound. Except for the share consolidation of every ten (10) shares to one (1) share, there was no change to the Group's capital structure during the year ended 30 June 2021. In light of the current financial position of the Group and provided there is no unforeseeable circumstance, the management does not anticipate the need to change the capital structure.

SHARE CONSOLIDATION

By an ordinary resolution passed at the Company's general meeting on 27 May 2021, every ten (10) issued ordinary shares of the Company has been consolidated into one (1) ordinary share of the Company (the "Share Consolidation") with effective on 31 May 2021. As at 30 June 2021, 683,118,258 shares of the Company have been issued. Details of the Share Consolidation are set out in the Company's announcement date 16 April 2021 and the Company's circular date 7 May 2021.

NUMBER OF EMPLOYEES AND REMUNERATION POLICIES

The Group employs a total of approximately 567 employees with the majority in the PRC. The Group's remuneration to its employees is largely based on common industrial practice. In order to attract, retain and motivate the eligible employees, including the Directors, the Company have adopted share option schemes.

SHARE OPTION SCHEMES

The Company adopted a share option scheme on 13 July 2010 (the “2010 Share Option Scheme”), which has been expired on 12 July 2020. Therefore, the Company has adopted a new share option scheme on 22 December 2020 (the “2020 Share Option Scheme”). No share option has been granted under the 2020 Share Option Scheme since it has been adopted.

As the Share Consolidation had taken effect on 31 May 2021, adjustments were made to the exercise prices and the number of shares of the Company falling to be issued in respect of the outstanding share options in accordance with the terms and conditions of the 2010 Share Option Scheme and the Listing Rules. As at 30 June 2021, there were options for 12,200,000 shares were valid and outstanding under the 2010 Share Option Scheme.

CONTINGENT LIABILITIES

As at 30 June 2021, the Company has provided guarantees to the extent of HK\$670,640,000 (2020: HK\$607,158,000) with respect to bank loans to its subsidiaries. Under the guarantees, the Company would be liable to pay the banks if the banks are unable to recover the loans. At the reporting date, no provision for the Company’s obligation under the guarantee contracts has been made as the directors considered that it was unlikely the repayment of the loans would be in default.

CAPITAL COMMITMENTS

At 30 June 2021, the Group had outstanding capital commitment of approximately HK\$106,853,000 (2020: HK\$318,551,000), which was mainly the capital commitment for the investment property undertaken by the Group.

EXPOSURE TO FINANCIAL RISK AND RELATED HEDGE

The Group utilises conservative strategies on its financial risk management and the market risk had been kept to minimum. With the exception of the UK subsidiaries, all transactions and the borrowings of the Group are primarily denominated in US Dollar, Hong Kong Dollar and Renminbi. During the year, the Group had entered into foreign exchange forward contract in order to minimise the exchange rate risk as a result of fluctuation in British Pound. Management will continue to monitor the foreign exchange risk in British Pound and recent fluctuation in Reminbi and will take appropriate actions when necessary.

DIVIDENDS

At the Board meeting held on 27 September 2021, the directors resolved to recommend the payment of a final dividend for the year ended 30 June 2021.

The Board has resolved to declare a final dividend of HK2.00 cents per share for the year ended 30 June 2021 (2020: Nil), totaling approximately HK\$13,662,365 (2020: Nil), payable on or about Friday, 14 January 2022 to the shareholders whose names appear on the Register of member on Tuesday, 21 December 2021.

The proposed dividend has not been recognised as a dividend payable as at 30 June 2021, but will be reflected as an appropriation of retained profits for the year ending 30 June 2022.

ANNUAL GENERAL MEETING

The annual general meeting of the Company (the “AGM”) will be held on Thursday, 16 December 2021 and the Notice of AGM will be published and despatched in the manner as required by the Listing Rules in due course.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the AGM, the Register of Members of the Company will be closed from Monday, 13 December 2021 to Thursday, 16 December 2021, both days inclusive, during which period no transfer of shares will be effected. In order to be eligible to attend and vote at the AGM, all transfers of shares accompanied by the relevant share certificates and appropriate transfer forms must be lodged with the Company’s Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong for registration no later than 4:30 p.m. on Friday, 10 December 2021.

For determining the entitlement to the proposed final dividend, the Register of Members will be closed from Wednesday, 22 December 2021 to Friday, 24 December 2021, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for entitlement to the proposed final dividend, all transfers of shares accompanied by the relevant share certificates and appropriate transfer forms must be lodged with the office of the Company's Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 21 December 2021. Subject to the approval by shareholders of the Company at the forthcoming AGM which to be held on Thursday, 16 December 2021, the proposed final dividend will be paid on or about Friday, 14 January 2022.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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

AUDIT COMMITTEE

The Company has an Audit Committee which was established in accordance with the requirements of the Listing Rules for the purposes of reviewing and providing supervision over the financial reporting process and internal controls of the Group. The Audit Committee has discussed the Group's accounting policies and basis adopted, the financial and internal control process of the Group and has reviewed the interim and annual financial statements. As of the date of this announcement, the Audit Committee comprises of the four Independent Non-executive Directors of the Company.

CORPORATE GOVERNANCE

The Company adopted all the Code Provisions set out in the Corporate Governance Code and Corporate Governance Report contained in Appendix 14 to the Listing Rules and has complied with all the applicable Code Provisions throughout the year ended 30 June 2021 except for the following deviations:

1. Code Provision A.2.1 provides that the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual.

Mr. Chan Wai Lap, Victor (“Mr. Chan”) an Executive Director and also the Chairman of the Company. Mr. Chan currently strategizes the direction of the Group and also provides leadership for the Board. He ensures that the Board works effectively and discharges its responsibilities, and that all key and appropriate issues are discussed by the Board in a timely manner. Mr. Chan is also responsible to ensure that all Directors are properly briefed on issues arising at Board meetings and that all Directors receive adequate information, which must be complete and reliable, in a timely manner.

Ms. Cheng Siu Yin, Shirley is the Managing Director of the Company. She is responsible for day-to-day management and marketing activities of the Group.

Although the Company does not have a post for Chief Executive Officer, the Board considers that there is adequate segregation of duties within the Board to ensure a balance of power and authority.

2. Code Provision A.4.1 provides that Non-executive Directors should be appointed for a specific term, subject to re-election.

Non-executive Directors and Independent Non-executive Directors of the Company do not have a specific term of appointment but are subject to retirement by rotation and re-election at the Company’s AGM at least once every three years in accordance with articles 115(A) and 115(D) of the Articles of Association of the Company. The Board considers that the deviation from Code Provision A.4.1 is not material as Non-executive Directors are subjected to retirement by rotation at least once in every three years and re-election.

3. Code Provisions A.6.7 provides that Independent Non-executive Directors and other Non-executive Directors, should also attend general meetings and develop a balanced understanding of the views of shareholders.

Mr. Cheung Chi Fai, Frank, the Independent Non-executive Director of the Company, did not attend the annual general meeting held on 22 December 2020 due to other business engagement. Other Independent Non-executive Directors were present at the annual general meeting and were available to answer questions.

4. Code Provision C.2.5 provides that the issuer should have an internal audit function. Issuers without an internal audit function should review the need for one on an annual basis and should disclose the reasons for the absence of such a function.

The Company does not have an internal audit function for the year ended 30 June 2021. Taking into account the size and complexity of the operations of the Group, the Company considers that the existing organisation structure and the close supervision of the management could provide sufficient internal control and risk management for the Group. The audit committee of the Board regularly reviews the effectiveness of the internal control systems and risk management of the Group. The Board would review the need to set up an internal audit function on an annual basis.

Save as disclosed above, the Company considers that sufficient measures have been taken to ensure that the corporate governance practices of the Company are in line with the Code Provisions.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

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 as its own code of conduct regarding securities transaction by Directors of the Company. The Company has made specific enquiry with all Directors and all of them have confirmed that they have complied with the required standards as set out in the Model Code during the year ended 30 June 2021.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement is available for viewing on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk under “Listed Company Information” and at the website www.continental.com.hk. The annual report for the year ended 30 June 2021 will be dispatched to the shareholders and will be available on the above websites in due course.

SCOPE OF WORK OF BDO 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 related notes thereto for the year ended 30 June 2021 as set out in the preliminary announcement have been agreed by the Group's auditor, BDO Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by BDO Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by BDO Limited on the preliminary announcement.

SUPPLEMENTAL INFORMATION IN RELATION TO THE ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

Reference is made to the annual report of the Group for the year ended 30 June 2020 (the "2020 Annual Report"). Unless otherwise stated, capitalised terms used herein shall have the same meanings as defined in the 2020 Annual Report. The Company wishes to make the following supplemental in relation to the 2020 Annual Report:

Section head "NUMBER OF EMPLOYEES, REMUNERATION POLICIES AND SHARE OPTION SCHEME" of "Chairman's Statement" on page 19 in the 2020 Annual Report that "The total number of shares available for issue under the share option scheme was 180,830,344 which represented 2.65% of the shares of the Company in issue as at 30 June 2020 and the date of 2020 Annual Report on 28 September 2020."

The disclosure of the fair values of the share options granted in financial year 2020 of HK\$200,000 had been disclosed in page 252 of 2020 Annual Report.

Except as stated above, all other information and contents set out in the 2020 Annual Report remains unchanged.

ACKNOWLEDGEMENT

Finally, on behalf of the Board, I would like to take this opportunity to express my sincere gratitude to our shareholders, customers and business partners for their continuous supports and trust, and extend my heartiest thanks and appreciation to our directors, to all staffs, for their relentless efforts, dedication and resilience during this challenging period. Looking ahead, we will continue our endeavor to overcome the future challenges and enhance the value of our business.

On behalf of the Board
Continental Holdings Limited
Chan Wai Lap, Victor
Chairman

Hong Kong, 27 September 2021

As at the date of this announcement, Mr. Chan Wai Lap, Victor, Dr. Chan Sing Chuk, Charles, BBS, JP, Ms. Cheng Siu Yin, Shirley, Ms. Chan Wai Kei, Vicki, and Mr. Wong Edward Gwon-hing are the Executive Directors, Mr. Yam Tat Wing is the Non-executive Director and Mr. Yu Shiu Tin, Paul, BBS, MBE, JP, Mr. Chan Ping Kuen, Derek, Mr. Sze Irons, BBS, JP, and Mr. Cheung Chi Fai, Frank are the Independent Non-executive Directors.