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CHOW SANG SANG HOLDINGS INTERNATIONAL LIMITED

周生生集團國際有限公司*

(Incorporated in Bermuda with limited liability)

Stock code: 116

ANNOUNCEMENT OF THE ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2020

The Board of Directors (the “Board”) of Chow Sang Sang Holdings International Limited (the “Company”) announces the consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2020.

FINANCIAL HIGHLIGHTS			
	2020	2019	
	HK\$'000	HK\$'000	Change
Turnover			
Retail	13,097,720	16,258,416	-19%
Other businesses	1,934,700	1,477,810	+31%
	<u>15,032,420</u>	<u>17,736,226</u>	-15%
Profit attributable to equity holders of the Company	544,464	643,533	-15%
Earnings per share			
- Basic	80.4 cents	95.0 cents	-15%
- Diluted	80.4 cents	95.0 cents	-15%
Dividend per share			
- Interim	5.0 cents	14.0 cents	
- Final	26.0 cents	25.0 cents	
- Special final	16.0 cents	-	
Total dividend per share for the year	<u>47.0 cents</u>	<u>39.0 cents</u>	
Dividend payout ratio [^]	39%	41%	
Equity attributable to equity holders of the Company	12,019,114	10,632,385	+13%
Equity per share	\$17.7	\$15.7	+13%

[^] Special final dividend excluded

* For identification purpose only

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2020

	Note	2020 HK\$'000	2019 HK\$'000
TURNOVER	3		
Retail		13,097,720	16,258,416
Other businesses		<u>1,934,700</u>	<u>1,477,810</u>
		15,032,420	17,736,226
Cost of sales		<u>(10,877,614)</u>	<u>(12,958,750)</u>
Gross profit		4,154,806	4,777,476
Other income, net		163,055	118,251
Selling and distribution costs		(2,499,049)	(2,784,708)
Administrative expenses		(685,399)	(686,123)
Other losses, net		(124,629)	(452,443)
Finance costs		<u>(87,864)</u>	<u>(89,162)</u>
PROFIT BEFORE TAX	5	920,920	883,291
Income tax	6	<u>(376,456)</u>	<u>(239,758)</u>
PROFIT FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		<u>544,464</u>	<u>643,533</u>
EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	8		
Basic		<u>80.4 cents</u>	<u>95.0 cents</u>
Diluted		<u>80.4 cents</u>	<u>95.0 cents</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2020

	2020 HK\$'000	2019 HK\$'000
PROFIT FOR THE YEAR	<u>544,464</u>	<u>643,533</u>
OTHER COMPREHENSIVE INCOME/(LOSS)		
Item that may be reclassified subsequently to profit or loss:		
Exchange differences on translation	<u>434,356</u>	<u>(106,424)</u>
Item that will not be reclassified subsequently to profit or loss:		
Changes in fair value of financial assets designated at fair value through other comprehensive income	<u>611,140</u>	<u>91,208</u>
Other comprehensive income/(loss) for the year	<u>1,045,496</u>	<u>(15,216)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	<u>1,589,960</u>	<u>628,317</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

	Note	2020 HK\$'000	2019 HK\$'000
NON-CURRENT ASSETS			
Property, plant and equipment		1,019,130	1,014,404
Investment properties		332,649	333,026
Right-of-use assets		793,676	1,270,893
Intangible assets		271	271
Other assets		209,359	217,087
Financial assets designated at fair value through other comprehensive income		1,446,083	935,599
Deferred tax assets		92,201	112,021
Total non-current assets		<u>3,893,369</u>	<u>3,883,301</u>
CURRENT ASSETS			
Inventories		8,774,591	8,932,514
Accounts receivable	9	834,649	915,804
Receivables arising from securities and futures broking	10	658,673	585,230
Prepayments, other receivables and other assets		507,699	433,861
Financial assets at fair value through profit or loss		9,634	13,394
Derivative financial instruments		-	145
Tax recoverable		8,796	66
Cash held on behalf of clients		485,289	443,797
Cash and cash equivalents		1,653,767	1,028,326
Total current assets		<u>12,933,098</u>	<u>12,353,137</u>
CURRENT LIABILITIES			
Accounts payable	11	129,803	116,156
Payables arising from securities and futures broking	11	575,052	503,271
Other payables and accruals		520,799	542,920
Derivative financial instruments		7,054	9,158
Interest-bearing bank borrowings		519,022	496,594
Interest-bearing bank borrowings arising from securities and futures broking		180,000	280,000
Bullion loans		1,002,135	1,473,773
Lease liabilities		554,400	572,891
Tax payable		168,756	160,435
Total current liabilities		<u>3,657,021</u>	<u>4,155,198</u>
NET CURRENT ASSETS		<u>9,276,077</u>	<u>8,197,939</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>13,169,446</u>	<u>12,081,240</u>

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

	2020 HK\$'000	2019 HK\$'000
NON-CURRENT LIABILITIES		
Interest-bearing bank borrowings	380,907	440,330
Lease liabilities	446,762	727,010
Deferred tax liabilities	322,663	281,515
Total non-current liabilities	<u>1,150,332</u>	<u>1,448,855</u>
Net assets	<u><u>12,019,114</u></u>	<u><u>10,632,385</u></u>
EQUITY		
Issued capital	169,359	169,359
Reserves	11,849,755	10,463,026
Total equity	<u><u>12,019,114</u></u>	<u><u>10,632,385</u></u>

NOTES:

1. Basis of preparation

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. The financial statements have been prepared under the historical cost convention, except for investment properties, certain buildings classified as property, plant and equipment, customer gold deposits, bullion loans, derivative financial instruments and certain financial assets which have been measured at fair value. These financial statements are presented in Hong Kong dollar (“HK\$”) and all values are rounded to the nearest thousand except when otherwise indicated.

2. Changes in accounting policies and disclosures

The Group has adopted the Conceptual Framework for Financial Reporting 2018 and the following revised HKFRSs for the first time for the current year’s consolidated financial statements.

Amendments to HKFRS 3	Definition of a Business
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform
Amendment to HKFRS 16	Covid-19-Related Rent Concessions (early adopted)
Amendments to HKAS 1 and HKAS 8	Definition of Material

The nature and the impact of the Conceptual Framework for Financial Reporting 2018 and the revised HKFRSs are described below:

Conceptual Framework for Financial Reporting 2018

Conceptual Framework for Financial Reporting 2018 (the “Conceptual Framework”) sets out a comprehensive set of concepts for financial reporting and standard setting, and provides guidance for preparers of financial statements in developing consistent accounting policies and assistance to all parties to understand and interpret the standards. The Conceptual Framework includes new chapters on measurement and reporting financial performance, new guidance on the derecognition of assets and liabilities, and updated definitions and recognition criteria for assets and liabilities. It also clarifies the roles of stewardship, prudence and measurement uncertainty in financial reporting. The Conceptual Framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The Conceptual Framework did not have any significant impact on the financial position and performance of the Group.

2. Changes in accounting policies and disclosures (continued)

Amendments to HKFRS 3

Amendments to HKFRS 3 clarify and provide additional guidance on the definition of a business. The amendments clarify that for an integrated set of activities and assets to be considered a business, it must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. A business can exist without including all of the inputs and processes needed to create outputs. The amendments remove the assessment of whether market participants are capable of acquiring the business and continue to produce outputs. Instead, the focus is on whether acquired inputs and acquired substantive processes together significantly contribute to the ability to create outputs. The amendments have also narrowed the definition of outputs to focus on goods or services provided to customers, investment income or other income from ordinary activities. Furthermore, the amendments provide guidance to assess whether an acquired process is substantive and introduce an optional fair value concentration test to permit a simplified assessment of whether an acquired set of activities and assets is not a business. The Group has applied the amendments prospectively to transactions or other events that occurred on or after 1 January 2020. The amendments did not have any impact on the financial position and performance of the Group.

Amendments to HKFRS 9, HKAS 39 and HKFRS 7

Amendments to HKFRS 9, HKAS 39 and HKFRS 7 address issues affecting financial reporting in the period before the replacement of an existing interest rate benchmark with an alternative risk-free rate (“RFR”). The amendments provide temporary reliefs which enable hedge accounting to continue during the period of uncertainty before the introduction of the alternative RFR. In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties. The amendments did not have any impact on the financial position and performance of the Group as the Group does not have any interest rate hedging relationships.

Amendment to HKFRS 16

Amendment to HKFRS 16 provides a practical expedient for lessees to elect not to apply lease modification accounting for rent concessions arising as a direct consequence of the covid-19 pandemic. The practical expedient applies only to rent concessions occurring as a direct consequence of the pandemic and only if (i) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change; (ii) any reduction in lease payments affects only payments originally due on or before 30 June 2021; and (iii) there is no substantive change to other terms and conditions of the lease. The amendment is effective for annual periods beginning on or after 1 June 2020 with earlier application permitted and shall be applied retrospectively.

During the year ended 31 December 2020, certain monthly lease payments for the leases of the Group’s retail stores have been reduced or waived by the lessors as a result of the pandemic and there are no other changes to the terms of the leases. The Group has early adopted the amendment on 1 January 2020 and elected not to apply lease modification accounting for all rent concessions granted by the lessors as a result of the pandemic during the year ended 31 December 2020. Accordingly, a reduction in the lease payments arising from the rent concessions of HK\$73,270,000 has been accounted for as a variable lease payment by derecognising part of the lease liabilities and crediting to profit or loss for the year ended 31 December 2020.

2. Changes in accounting policies and disclosures (continued)

Amendments to HKAS 1 and HKAS 8

Amendments to HKAS 1 and HKAS 8 provide a new definition of material. The new definition states that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments clarify that materiality will depend on the nature or magnitude of information, or both. The amendments did not have any significant impact on the financial position and performance of the Group.

3. Turnover

Revenue from the following activities has been included in turnover:

	2020 HK\$'000	2019 HK\$'000
<i>Revenue from contracts with customers</i>	15,020,945	17,724,182
<i>Revenue from other sources</i>		
Gross rental income from investment properties operating leases:		
Other lease payments, including fixed payments	<u>11,475</u>	<u>12,044</u>
	<u>15,032,420</u>	<u>17,736,226</u>

4. Operating segment information

For management purposes, the Group is organised into business units based on their products and services and has four reportable operating segments as follows:

- (a) the retail of jewellery and watches segment produces and sells jewellery products and distributes watches for the Group's retail business and operates retail stores mainly in Mainland China, Hong Kong, Macau and Taiwan;
- (b) the wholesale of precious metals segment trades precious metals to wholesale customers;
- (c) the securities and futures broking segment provides brokering and dealing services for securities and futures; and
- (d) the other businesses segment comprises, principally, the investment in properties for their rental income and capital appreciation potential, and other jewellery related businesses.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit, which is a measure of adjusted profit before tax. The adjusted profit before tax is measured consistently with the Group's profit before tax except that certain dividend income are excluded from such measurement.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

4. Operating segment information (continued)

	Retail of jewellery and watches HK\$'000	Wholesale of precious metals HK\$'000	Securities and futures broking HK\$'000	Other businesses HK\$'000	Total HK\$'000
Year ended 31 December 2020					
Segment revenue (note 3)					
Sales to external customers	13,097,720	1,885,388	34,879	2,958	15,020,945
Intersegment sales	-	450,778	-	2,532	453,310
Other revenue	-	-	-	11,475	11,475
	<u>13,097,720</u>	<u>2,336,166</u>	<u>34,879</u>	<u>16,965</u>	<u>15,485,730</u>
<i>Reconciliation:</i>					
Elimination of intersegment sales					<u>(453,310)</u>
					<u>15,032,420</u>
Segment results	914,506	11,484	(26,093)	(3,859)	896,038
<i>Reconciliation:</i>					
Dividend income					<u>24,882</u>
Profit before tax					<u>920,920</u>

4. Operating segment information (continued)

	Retail of jewellery and watches HK\$'000	Wholesale of precious metals HK\$'000	Securities and futures broking HK\$'000	Other businesses HK\$'000	Total HK\$'000
Year ended 31 December 2020					
Other segment information					
Interest income	(27,028)	(5)	(35,892)	(5)	(62,930)
Dividend income	-	-	(496)	-	(496)
Net fair value loss on investment properties	-	-	-	1,811	1,811
Net fair value gain on bullion loans designated as at fair value through profit or loss	(10,247)	-	-	-	(10,247)
Net fair value gain on derivative financial instruments - transactions not qualifying as hedges	(2,111)	150	-	-	(1,961)
Net fair value loss on financial assets at fair value through profit or loss	-	-	3,760	-	3,760
Net loss on bullion loans designated as at fair value through profit or loss	209,464	-	-	-	209,464
Net loss on disposal of derivative financial instruments	19,855	1,591	-	-	21,446
Net loss on disposal of items of property, plant and equipment	4,880	-	-	-	4,880
Depreciation of property, plant and equipment	276,438	-	1,203	253	277,894
Depreciation of right-of-use assets	649,823	-	3,877	609	654,309
Impairment of property, plant and equipment	4,063	-	-	-	4,063
Impairment of right-of-use assets	169,572	-	-	-	169,572
Impairment of accounts receivable	20,982	-	-	-	20,982
Impairment of receivables arising from securities and futures broking	-	-	44,076	-	44,076
Write-down of inventories to net realisable value	29,198	-	-	-	29,198
Finance costs	76,100	-	11,727	37	87,864
Capital expenditure	243,260	-	250	902	244,412

4. Operating segment information (continued)

	Retail of jewellery and watches HK\$'000	Wholesale of precious metals HK\$'000	Securities and futures broking HK\$'000	Other businesses HK\$'000	Total HK\$'000
Year ended 31 December 2019					
Segment revenue (note 3)					
Sales to external customers	16,258,416	1,435,672	24,113	5,981	17,724,182
Intersegment sales	-	885,758	-	2,940	888,698
Other revenue	-	-	-	12,044	12,044
	<u>16,258,416</u>	<u>2,321,430</u>	<u>24,113</u>	<u>20,965</u>	<u>18,624,924</u>
<i>Reconciliation:</i>					
Elimination of intersegment sales					<u>(888,698)</u>
					<u>17,736,226</u>
Segment results	1,282,011	5,727	(428,640)	(1,062)	858,036
<i>Reconciliation:</i>					
Dividend income					<u>25,255</u>
Profit before tax					<u>883,291</u>

4. Operating segment information (continued)

	Retail of jewellery and watches HK\$'000	Wholesale of precious metals HK\$'000	Securities and futures broking HK\$'000	Other businesses HK\$'000	Total HK\$'000
Year ended 31 December 2019					
Other segment information					
Interest income	(19,693)	(23)	(49,806)	(6)	(69,528)
Dividend income	-	-	(525)	-	(525)
Net fair value gain on investment properties	-	-	-	(2,088)	(2,088)
Net fair value gain on bullion loans designated as at fair value through profit or loss	(70)	-	-	-	(70)
Net fair value loss on derivative financial instruments - transactions not qualifying as hedges	1,600	721	-	-	2,321
Net fair value loss on financial assets at fair value through profit or loss	-	-	201	-	201
Net loss on bullion loans designated as at fair value through profit or loss	224,208	-	-	-	224,208
Net loss on disposal of derivative financial instruments	121,300	1,932	-	-	123,232
Net loss on disposal of items of property, plant and equipment	4,394	-	-	-	4,394
Depreciation of property, plant and equipment	233,607	-	1,803	340	235,750
Depreciation of right-of-use assets	681,449	-	3,910	-	685,359
Impairment of accounts receivable	18,790	-	-	-	18,790
Impairment of receivables arising from securities and futures broking	-	-	445,668	-	445,668
Write-down of inventories to net realisable value	11,790	-	-	-	11,790
Finance costs	76,977	-	12,185	-	89,162
Capital expenditure	414,679	-	50	-	414,729

4. Operating segment information (continued)

(a) Geographical information

Revenue from external customers

	2020 HK\$'000	2019 HK\$'000
Mainland China	8,686,658	9,689,478
Hong Kong and Macau	6,194,634	7,912,189
Taiwan	<u>151,128</u>	<u>134,559</u>
	<u>15,032,420</u>	<u>17,736,226</u>

The revenue information above is based on the locations of the customers.

Non-current assets

	2020 HK\$'000	2019 HK\$'000
Mainland China	1,243,670	1,204,597
Hong Kong and Macau	1,079,809	1,600,135
Taiwan	<u>31,606</u>	<u>30,949</u>
	<u>2,355,085</u>	<u>2,835,681</u>

The non-current asset information above is based on the locations of the assets and excludes financial assets designated at fair value through other comprehensive income and deferred tax assets.

(b) Information about major customers

The turnover from the Group's largest customer amounted to less than 10% of the Group's total turnover for the current and prior years.

5. Profit before tax

The Group's profit before tax is arrived at after charging/(crediting):

	2020 HK\$'000	2019 HK\$'000
Cost of inventories sold	10,617,506	12,599,520
Write-down of inventories to net realisable value [^]	29,198	11,790
Depreciation of property, plant and equipment	277,894	235,750
Depreciation of right-of-use assets	654,309	685,359
Lease payments not included in the measurement of lease liabilities	71,881	55,178
Rent concession related to covid-19	(73,270)	-
Impairment of property, plant and equipment [#]	4,063	-
Impairment of right-of-use assets [#]	169,572	-
Impairment of accounts receivable [#]	20,982	18,790
Impairment of receivables arising from securities and futures broking [#]	44,076	445,668
Net fair value loss/(gain) on investment properties [#]	1,811	(2,088)
Net fair value gain on bullion loans designated as at fair value through profit or loss [#]	(10,247)	(70)
Net fair value loss/(gain) on derivative financial instruments - transactions not qualifying as hedges [#]	(1,961)	2,321
Net fair value loss on financial assets at fair value through profit or loss [#]	3,760	201
Net loss on bullion loans designated as at fair value through profit or loss ^{^^}	209,464	224,208
Net loss on disposal of derivative financial instruments ^{^^}	21,446	123,232
Net loss on disposal of items of property, plant and equipment	4,880	4,394
Interest income	(62,930)	(69,528)
Dividend income from listed investments	(24,360)	(24,710)
Dividend income from unlisted investments	(1,018)	(1,070)
Government grants ^{#*}	<u>(103,994)</u>	<u>-</u>

[^] This balance is included in "Cost of sales" on the face of the consolidated statement of profit or loss.

[#] These balances are included in "Other losses, net" on the face of the consolidated statement of profit or loss.

^{^^} These balances are included in "Cost of sales" on the face of the consolidated statement of profit or loss. The purpose of the above bullion transactions entered into by the Group is to manage the Group's bullion price risk. Such loans and contracts did not meet the criteria for hedge accounting.

^{*} Government grants mainly represent subsidies received in connection with the support from the Anti-epidemic Fund of the government of Hong Kong Special Administrative Region. There are no unfulfilled conditions or contingencies relating to these subsidies.

6. Income tax

Hong Kong profits tax has been provided at the rate of 16.5% (2019: 16.5%) on the estimated assessable profits arising in Hong Kong during the year, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 (2019: HK\$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2019: 8.25%) and the remaining assessable profits are taxed at 16.5% (2019: 16.5%).

Under the Law of the People's Republic of China on Corporate Income Tax (the "CIT Law") and Implementation Regulation of the CIT Law, the tax rate of the Mainland China subsidiaries is 25% (2019: 25%). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

	2020 HK\$'000	2019 HK\$'000
Current - Hong Kong		
Charge for the year	12,911	33,609
Underprovision/(overprovision) in prior years	1,771	(86)
Current - Mainland China and elsewhere		
Charge for the year	300,171	252,142
Underprovision/(overprovision) in prior years	(804)	245
Deferred	<u>62,407</u>	<u>(46,152)</u>
Total tax charge for the year	<u>376,456</u>	<u>239,758</u>

7. Dividends

	2020 HK\$'000	2019 HK\$'000
Dividends recognised as distribution during the year:		
Final dividend for 2019: HK25.0 cents (2018: HK44.0 cents) per ordinary share	169,359	298,071
Interim dividend for 2020: HK5.0 cents (2019: HK14.0 cents) per ordinary share	<u>33,872</u>	<u>94,841</u>
	<u>203,231</u>	<u>392,912</u>
Dividends proposed after the end of the reporting period:		
Final dividend for 2020: HK26.0 cents (2019: HK25.0 cents) per ordinary share	176,133	169,359
Special final dividend for 2020: HK16.0 cents (2019: Nil) per ordinary share	<u>108,389</u>	<u>-</u>
	<u>284,522</u>	<u>169,359</u>

The proposed final dividend and special final dividend for 2020 were recommended after the end of the reporting period and have not been recognised as a liability at the end of the reporting period, and they are subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

8. Earnings per share attributable to equity holders of the Company

The calculation of the basic earnings per share amounts is based on the profit for the year attributable to equity holders of the Company of HK\$544,464,000 (2019: HK\$643,533,000) and the weighted average number of ordinary shares of 677,434,000 (2019: 677,434,000) in issue during the year.

No adjustment has been made to the basic earnings per share amounts presented for the years ended 31 December 2020 and 31 December 2019 in respect of dilution as the impact of the share options outstanding had no dilutive effect on the basic earnings per share amounts presented.

9. Accounts receivable

	2020 HK\$'000	2019 HK\$'000
Trade and credit card receivables	884,455	942,312
Impairment	<u>(49,806)</u>	<u>(26,508)</u>
Accounts receivable	<u>834,649</u>	<u>915,804</u>

The Group's trading terms with its retail customers are mainly on cash and credit card settlement while trading terms with corporate clients and wholesale customers are on credit with credit period generally up to 60 days. Overdue balances are reviewed regularly by senior management. Trade receivables are non-interest-bearing.

An ageing analysis of the accounts receivable at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	2020 HK\$'000	2019 HK\$'000
Within 1 month	749,061	719,355
1 to 2 months	71,626	107,788
2 to 3 months	13,149	30,415
Over 3 months	<u>813</u>	<u>58,246</u>
	<u>834,649</u>	<u>915,804</u>

10. Receivables arising from securities and futures broking

	2020 HK\$'000	2019 HK\$'000
Receivables arising from securities and futures broking conducted in the ordinary course of business:		
Cash clients	101,752	54,769
Clearing houses, brokers and dealers	134,777	36,371
Clients for subscription of initial public offering (“IPO”) shares	38,526	-
Loans to margin clients	<u>873,362</u>	<u>939,758</u>
	1,148,417	1,030,898
Impairment	<u>(489,744)</u>	<u>(445,668)</u>
Receivables arising from securities and futures broking	<u><u>658,673</u></u>	<u><u>585,230</u></u>

The receivables are settled two days after the trade date or at specific terms agreed with clearing houses, brokers and dealers. Futures deals are normally settled on a cash basis. Receivables from margin and cash clients arising from the business of dealing in securities and futures broking are repayable on demand subsequent to settlement date.

An ageing analysis of the receivables arising from securities and futures broking at the end of the reporting period, based on the due date and net of loss allowance, is as follows:

	2020 HK\$'000	2019 HK\$'000
Not yet due	211,348	64,200
Within 1 month past due	20,165	20,413
1 to 2 months past due	99	2,314
2 to 3 months past due	150	385
Over 3 months past due	<u>4,767</u>	<u>3,828</u>
	236,529	91,140
Loans to margin clients [#]	383,618	494,090
Clients for subscription of IPO shares [*]	<u>38,526</u>	<u>-</u>
	<u><u>658,673</u></u>	<u><u>585,230</u></u>

[#] The loans to margin clients were secured by the underlying pledged securities, repayable on demand and bore interest at commercial rates. No ageing analysis was disclosed as, in the opinion of the Directors, an ageing analysis was not relevant in view of the nature of the business of securities margin financing. As at 31 December 2020, the total market value of securities pledged as collateral in respect of the loans to margin clients was HK\$833,346,000 (2019: HK\$710,484,000).

^{*} As at 31 December 2020, receivables from clients for subscription of IPO shares of HK\$38,526,000 (2019: Nil) were due when the corresponding allotment results of the related IPO shares had been publicly announced and bore interest at commercial rates.

11. Accounts payable/Payables arising from securities and futures broking

An ageing analysis of the accounts payable and payables arising from securities and futures broking at the end of the reporting period, based on the invoice date, is as follows:

	2020 HK\$'000	2019 HK\$'000
Within 1 month	63,311	115,651
1 to 2 months	66,314	431
Over 2 months	<u>178</u>	<u>74</u>
Accounts payable	129,803	116,156
Payables arising from securities and futures broking*	<u>575,052</u>	<u>503,271</u>
	<u>704,855</u>	<u>619,427</u>

The accounts payable are non-interest bearing.

* No ageing analysis is disclosed as, in the opinion of the Directors, an ageing analysis is not meaningful in view of the nature of such business.

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

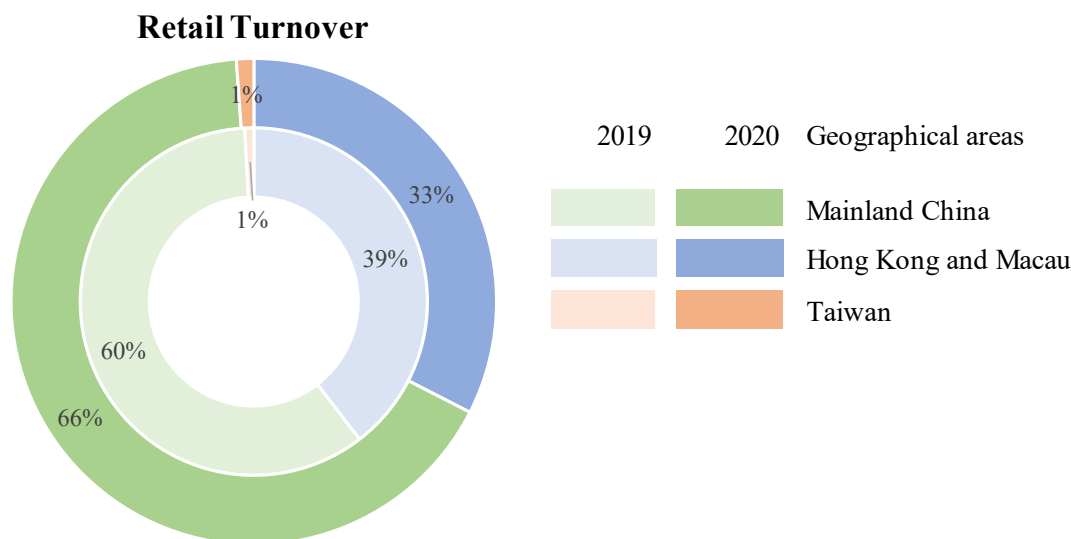
The covid-19 pandemic has been battering economies worldwide since early 2020. Border controls, restrictions on crowd gathering resulting in cancellation of wedding celebrations caused significant disruptions to the Group's jewellery business. The pandemic has brought unprecedented challenges to our retailing business, causing quarterly revenue to drop 45% year-on-year in the first quarter of 2020. Nonetheless, revenue decline started to narrow from the second quarter on. Our jewellery and watch sales in Mainland China regained its growth momentum in the second half of 2020. In Hong Kong and Macau, with the almost total absence of tourists, our 2020 jewellery and watch sales dropped 34%. Remarkable growth in watch sales partly offset the hit.

International gold price rose strongly in the first half of 2020 and dipped from its August peak. Surge in gold price hindered gold jewellery sales but helped margin enhancement. The Group recognised impairment losses on right-of-use assets arising from some Hong Kong jewellery stores with declined sales, as well as margin loans arising from our securities and futures broking business.

The Group's consolidated turnover for 2020 decreased by 15% to HK\$15,032 million. Profit attributable to equity holders decreased by 15% to HK\$544 million.

Retail of Jewellery and Watches

Analysis by Geographical Area

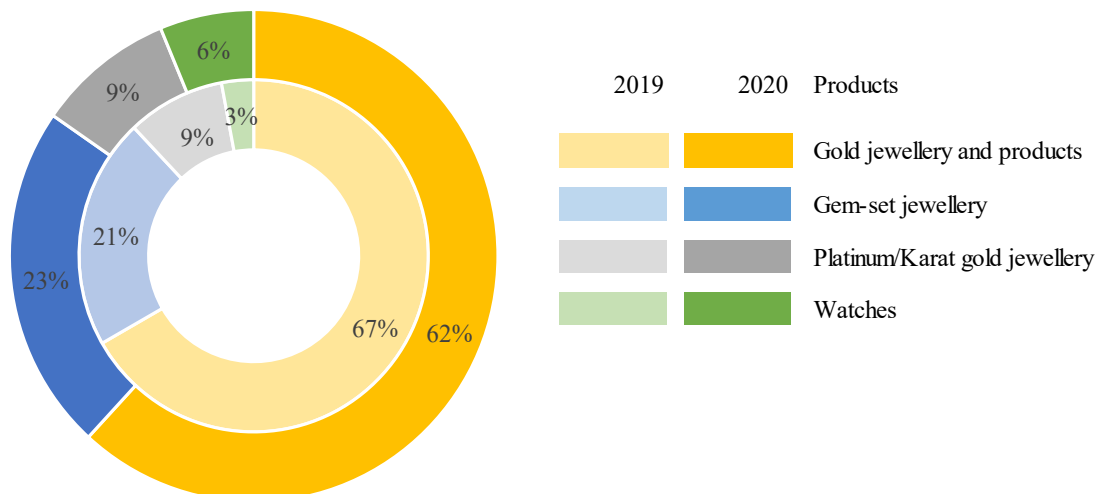


	Segment revenue			Segment results		
	2020 HK\$'M	2019 HK\$'M	+/-	2020 HK\$'M	2019 HK\$'M	+/-
Mainland China	8,686	9,688	-10%	1,213	1,095	+11%
Hong Kong and Macau	4,261	6,436	-34%	(310)	180	-272%
Taiwan	151	134	+13%	12	7	+71%
Total	13,098	16,258	-19%	915	1,282	-29%

Mainland China

Revenue fell 29% year-on-year in the first half of the year, but rebounded 10% in the second half, thanks to the easing of the covid-19 situation and sales from store expansion. Segment results were up 11% from the previous year, benefiting from the margin enhancement brought by the surge in gold price, as well as the accelerated growth in business conducted through Personalised Jewellery Service.

Mainland China Sales Mix



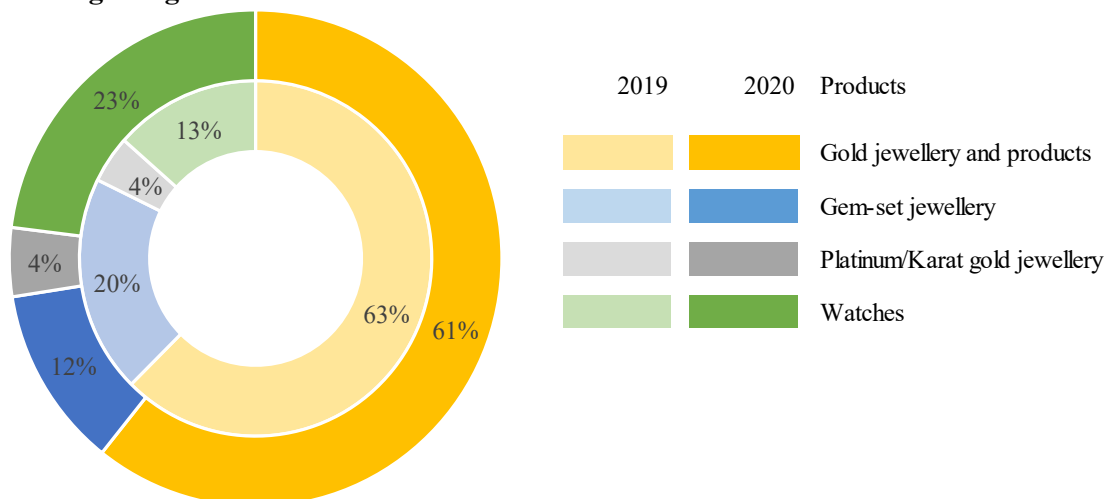
	2020 1H vs 2019 1H	2020 2H vs 2019 2H	2020 FY vs 2019 FY
Same Store Sales Growth ("SSSG")			
Gold jewellery and products	-38%	-5%	-23%
Gem-set jewellery	-21%	-2%	-11%
Watches	+27%	+159%	+91%
Overall	-32%	+1%	-16%

- Overall SSSG was narrowed from -45% in the first quarter to -13% in the second quarter. With the pandemic coming under control, SSSG quickly returned to +1% in the second half.
- Rising gold price deterred buyers in the first half. Sales were stabilised in the second half as gold price retreated after its August peak.
- Our Personalised Jewellery Service business continued to grow strongly, supporting gem-set jewellery sales.
- Our watch sales on the Mainland benefitted as consumers, unable to travel outside the country, lavished their spending on the domestic market.

Hong Kong and Macau

2020 revenue was down 34% year-on-year. Jewellery sales were greatly influenced by the lack of visitors and wedding cancellations. Sales across all products except watches took a major downturn. The negative segment results were primarily due to operating leverage on lower sales volume and impairment losses of HK\$170 million recognised on right-of-use assets arising from some jewellery stores in a prolonged loss situation. Government aid of HK\$79 million and rental relief of HK\$58 million were received which offset part of the loss.

Hong Kong and Macau Sales Mix



	2020 1H vs 2019 1H	2020 2H vs 2019 2H	2020 FY vs 2019 FY
SSSG			
Gold jewellery and products	-48%	-25%	-37%
Gem-set jewellery	-70%	-44%	-60%
Watches	-5%	+35%	+14%
Overall	-47%	-19%	-34%

- Sales were hit hard by the pandemic in the first half, then eased slightly in the third quarter. Year-on-year decline in the second half eased as 2019 had a lower base caused by social unrest.
- The outbreak of the fourth wave of the pandemic in late November 2020 and tightened crowd control measures hit local consumption again.
- According to provisional figures from Hong Kong Census and Statistics Department, number of marriages in 2020 was down 36.4% year-on-year, which damped the demand for jewellery products.
- As in Mainland China, robust sales of Rolex watches helped ease the pain.

Taiwan

The pandemic has had a smaller impact in Taiwan than in other regions where our retail stores were operating. Benefitting from solid internal consumption, turnover increased by 13% to HK\$151 million.

Store Network

Region		As at 31.12.2019	Opening	Closure	Net change	As at 31.12.2020
Mainland China	Chow Sang Sang	561	+62	-32	+30	591
	周生生 生生·活字 (Oasis by Chow Sang Sang)	0	+10	0	+10	10
	Rolex/Tudor	13	0	-1	-1	12
	MINTYGREEN	25	+3	-3	0	25
	EMPHASIS	7	+6	-1	+5	12
	PROMESSA	0	+2	0	+2	2
	MARCO BICEGO	0	+1	0	+1	1
Sub-total:		606	+84	-37	+47	653
Hong Kong	Chow Sang Sang	49	0	-1	-1	48
	Rolex/Tudor	12	0	0	0	12
	EMPHASIS	4	+1	-1	0	4
	PROMESSA	0	+1	0	+1	1
Sub-total:		65	+2	-2	0	65
Macau	點睛品	5	+1	-2	-1	4
Sub-total:		5	+1	-2	-1	4
Taiwan	點睛品	24	+1	0	+1	25
	PROMESSA	0	+1	0	+1	1
Sub-total:		24	+2	0	+2	26
Total		700	+89	-41	+48	748

Chow Sang Sang / 點睛品

- During the year, 72 new Chow Sang Sang stores were opened in Mainland China and a total of 32 stores were closed. 53 of the new stores were located in shopping malls.
- In September 2020, we launched our line of shops with the moniker “生生·活字”(Oasis by Chow Sang Sang) in Beijing, PRC. In order to blend into residential neighbourhoods, this line of shops is fitted out in a relaxed, “corner-store” style and carries themed products lines. Total number of stores increased to 10 at the end of the year.
- In Hong Kong, one Chow Sang Sang store, located in Tsuen Wan, was closed.
- There was a net decrease of one 點睛品 store in Macau during the year.
- We added one more 點睛品 store in New Taipei City, Taiwan.

PROMESSA

- PROMESSA is the name of our signature collection of engagement rings and wedding bands, which we now promote on its own in a specialty store designed to evoke an atmosphere suited for making a proposal of marriage.
- The first PROMESSA store was launched in Chongqing in May 2020. Three other PROMESSA stores were then opened in Shanghai, PRC, Tsimshatsui, Hong Kong and Hsinchu City, Taiwan.

EMPHASIS

- EMPHASIS aims to define the new daily wear jewellery.
- Store number has a net increase of 5 to 16 to get connected with customers who love originality and creativity.

MARCO BICEGO

- MARCO BICEGO is an Italian jewellery brand featuring artisanal craftsmanship and contemporary design concepts.
- We have been distributing these all-Italian-made art pieces in our network since 2000. The first MARCO BICEGO specialty store was opened in Beijing in May 2020.

MINTYGREEN

- MINTYGREEN is an affordable daily wear brand that makes items suitable for younger generation to wear every day.
- All MINTYGREEN stores are located in Mainland China and store number stood at 25 at the end of 2020.

Chow Sang Sang Omni-Channel Retailing

On-line Sales

<u>On-line Sales by Market</u>	<u>2020 HK\$'M</u>	<u>2019 HK\$'M</u>	<u>+%</u>
Mainland China	1,546	1,532	+1%
Hong Kong, Taiwan and Others	68	36	+89%

- For e-commerce in the Mainland market, we have set up flagship stores on the main platforms Tmall, JD, VIP as well as smaller ones operated by banks and other entities. In addition, we have our own online stores.
- Mainland China online sales were steady in spite of covid-19 and accounted for about 18% of our Mainland China sales (2019: 16%).
- For Hong Kong and beyond, we operate our online stores in Hong Kong and Taiwan. We work with HKTVmall, Lazada and Amazon.
- Global pandemic has solidified the demand for e-commerce. 2020 online sales to Hong Kong, Taiwan and other markets were almost double that of 2019.

Omni-Remote Sales

- 2020 was a year of milestone significance in respect of Chow Sang Sang omni-channel retailing. It has become the new phenomenon: customers browse and purchase products online, and shop across physical stores and e-commerce platforms.
- With Omni-Remote Sales, we can offer a wider variety of products from both physical store network and distribution centres.
- Personalised Jewellery Service is ideal model which is complementary to and synergistic with omni-channel retailing. Customers can create customised pieces by using designated applications online or with the help of our sales professionals in store, visit any Chow Sang Sang physical store to feel and touch the jewellery, and collect the tailor-made jewellery via in-store pickup or door-to-door delivery.
- In February 2020, we introduced our Star Concierge Service, which empowers our store staff with the communication tools to judiciously approach their customers and guide them to conclude sales.
- Omni-Remote Sales include sales generated from e-commerce platforms, Star Concierge Service and other remote sales concluded out of in-person branch environment or with remote inventory. As a percentage to total sales in Mainland China, 2020 sales surged to 32% (2019: 21%).

Products and Marketing

- Personalised Jewellery Service offers high degree of personalisation and seamless O2O experience to our customers. We have continued to optimise our product offering and enhance customer experience, including launch of more variety of products, introduction of patented ring with adjustable shank for try-on and addition of sales mini-programs in various e-commerce platforms.
- Diamond jewellery sales from this service for the Group surged over 300% to HK\$536 million, representing 23% of corresponding sales (2019: 5%).
- Customers are still eager for value-preserving and hard-to-find consumer products on the market. Rolex sales growth in 2020 has been remarkable. We also added a new category of gold ingot products in Hong Kong to meet the needs of customers who treasure craftsmanship as well as product value as investment.
- Chow Sang Sang takes inspiration from Chinese culture and portrays the classic elements with modern artistry. Collections steeped in Chinese heritage and aesthetics have been well-received by the market.
- The Group participated in 10 wedding expos in Mainland China, Hong Kong and Taiwan in 2020 to attract young couple clientele.
- We organised over 4,600 hours of live streaming shows on various e-commerce platforms in 2020.

Wholesale of Precious Metals

Although gold wholesale business contracted slightly, sales of other metals achieved satisfactory growth. 2020 turnover was up 31% to HK\$1,885 million and segment operating profit increased to HK\$11 million.

Securities and Futures Broking

IPO fundraising and securities transactions in Hong Kong were active in 2020, with average daily turnover up 49% compared to 2019. Commission income from securities and futures broking business increased by 45% to HK\$35 million.

Nevertheless, in January 2021, the Board came to the decision to wind down the operation of the securities and futures broking business and it is expected that it will cease its operations in May 2021. The Board believes that the cessation will have no material adverse impact on the operations of the Group, but will conserve resources for the better development of its jewellery business.

The Group has initiated legal proceedings in the Court of First Instance of the High Court of Hong Kong by issuing writs of summons on 1 February 2021 against some customers (the “Default Customers”) who defaulted on the payment of commission fees and margin facility interests and/or the repayment of margin loans, their respective guarantors and the introducer who referred those customers to the Group.

Provisions for impairment losses totalling HK\$44 million and HK\$446 million were made on loans due from the Default Customers for the years ended 31 December 2020 and 2019 respectively. As at 31 December 2020, total loans due from the Default Customers (being part of receivables arising from securities and futures broking conducted in the ordinary course of business in note 10) and corresponding total credit loss allowance on such receivables amounted to HK\$711 million and HK\$490 million respectively.

Investments

Investment Properties

The Group holds various properties with a total carrying value of HK\$333 million for rental purpose. Rental income from investment properties amounted to HK\$11 million, which is less than 1% of the Group’s turnover.

Shares in Hong Kong Exchanges and Clearing Limited (“HKEC”)

The Group’s investment in 3,326,800 shares or 0.26% of HKEC is of strategic nature and is the remaining part of the distribution received from the reorganisation of the then exchanges in the year 2000. Such investment was carried at fair value of HK\$1,414 million, representing 8.4% of the Group’s total assets as at 31 December 2020.

During the year, the Group received dividends in the amount of HK\$24 million and recorded a gain of HK\$611 million recognised in other comprehensive income in respect of fair value change of the Group’s financial assets designated at fair value through other comprehensive income. Also, the Group sold 235,000 shares in HKEC. The disposal enables the Group to realise cash and unlock the value in its investment in HKEC at fair market value. The accumulated gain recognised in other comprehensive income of HK\$101 million was transferred to retained profits.

Capital Expenditure

The Group incurred capital expenditure of HK\$244 million of which HK\$200 million was spent on new openings and refitting of stores.

Finance

Financial Position and Liquidity

The Group generates strong recurring cashflow from its retailing business and continues to enjoy a solid cash position. As at 31 December 2020, the Group had cash and cash equivalents of HK\$1,654 million (2019: HK\$1,028 million). Cash is mostly held in Renminbi or Hong Kong dollar and deposited in leading banks with maturity dates falling within one year.

The Group was well supported by over HK\$6,222 million in banking facilities including bank borrowings and bullion loans, out of which HK\$782 million are committed facilities. As at 31 December 2020, the total unutilised banking facilities amounted to HK\$4,083 million (2019: HK\$3,992 million).

As at 31 December 2020, total bank borrowings and bullion loans amounted to HK\$1,080 million and HK\$1,002 million respectively, most of which were unsecured in accordance with the Group's policy. The weighted average tenure of bank borrowings is around three years. The gearing ratio was 17.3%, based on total bank borrowings and bullion loans of HK\$2,082 million as a percentage of total equity of HK\$12,019 million. The current ratio of the Group was 3.5.

The Group manages risk of credit cost and availability by several means: cultivating relationship with a large number of lending banks; diversifying the funding sources by engaging a number of local and overseas banks; putting some loans on a term basis; and fixing interest costs on loans as appropriate. The Group had 27% of its bank loans at fixed rates as at 31 December 2020, decreased from 32% as at 31 December 2019.

As at 31 December 2020, outstanding derivatives on the books were mainly bullion contracts for hedging the bullion price exposure. Management monitors the hedging policy closely and the hedging level of the Group is approximately 40% of the total gold inventories.

Foreign Exchange Risk Management

The Group's assets and liabilities, revenue and expenses are mostly denominated in Hong Kong dollar, Renminbi and US dollar. As such, the risk is easily manageable and slight. Simultaneously, the Group maintains an appropriate level of foreign currency borrowings for natural hedge and cross currency swaps, to mitigate foreign exchange exposure. As at 31 December 2020, the borrowing denominated in New Taiwan dollar amounted to NT\$100 million.

Charge on Assets, Lease Liabilities and Contingent Liabilities

As at 31 December 2020, listed equity investments of HK\$850 million (2019: HK\$784 million) were pledged to secure banking facilities granted to certain subsidiaries of the Company.

As at 31 December 2020, the Group had lease liabilities of HK\$1,001 million (2019: HK\$1,300 million) and had no material contingent liabilities.

Human Resources

The Group maintains its long-established performance-based remuneration policies with a discretionary annual performance bonus. Training has been provided to new and existing staff at a pace commensurate with the expansion of the networks in all territories.

On 11 June 2020, the shareholders of the Company approved and adopted a new share option scheme and terminated the share option scheme adopted on 7 December 2010. The new share option scheme is to provide incentives or rewards to eligible participants for their contribution to the Group and enabling the Group to attract and retain valuable employees.

As at 31 December 2020, the total number of employees of the Group was 10,109, of whom 8,453 in Mainland China, 1,474 in Hong Kong and Macau, and 182 in Taiwan. During the year ended 31 December 2020, total staff costs amounted to HK\$1,401 million.

Outlook

Stepping into 2021, overseas visitors to Hong Kong remained at zero, and crowd control measures continued to halt most wedding plans. China's pace to rebuilding its economy under covid-19 and the ongoing China-US friction is of paramount importance to the world's economic recovery and our business outlook. With global vaccinations underway, we have seen encouraging surges in consumer spending in our major markets during the Chinese New Year period.

The pandemic has pushed people to change and adopt digitalisation. It is now well accepted that the real and virtual market places are converging. Based on our system comprising finely segmented brands, two e-commerce centres and multiple platforms, more than 700 physical stores all self-owned and operated, an intelligent fulfilment centre coupled with a manufacturing facility in Shunde, we are uniquely positioned to offer our customers a seamless shopping experience. Going forward, we will continue to optimise our omni-channel retailing ecosystem. These tasks include further integration of multi-brand store network with digital platforms, upgrading retail management system and engaging customers with quality products and services. Our customers can shop whenever they want, from wherever they are, choose a product from our national inventory or have one made from our inventory of gems and settings, and take delivery at home or from virtually any store.

We realised that offline and online channels share the same importance in achieving success. 2020 has been a milestone in the context of Chow Sang Sang multi-brand implementation. We added three more categories of stores, namely PROMESSA, 生生·活字 (Oasis by Chow Sang Sang) and MARCO BICEGO. PROMESSA is the line of stores that is devoted to our signature collections of engagement rings, wedding bands and related merchandise. Our mainline store brand is Chow Sang Sang. These stores are fully scaled, carrying all our lines of merchandise. We have evolved a new line of stores bearing the moniker 生生·活字 (Oasis by Chow Sang Sang) as a subtext to Chow Sang Sang. This line of stores is fitted out in a relaxed, "corner-store" style designed to blend into residential neighbourhoods. They are generally smaller than the mainline stores and they typically carry products following one of three themes: culture, lifestyle and romance. We envisage that by means of this line we can speed up the expansion of our network's geographical coverage and deepen our penetration of the lower-tiered cities in Mainland China. In Hong Kong, we will continue to adjust our store network to better serve local customers. We plan to open a total of some 100 stores in 2021 in accordance with our multi-brand strategy.

DIVIDENDS

The Board has recommended the payment of a final dividend of HK26.0 cents (2019: HK25.0 cents) per ordinary share and a special final dividend of HK16.0 cents (2019: Nil) per ordinary share for the year ended 31 December 2020. Together with the interim dividend of HK5.0 cents (2019: HK14.0 cents) per ordinary share paid by the Company, the total dividend per ordinary share for the year will be HK47.0 cents (2019: HK39.0 cents). Subject to the approval of the shareholders of the Company at the forthcoming annual general meeting (the "2021 Annual General Meeting"), the final dividend and special final dividend will be paid on Monday, 21 June 2021 to shareholders whose names appear on the register of members of the Company on Thursday, 10 June 2021.

CLOSURE OF REGISTER OF MEMBERS

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

- (i) from Friday, 28 May 2021 to Wednesday, 2 June 2021, both dates inclusive, for the purpose of ascertaining shareholders' entitlement to attend and vote at the 2021 Annual General Meeting. In order to be entitled to attend and vote at the 2021 Annual General Meeting, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Thursday, 27 May 2021; and
- (ii) from Tuesday, 8 June 2021 to Thursday, 10 June 2021, both dates inclusive, for the purpose of ascertaining shareholders' entitlement to the proposed final dividend and special final dividend. In order to establish entitlements to the proposed final dividend and special final dividend, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar, Tricor Tengis Limited, at the address as set out in sub-paragraph (i) above not later than 4:30 p.m. on Monday, 7 June 2021.

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

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

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

CORPORATE GOVERNANCE

The Company has complied throughout the year with the applicable code provisions of the Corporate Governance Code (the "Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, except for the deviation from code provision A.2.1 of the Code and which is explained below.

Code provision A.2.1 of the Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Vincent CHOW Wing Shing holds both positions of the Chairman and the Group General Manager of the Company. The Board is of the opinion that the present board structure provides the Group with strong and consistent leadership and allows for effective and efficient planning and implementation of business decisions and strategies.

SCOPE OF WORK OF AUDITOR ON THIS PRELIMINARY ANNOUNCEMENT OF THE ANNUAL RESULTS

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2020 as set out in this preliminary announcement have been agreed by the Group's auditor, Ernst & Young, to the amounts set out in the Group's consolidated financial statements for the year. The work performed by Ernst & Young 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 Ernst & Young on this preliminary announcement.

REVIEW OF ANNUAL RESULTS

The Audit Committee has reviewed the Group's annual results for the year ended 31 December 2020 in conjunction with Ernst & Young.

ANNUAL GENERAL MEETING

The 2021 Annual General Meeting will be held at 4/F, Chow Sang Sang Building, 229 Nathan Road, Kowloon, Hong Kong on Wednesday, 2 June 2021 at 10:30 a.m. The notice of the 2021 Annual General Meeting will be published and issued in due course.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This annual results announcement is published on the websites of the Company at www.chowsangsang.com and HKEX at www.hkexnews.hk. The 2020 annual report of the Company will be despatched to the shareholders of the Company and published on the above websites in due course.

BOARD OF DIRECTORS

As at the date of this announcement, the Executive Directors of the Company are Mr. Vincent CHOW Wing Shing, Dr. Gerald CHOW King Sing and Mr. Winston CHOW Wun Sing; the Non-executive Directors are Mr. Stephen TING Leung Huel and Mr. CHUNG Pui Lam; and the Independent Non-executive Directors are Dr. CHAN Bing Fun, Mr. LEE Ka Lun, Dr. LO King Man and Mr. Stephen LAU Man Lung.

By order of the Board
Vincent CHOW Wing Shing
Chairman

Hong Kong, 25 March 2021