



Contents

Corporate Information	2
Management Discussion and Analysis	4
Report on Review of Interim Financial Statements	7
Unaudited Consolidated Statement of Profit or Loss	8
Unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income	9
Unaudited Consolidated Statement of Financial Position	10
Unaudited Consolidated Statement of Changes in Equity	12
Unaudited Condensed Consolidated Cash Flow Statement	13
Notes to the Unaudited Consolidated Financial Statements	14
Corporate Governance and Other Information	36





Corporate Information

Board of Directors

Executive Directors

Kee Chor Lin (*Chairman*)
Chan Yu Ching, Eugene (*Managing Director*)
Chan Tat Cheong, Alan (*Finance Director and Company Secretary*)

Independent Non-executive Directors

Li Sau Hung, Eddy *GBS, JP*
Lo Kwok Kwei, David
Mar, Selwyn
Yung Wing Ki, Samuel *SBS, MH, JP* (appointed on 24 March 2023)

Audit Committee

Mar, Selwyn (*Chairman*)
Li Sau Hung, Eddy *GBS, JP*
Lo Kwok Kwei, David
Yung Wing Ki, Samuel *SBS, MH, JP* (appointed on 24 March 2023)

Remuneration Committee

Lo Kwok Kwei, David (*Chairman*)
Kee Chor Lin
Li Sau Hung, Eddy *GBS, JP*
Yung Wing Ki, Samuel *SBS, MH, JP* (appointed on 24 March 2023)

Nomination Committee

Li Sau Hung, Eddy *GBS, JP* (*Chairman*)
Kee Chor Lin
Chan Yu Ching, Eugene
Lo Kwok Kwei, David
Mar, Selwyn
Yung Wing Ki, Samuel *SBS, MH, JP* (appointed on 24 March 2023)

Company Secretary

Chan Tat Cheong, Alan

Auditor

KPMG (Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance)

Principal Bankers

The Hongkong and Shanghai Banking Corporation Limited
United Overseas Bank Limited

Registered Office

Clarendon House, 2 Church Street
Hamilton HM 11, Bermuda

Principal Place of Business

Unit 3402, 34th Floor, Cosco Tower
Grand Millennium Plaza
No. 183 Queen's Road Central
Hong Kong





Corporate Information

**Principal Share Registrar and
Transfer Office**

MUFG Fund Services (Bermuda) Limited
4th Floor North, Cedar House
41 Cedar Avenue
Hamilton HM12, Bermuda

**Branch Share Registrar and
Transfer Office**

Tricor Tengis Limited
17/F, Far East Finance Centre
16 Harcourt Road, Hong Kong

Corporate Website

www.manyue.com

Investor Relations Contact

E-mail: ir@manyue.com

Stock Code

00894





Management Discussion and Analysis

FINANCIAL HIGHLIGHTS

	Six months ended 30 June		Change
	2023	2022	
	HK\$'000	HK\$'000	
Revenue	761,975	989,716	(23.0%)
Gross profit	102,474	164,569	(37.7%)
EBITDA	53,615	97,067	(44.8%)
(Loss)/profit attributable to shareholders	(15,368)	30,404	N/A
(Loss)/earnings per share	(3.23) HK cents	6.39 HK cents	N/A

FINANCIAL RESULTS

Despite the COVID-19 pandemic gradually coming to an end in the first quarter of 2023, the global economic recovery did not meet the anticipated level and the economic growth remained sluggish. The continued downturn in the economic climate resulting from the trade conflict between China and the United States, high interest and inflation rates as well as various economic sanctions had seriously affected the consumer sentiment and resulted in an ongoing inventory destocking cycle across the electronics industry which inevitably led to a decline in demand for the Group's products. As a result, the Group recorded a revenue of approximately HK\$761,975,000 for the six months ended 30 June 2023 (the "Period"), representing a drop of 23.0% as compared with that of the corresponding period in 2022. Due to the decline in revenue, the gross profit of the Group decreased by 37.7% for the Period, from approximately HK\$164,569,000 to approximately HK\$102,474,000. Gross profit margin also dropped by 3.2 percentage points, from 16.6% to 13.4%. Furthermore, the aggressive interest rate hikes during the Period had caused our finance cost increased by 54.9% as compared with that in the same period of 2022, from approximately HK\$18,218,000 to HK\$28,216,000. Consequently, the Group in turn recorded a net loss attributable to shareholders of the Company (the "Shareholders") of approximately HK\$15,368,000 for the Period, as compared with a net profit attributable to the Shareholders for the corresponding period in 2022 of approximately HK\$30,404,000.

BUSINESS REVIEW

Market Overview

The elevated inflation rate, interest rate hike and geopolitical turmoil have slowed down the global economic recovery and impacted the supply chain discipline as well as consumer behaviour. Customers become more conservative in placing orders and consumers also become more cautious on their spending. As a result, the overall demand for the Group's products, which are the crucial components for all electronic products, are relatively weak and our revenue has been inevitably affected. According to a market research conducted by Gartner Inc., an information technology research and advisory company, the worldwide shipments of total devices (computers, tablets and mobile phones) are projected to decline by 4.4% in 2023, after a double-digit drop in shipments of 11.9% in 2022. Nevertheless, the continuously evolving electronic sector with introduction of new technologies such as 5G, the Internet of Things (IoT), artificial intelligence (AI), robotic and cloud computing would create more business opportunities for the growth of the electronic components market in a wide range of applications in the long-run. In response to the challenging market and operating environment, the Group would strive to remain its primary business focus on diversified and emerging market sectors as well as customers with market leadership. The Group's business development strategy of establishing a multi-product platform, such as aluminum electrolytic capacitors ("E-Caps"), polymer aluminum solid capacitors ("Polymer Caps"), multi-layer polymer capacitors ("MLPC") and electric double layer capacitors ("EDLC") would help to overcome this rough tide.





Management Discussion and Analysis

Operation Review

Amid all the unfavourable factors such as the trade conflict between China and the United States, soaring interest and inflation rates as well as various economic sanctions inherent in the global economy and market demand, the Group was in no exception of suffering from a 23.0% decrease in revenue for the Period as the buyers of electronic components were prudent to make new orders and tended to maintain a low level of inventory. Nevertheless, resulting from the Group's diversified customer and product mix, the decline in revenue for the Period was relatively mild. During the Period, the Group was able to maintain strong business relationships with its market-leading customers and had devoted all its effort in the research and development of new innovative components and materials with an aim to stay at the forefront of technology and the industry. In view of the uncertain and challenging business environment, the Group would adopt a series of more stringent cost control measures and a prudent cash flow management so as to ensure the healthiness of its liquidity and financial position.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2023, the Group's cash and bank balances amounted to HK\$299,607,000 (as at 31 December 2022: HK\$311,869,000), most of which were either denominated in United States dollars, Renminbi or Hong Kong dollars. Total outstanding bank and other borrowings of the Group amounted to HK\$1,115,257,000 (as at 31 December 2022: HK\$1,094,513,000) which comprised mainly bank loans and trade finance facilities.

As at 30 June 2023, the net gearing ratio was 55.3%, which was calculated based on the amount of net debt position (sum of total bank and other borrowings less cash and bank balances) as a percentage of total equity of the Group (as at 31 December 2022: 52.0%).

As at 30 June 2023, net working capital (calculated as current assets less current liabilities) was HK\$141,182,000, representing a drop of HK\$59,026,000 as compared with that of HK\$200,208,000 as at 31 December 2022. The current ratio (calculated as current assets/current liabilities) was 1.09 times as at 30 June 2023, as compared with that of 1.12 times as at 31 December 2022.

The Group's financial statements are presented in Hong Kong dollars. However, most of the Group's transactions were conducted in Hong Kong dollars, Renminbi, United States dollars and Japanese Yen. The Group is aware of the potential foreign exchange risk that may arise from the fluctuation of exchange rates between Hong Kong dollars, Renminbi, United States dollars and Japanese Yen. The Group will closely monitor its overall foreign exchange exposure with a view to safeguarding the Group from exchange rate risks.





Management Discussion and Analysis

OUTLOOK AND PROSPECTS

Looking ahead to the second half of 2023, the prospect for the recovery of global economy remains bleak. According to the world economic outlook update released by the International Monetary Fund (“IMF”) in July 2023, the global economic growth is projected to fall from an estimated 3.5% in 2022 to 3.0% in both 2023 and 2024. Undoubtedly, the global economy is less predictable in the forthcoming years. The Group, however, remains cautiously optimistic in its business prospect as it is well equipped with a strong competence in the research and development of new materials and innovative products, decade of operational excellence, solid global presence as well as diversified customer and product portfolio. The Group will continue to closely monitor the changes in the operating environment and grasp the business opportunities arising from the market changes. Lastly, the Group will maintain its financial discipline to cope with the ever-changing global economic cycle and sustain its on-going business development.

EMPLOYMENT AND REMUNERATION POLICY

As at 30 June 2023, the Group employed a total of 2,426 employees (as at 31 December 2022: 2,501). The Group’s remuneration policy is built on the principle of equitability with incentive-based, motivating, performance-oriented and market competitive remuneration packages for its employees. Remuneration packages are reviewed on a regular basis. Apart from salary, other staff benefits include provident fund contributions, medical insurance coverage and performance-based bonuses.





Report on Review of Interim Financial Statements



REVIEW REPORT TO THE BOARD OF DIRECTORS OF MAN YUE TECHNOLOGY HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

INTRODUCTION

We have reviewed the interim financial statements set out on pages 8 to 35, which comprises the consolidated statement of financial position of Man Yue Technology Holdings Limited as of 30 June 2023 and the related consolidated statement of profit or loss, statement of profit or loss and other comprehensive income and statement of changes in equity and condensed consolidated cash flow statement for the six month period then ended and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of interim financial statements to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34, *Interim Financial Reporting*, issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and presentation of the interim financial report in accordance with Hong Kong Accounting Standard 34.

Our responsibility is to form a conclusion, based on our review, on the interim financial statements and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of these statements.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*, issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial statements consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements as at 30 June 2023 are not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34, *Interim Financial Reporting*.

KPMG

Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

Hong Kong, 25 August 2023





Unaudited Consolidated Statement of Profit or Loss

	Note	Six months ended 30 June	
		2023 HK\$'000	2022 HK\$'000
Revenue	6, 7	761,975	989,716
Cost of sales		(659,501)	(825,147)
Gross profit		102,474	164,569
Other income	8	4,223	3,478
Other net gains	9	3,348	6,217
Selling and distribution costs		(25,954)	(33,599)
Administrative expenses		(81,133)	(89,853)
Net reversal/(recognition) of expected credit loss on trade and other receivables		314	(173)
Operating profit	10	3,272	50,639
Finance costs	11	(28,216)	(18,218)
Finance income	12	3,713	3,744
Share of results of joint ventures		6,094	1,008
(Loss)/profit before tax		(15,137)	37,173
Income tax	13	(2,641)	(8,430)
(Loss)/profit for the period		(17,778)	28,743
(Loss)/profit attributable to:			
Equity holders of the Company		(15,368)	30,404
Non-controlling interests		(2,410)	(1,661)
(Loss)/profit for the period		(17,778)	28,743
(Loss)/earnings per share attributable to equity holders of the Company:	14		
Basic		(3.23) HK cents	6.39 HK cents
Diluted		(3.23) HK cents	6.39 HK cents

The notes on pages 14 to 35 form part of these interim financial statements.





Unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Six months ended 30 June	
	2023 HK\$'000	2022 HK\$'000
(Loss)/profit for the period	(17,778)	28,743
Other comprehensive income:		
Item that will not be reclassified subsequently to profit or loss:		
Assets revaluation surplus, net of tax	69,311	1,702
Item that may be reclassified subsequently to profit or loss:		
Currency translation differences	(83,153)	(113,413)
Other comprehensive income for the period, net of tax	(13,842)	(111,711)
Total comprehensive income for the period	(31,620)	(82,968)
Total comprehensive income attributable to:		
Equity holders of the Company	(28,674)	(79,009)
Non-controlling interests	(2,946)	(3,959)
Total comprehensive income for the period	(31,620)	(82,968)

The notes on pages 14 to 35 form part of these interim financial statements.





Unaudited Consolidated Statement of Financial Position

		At 30 June 2023 (Unaudited) HK\$'000	At 31 December 2022 (Audited) HK\$'000
	Note		
Non-current assets			
Property, plant and equipment	16	491,425	557,545
Construction in progress	16	96,292	89,840
Prepaid land premium	17	40,688	54,796
Investment properties	18	286,868	154,560
Intangible assets		682	803
Investments in joint ventures		198,812	200,124
Machinery under installation	16	86,858	87,126
Financial assets at fair value through profit or loss		38,149	46,501
Loans to a joint venture		172,077	169,944
Other prepayments		5,304	5,444
Deferred tax assets		16,908	15,654
Total non-current assets		1,434,063	1,382,337
Current assets			
Inventories		628,867	677,719
Trade receivables	19	637,404	708,235
Prepayments, deposits and other receivables	19	125,010	127,670
Due from joint ventures		22,818	22,815
Financial assets at fair value through profit or loss		8,783	14
Net defined benefit retirement assets		-	688
Cash and bank balances		299,607	311,869
Total current assets		1,722,489	1,849,010
Current liabilities			
Trade and bills payables	20	252,446	297,409
Other payables and accrued liabilities and contract liabilities		113,078	141,487
Due to joint ventures		68,128	68,039
Tax payable		15,244	26,245
Bank and other borrowings	21	1,115,257	1,094,513
Dividends payable		43	43
Lease liabilities		17,111	21,066
Total current liabilities		1,581,307	1,648,802





Unaudited Consolidated Statement of Financial Position

	Note	At 30 June 2023 (Unaudited) HK\$'000	At 31 December 2022 (Audited) HK\$'000
Net current assets		141,182	200,208
Total assets less current liabilities		1,575,245	1,582,545
Non-current liabilities			
Provision for long service payments		77	77
Deferred tax liabilities		68,664	47,815
Deferred income		8,430	8,849
Lease liabilities		23,688	19,798
Total non-current liabilities		100,859	76,539
Net assets		1,474,386	1,506,006
Capital and reserves			
Share capital	22	47,555	47,555
Reserves	23	1,397,355	1,426,029
Equity attributable to equity holders of the Company		1,444,910	1,473,584
Non-controlling interests		29,476	32,422
Total equity		1,474,386	1,506,006

The notes on pages 14 to 35 form part of these interim financial statements.





Unaudited Consolidated Statement of Changes in Equity

	Attributable to equity holders of the Company			Non- controlling interests HK\$'000	Total equity HK\$'000
	Share capital HK\$'000	Reserves HK\$'000	Total HK\$'000		
Balance at 1 January 2023	47,555	1,426,029	1,473,584	32,422	1,506,006
Loss for the period	-	(15,368)	(15,368)	(2,410)	(17,778)
Other comprehensive income:					
Item that will not be reclassified subsequently to profit or loss:					
Assets revaluation surplus, net of tax	-	69,311	69,311	-	69,311
Item that may be reclassified subsequently to profit or loss:					
Currency translation differences	-	(82,617)	(82,617)	(536)	(83,153)
Total comprehensive income for the period ended 30 June 2023	-	(28,674)	(28,674)	(2,946)	(31,620)
Balance at 30 June 2023	47,555	1,397,355	1,444,910	29,476	1,474,386

	Attributable to equity holders of the Company			Non- controlling interests HK\$'000	Total equity HK\$'000
	Share capital HK\$'000	Reserves HK\$'000	Total HK\$'000		
Balance at 1 January 2022	47,555	1,602,978	1,650,533	39,096	1,689,629
Profit/(loss) for the period	-	30,404	30,404	(1,661)	28,743
Other comprehensive income:					
Item that will not be reclassified subsequently to profit or loss:					
Assets revaluation surplus, net of tax	-	1,702	1,702	-	1,702
Item that may be reclassified subsequently to profit or loss:					
Currency translation differences	-	(111,115)	(111,115)	(2,298)	(113,413)
Total comprehensive income for the period ended 30 June 2022	-	(79,009)	(79,009)	(3,959)	(82,968)
Balance at 30 June 2022	47,555	1,523,969	1,571,524	35,137	1,606,661

The notes on pages 14 to 35 form part of these interim financial statements.





Unaudited Condensed Consolidated Cash Flow Statement

	Six months ended 30 June	
	2023	2022
	HK\$'000	HK\$'000
Operating activities		
(Loss)/profit before tax	(15,137)	37,173
Finance cost	27,483	17,002
Decrease/(increase) in inventories	24,742	(50,601)
Decrease/(increase) in trade receivables	57,167	(52,424)
(Decrease)/increase in trade and bills payables	(36,615)	88,161
Decrease in other payables and accrued liabilities	(25,859)	(8,304)
Others	(1,350)	20,383
Cash generated from operations	30,431	51,390
Tax paid	(8,496)	(8,961)
Net cash inflow from operating activities	21,935	42,429
Investing activities		
Purchases of property, plant and equipment	(20,892)	(40,230)
Prepayments on purchases of property, plant and equipment	–	(8,894)
Other cash flows arising from investment activities	(2,605)	(7,707)
Net cash outflow from investing activities	(23,497)	(56,831)
Financing activities		
Proceeds from new bank and other borrowings	1,231,551	999,580
Repayment of bank and other borrowings	(1,195,790)	(892,658)
Increase in pledged bank deposits	(32,538)	–
Capital element of lease rentals paid	(11,293)	(11,780)
Interest element of lease rentals paid	(733)	(1,217)
Interest paid	(28,620)	(18,373)
Net cash (outflow)/inflow from financing activities	(37,423)	75,552
Net (decrease)/increase in cash and cash equivalents	(38,985)	61,150
Cash and cash equivalents at beginning of period	311,869	215,732
Effect of foreign exchange rate changes	(5,815)	(6,478)
Cash and cash equivalents at end of period	267,069	270,404
Analysis of balances of cash and cash equivalents		
Cash and bank balances	299,607	258,711
Time deposits with original maturity of less than three months when placed	–	11,693
Less: Pledged bank deposits	(32,538)	–
Cash and cash equivalents as stated in the consolidated cash flow statements at end of period	267,069	270,404

The notes on pages 14 to 35 form part of these interim financial statements.



Notes to the Unaudited Consolidated Financial Statements

1 GENERAL INFORMATION

The principal activities of the Company and its subsidiaries are the manufacturing and trading of electronic components and raw materials.

The Company is a limited liability company incorporated in Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

The Company has its primary listing on the Stock Exchange.

These interim financial statements are presented in Hong Kong dollars, unless otherwise stated. These interim financial statements have been approved for issue on 25 August 2023 by the Board.

2 BASIS OF PREPARATION

These interim financial statements for the six months ended 30 June 2023 have been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), including compliance with Hong Kong Accounting Standard ("HKAS") 34, *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

These interim financial statements have been prepared in accordance with the same accounting policies adopted in the 2022 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2023 annual financial statements. Details of any changes in accounting policies are set out in Note 3.

These interim financial statements contain condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2022 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs").

These interim financial statements are unaudited, but have been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*, issued by the HKICPA. KPMG's independent review report to the Board of Directors is included on page 7.





Notes to the Unaudited Consolidated Financial Statements

3 CHANGES IN ACCOUNTING POLICIES

The Group has applied the following new and amended HKFRSs issued by the HKICPA to these interim financial statements for the current accounting period:

- HKFRS 17, *Insurance contracts*
- Amendments to HKAS 8, *Accounting policies, changes in accounting estimates and errors: Definition of accounting estimates*
- Amendments to HKAS 12, *Income taxes: Deferred tax related to assets and liabilities arising from a single transaction*
- Amendments to HKAS 12, *Income taxes: International tax reform – Pillar Two model rules*

None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented in these interim financial statements. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

4 ESTIMATES

The preparation of interim financial statements in conformity with HKAS 34 requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

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





Notes to the Unaudited Consolidated Financial Statements

5 FINANCIAL RISK MANAGEMENT

(a) Financial Risk Factors

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

These interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2022.

(b) Liquidity Risk

The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and readily realisable marketable securities and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following tables show the remaining contractual maturities at the end of the reporting period of the Group's non-derivative financial liabilities and derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay:

	30 June 2023			Carrying amount at 30 June 2023 HK\$'000
	Contractual undiscounted cash flow			
	Within 1 year or on demand HK\$'000	Over 1 year HK\$'000	Total HK\$'000	
Trade and bills payables	252,446	–	252,446	252,446
Other payables and accrued liabilities	107,776	–	107,776	107,776
Due to joint ventures	68,128	–	68,128	68,128
Bank and other borrowings	1,141,358	15,429	1,156,787	1,115,257
Lease liabilities	17,314	26,818	44,132	40,799
Dividends payable	43	–	43	43
	1,587,065	42,247	1,629,312	1,584,449





Notes to the Unaudited Consolidated Financial Statements

5 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Liquidity Risk (Continued)

	31 December 2022			Carrying amount at 31 December 2022 HK\$'000
	Contractual undiscounted cash flow			
	Within 1 year or on demand HK\$'000	Over 1 year HK\$'000	Total HK\$'000	
Trade and bills payables	297,409	–	297,409	297,409
Other payables and accrued liabilities	134,077	–	134,077	134,077
Due to joint ventures	68,039	–	68,039	68,039
Bank and other borrowings	1,114,256	15,825	1,130,081	1,094,513
Lease liabilities	21,906	22,579	44,485	40,864
Dividends payable	43	–	43	43
	<u>1,635,730</u>	<u>38,404</u>	<u>1,674,134</u>	<u>1,634,945</u>

(c) Fair Value Hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13 *Fair Value Measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available
- Level 3 valuations: Fair value measured using significant unobservable inputs





Notes to the Unaudited Consolidated Financial Statements

5 FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Fair Value Hierarchy (Continued)

The following table presents the Group's financial assets that were measured at fair value at 30 June 2023.

	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
Financial assets at fair value through profit or loss – non-current	–	–	38,149	38,149
Financial assets at fair value through profit or loss – current	14	–	8,769	8,783
	14	–	46,918	46,932

The following table presents the Group's financial assets that were measured at fair value at 31 December 2022.

	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
Financial assets at fair value through profit or loss – non-current	–	–	46,501	46,501
Financial assets at fair value through profit or loss – current	14	–	–	14
	14	–	46,501	46,515

There were no transfers between levels of the fair value hierarchy used in measuring the fair value of financial instruments and no change in valuation techniques during the Period.





Notes to the Unaudited Consolidated Financial Statements

5 FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Fair Value Hierarchy (Continued)

Level 3 financial assets at fair value through profit or loss were measured at fair value using a discounted cash flow approach. The movement during the Period in the balance of Level 3 fair value measurement is as below:

	Six months ended 30 June	
	2023	2022
	HK\$'000	HK\$'000
At 1 January	46,515	37,709
Additions	–	7,821
Changes in fair value recognised in profit or loss during the Period	787	791
Exchange realignment	(370)	(624)
At 30 June	46,932	45,697

For majority of Level 3 financial instruments, the Group obtains independent valuations from independent professionally qualified valuers and bank at least twice every year, which is in line with the Group's reporting dates.

The carrying amounts of the Group's financial instruments carried at cost or amortised cost were not materially different from fair values as at 30 June 2023 and 31 December 2022.





Notes to the Unaudited Consolidated Financial Statements

6 SEGMENT INFORMATION

The Group's executive team, comprising all executive directors and headed by the managing director of the Company, is considered as the Chief Operating Decision Maker ("CODM"). The CODM reviews the performance of the Group on a regular basis.

The CODM reviews the Group's investments as a separate segment. Such investments include investment properties and financial assets at fair value through profit or loss.

The Group is organised into two main operating segments. They are the (i) manufacturing, selling and distribution of electronic components; and (ii) investments.

The segment results for the six months ended 30 June 2023 are as follows:

	For the six months ended 30 June 2023		
	Manufacturing, selling and distribution of electronic components HK\$'000	Investments HK\$'000	Total HK\$'000
Segment revenue from external customers	761,975	–	761,975
Segment gross profit	102,474	–	102,474
Gross profit margin (%)	13.4%	N/A	13.4%
Other income	2,962	1,261	4,223
Other net gains	2,438	910	3,348
Operating expenses ¹	(106,773)	–	(106,773)
Operating profit	1,101	2,171	3,272
Operating profit margin (%)	0.1%	N/A	0.4%





Notes to the Unaudited Consolidated Financial Statements

6 SEGMENT INFORMATION (CONTINUED)

The segment results for the six months ended 30 June 2022 are as follows:

	For the six months ended 30 June 2022		
	Manufacturing, selling and distribution of electronic components HK\$'000	Investments HK\$'000	Total HK\$'000
Segment revenue from external customers	989,716	–	989,716
Segment gross profit	164,569	–	164,569
Gross profit margin (%)	16.6%	N/A	16.6%
Other income	1,997	1,481	3,478
Other net gains	5,519	698	6,217
Operating expenses ¹	(123,625)	–	(123,625)
Operating profit	48,460	2,179	50,639
Operating profit margin (%)	4.9%	N/A	5.1%

A reconciliation of operating profit to (loss)/profit before tax is provided as follows:

	Six months ended 30 June	
	2023 HK\$'000	2022 HK\$'000
Operating profit	3,272	50,639
Finance costs	(28,216)	(18,218)
Finance income	3,713	3,744
Share of results of joint ventures	6,094	1,008
(Loss)/profit before tax	(15,137)	37,173

A measurement of segment assets and liabilities is not provided regularly to the Group's CODM and accordingly, no segment assets or liabilities information is presented.

Note:

- Operating expenses represent the expenditure that the Group incurs as a result of performing its normal business operations, including selling and distribution costs, administrative expenses and net reversal/(recognition) of expected credit loss on trade and other receivables.





Notes to the Unaudited Consolidated Financial Statements

6 SEGMENT INFORMATION (CONTINUED)

The following tables present the revenue from external customers and specified non-current assets of the Group by geographical locations:

	Six months ended 30 June	
	2023	2022
	HK\$'000	HK\$'000
Revenue from external customers by geographical locations		
Hong Kong	38,891	75,387
Mainland China	532,460	715,586
Taiwan	73,341	78,453
Southeast Asia	25,458	29,555
Korea	2,503	4,698
United States	34,658	31,400
Europe	39,142	42,817
Other countries	15,522	11,820
	761,975	989,716

	At 30 June	At 31 December
	2023	2022
	HK\$'000	HK\$'000
Non-current assets by physical locations (excluding deferred tax assets and financial assets at fair value through profit or loss)		
Hong Kong	112,126	109,826
Mainland China	1,260,864	1,203,803
Others	6,016	6,553
	1,379,006	1,320,182





Notes to the Unaudited Consolidated Financial Statements

7 REVENUE

The principal activities of the Group are the manufacturing and trading of electronic components and raw materials.

Revenue represents the net value of goods sold, after allowances for trade returns and discounts. Revenue from the manufacturing and trading of electronic components is recognised at the point in time when control of the electronic components is transferred to the customers.

Disaggregation of revenue from contracts with customers by major product lines is as follows:

	Six months ended 30 June	
	2023	2022
	HK\$'000	HK\$'000
Revenue from contracts with customers within the scope of HKFRS 15		
Manufacturing and trading of electronic components	761,975	989,716

Disaggregation of revenue from contracts with customers by geographical markets is disclosed in Note 6. All revenue is recognised at a single point in time.

8 OTHER INCOME

	Six months ended 30 June	
	2023	2022
	HK\$'000	HK\$'000
Gains/(losses) on disposal of property, plant and equipment	12	(2,983)
Scrap sales	172	1,498
Government subsidies	34	985
Rental income generated from investment properties	1,261	1,481
Others	2,744	2,497
	4,223	3,478





Notes to the Unaudited Consolidated Financial Statements

9 OTHER NET GAINS

	Six months ended 30 June	
	2023	2022
	HK\$'000	HK\$'000
Fair value gain/(loss) on investment properties	123	(93)
Net foreign exchange gains	2,879	5,519
Fair value gains on financial assets at fair value through profit or loss	787	791
Others	(441)	–
	3,348	6,217

10 OPERATING PROFIT

The Group's operating profit is arrived at after charging/(crediting) the following:

	Six months ended 30 June	
	2023	2022
	HK\$'000	HK\$'000
Depreciation charge:		
Owned property, plant and equipment	27,829	29,248
Right-of-use assets	11,828	11,497
Amortisation of prepaid land premium	763	807
Amortisation of intangible assets	116	124
Write-down of inventories	5,523	4,314
Reversal of write-down of inventories	(3,007)	(2,013)
Net (reversal)/recognition of expected credit loss on trade and other receivables:		
Additional expected credit loss recognised	–	6,608
Expected credit loss reversed	(1,426)	(7,269)
Loss on reimbursement right assets	1,112	834





Notes to the Unaudited Consolidated Financial Statements

11 FINANCE COSTS

	Six months ended 30 June	
	2023	2022
	HK\$'000	HK\$'000
Interest expense on bank and other borrowings	28,620	18,234
Interest expense on lease liabilities	733	1,217
Others	–	138
	29,353	19,589
Less: Interest expenses capitalised into construction in progress	(1,137)	(1,371)
	28,216	18,218

12 FINANCE INCOME

	Six months ended 30 June	
	2023	2022
	HK\$'000	HK\$'000
Interest income from loan to a joint venture	2,764	2,821
Interest income from time deposits and bank balances	637	617
Interest income from a financial asset	312	306
	3,713	3,744





Notes to the Unaudited Consolidated Financial Statements

13 INCOME TAX

	Six months ended 30 June	
	2023	2022
	HK\$'000	HK\$'000
Current tax:		
Outside Hong Kong	3,702	9,753
Deferred tax	(1,061)	(1,323)
Total tax charge for the period	2,641	8,430

No provision for Hong Kong Profits Tax has been made in the financial statements as the Group did not generate any assessable profits arising in Hong Kong during the six months ended 30 June 2023 and 2022.

In accordance with the relevant tax rules and regulations in Mainland China, four (30 June 2022: four) of the Company's subsidiaries in Mainland China enjoy a preferential tax rate of 15% (30 June 2022: 15%). Other subsidiaries of the Group in Mainland China are subject to income taxes at a statutory rate of 25% (30 June 2022: 25%).

Taxation for subsidiaries outside Hong Kong and Mainland China is charged at the appropriate current rates of taxation ruling in the relevant countries.

14 (LOSS)/EARNINGS PER SHARE

The calculation of basic (loss)/earnings per share is based on the loss for the Period attributable to equity holders of the Company of HK\$15,368,000 (30 June 2022: profit attributable to equity holders of the Company of HK\$30,404,000), and the weighted average number of 475,547,534 (30 June 2022: 475,547,534) ordinary shares in issue during the Period.

The diluted (loss)/earnings per share is the same as the basic (loss)/earnings per share as there were no potential dilutive ordinary shares in issue during the Period and for the six months ended 30 June 2022.





Notes to the Unaudited Consolidated Financial Statements

15 DIVIDENDS

The Board does not recommend interim dividend for the Period (30 June 2022: Nil).

16 PROPERTY, PLANT AND EQUIPMENT, CONSTRUCTION IN PROGRESS AND MACHINERY UNDER INSTALLATION

(a) Movements in Property, Plant and Equipments and Construction in Progress

	Six months ended 30 June	
	2023	2022
	HK\$'000	HK\$'000
Opening net carrying amount at 1 January	647,385	721,426
Additions:		
Owned property, plant and equipment	22,224	44,480
Right-of-use assets	12,047	1,670
(Deficit)/surplus on revaluation	(13,048)	2,335
Disposals	(371)	(20,344)
Transfer to investment properties (Note)	(22,474)	–
Depreciation:		
Owned property, plant and equipment	(27,829)	(29,248)
Right-of-use assets	(11,828)	(11,497)
Exchange realignment	(18,389)	(29,975)
Closing net carrying amount at 30 June	587,717	678,847

Note: During the Period, the Group transferred an owner-occupied property in Mainland China to investment properties (Note 18).

(b) The amount of machinery under installation expected to be transferred to property, plant and equipment is HK\$86,858,000 (31 December 2022: HK\$87,126,000).

17 PREPAID LAND PREMIUM

	Six months ended 30 June	
	2023	2022
	HK\$'000	HK\$'000
Opening net carrying amount at 1 January	54,796	61,494
Transfer to investment properties (Note)	(12,174)	–
Amortisation	(763)	(807)
Exchange realignment	(1,171)	(2,674)
Closing net carrying amount at 30 June	40,688	58,013

Note: During the Period, the Group transferred an owner-occupied property in Mainland China to investment properties (Note 18).



Notes to the Unaudited Consolidated Financial Statements

18 INVESTMENT PROPERTIES

	Six months ended 30 June	
	2023	2022
	HK\$'000	HK\$'000
Opening net carrying amount at 1 January	154,560	163,526
Transfer from property, plant and equipment (Note 16)	22,474	–
Transfer from prepaid land premium (Note 17)	12,174	–
Asset revaluation surplus for the property, plant and equipment and prepaid land premium on the date of change in use	105,897	–
Gain/(loss) on fair value adjustment (Note 9)	123	(93)
Exchange realignment	(8,360)	(3,884)
Closing net carrying amount at 30 June	286,868	159,549

The Group obtains independent valuations for its investment properties at least twice annually. During the Period, the valuations were performed by Ravia Global Appraisal Advisory Limited, an independent professionally qualified valuer using the same valuation techniques as were used by the valuers when carrying out the valuations at 31 December 2022. At the end of each reporting period, the Directors update their assessment of the fair value of each property, taking into account the most recent independent valuations. The Directors determine a property's value within a range of reasonable fair value estimates.

Fair value adjustment of investment properties is included in "Other net gains" in the consolidated statement of profit or loss (Note 9).

The following table presents the fair value of the Group's properties measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13 *Fair Value Measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available
- Level 3 valuations: Fair value measured using significant unobservable inputs





Notes to the Unaudited Consolidated Financial Statements

18 INVESTMENT PROPERTIES (CONTINUED)

	Fair value measurements at 30 June 2023 categorised into		
	Level 1	Level 2	Level 3
	HK\$'000	HK\$'000	HK\$'000
Recurring fair value measurements			
Investment properties			
– Completed residential properties – Mainland China	–	–	2,440
– Completed industrial properties – Mainland China	–	–	37,482
– Completed commercial properties – Hong Kong	–	–	73,800
– Under development properties – Mainland China	–	–	173,146
	–	–	286,868
	Fair value measurements at 31 December 2022 categorised into		
	Level 1	Level 2	Level 3
	HK\$'000	HK\$'000	HK\$'000
Recurring fair value measurements			
Investment properties			
– Completed residential properties – Mainland China	–	–	2,306
– Completed industrial property – Mainland China	–	–	16,545
– Completed commercial properties – Hong Kong	–	–	73,800
– Under development property – Mainland China	–	–	61,909
	–	–	154,560

There were no transfers among Level 1, 2 and 3 during the Period.





Notes to the Unaudited Consolidated Financial Statements

19 TRADE RECEIVABLES AND PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	At 30 June 2023	At 31 December 2022
	HK\$'000	HK\$'000
Trade receivables	675,547	747,804
Loss allowance	(38,143)	(39,569)
	637,404	708,235
Prepayments, deposits and other receivables	125,010	127,670
	762,414	835,905

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally 90 days, extending up to 150 days for major customers. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing.

Credit risk was hedged mainly through credit insurance policies. Where the Group has the benefit of credit insurance, a separate asset is recognised for any expected reimbursement that would be virtually certain if a claim was to be made. As at the end of the reporting period, HK\$1,425,000 (31 December 2022: HK\$2,537,000) is included within "prepayments, deposits and other receivables" in current assets in respect of such expected reimbursements.

The Group categorises its trade receivables based on the ageing. Future cash flow for each group of trade receivables are estimated on the basis of historical loss experience, adjusted to effects of current conditions of each customer as well as forward looking information. For trade receivables relating to accounts which are long overdue with significant amounts or known insolvencies, they are assessed individually for impairment.

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

	At 30 June 2023	At 31 December 2022
	HK\$'000	HK\$'000
1-3 months	540,185	596,474
4-6 months	67,797	95,582
7-12 months	25,138	12,601
Over 1 year	4,284	3,578
	637,404	708,235





Notes to the Unaudited Consolidated Financial Statements

20 TRADE AND BILLS PAYABLES

An ageing analysis of the trade and bills payables at the end of the reporting period, based on the invoice date, is as follows:

	At 30 June 2023 HK\$'000	At 31 December 2022 HK\$'000
Trade payables:		
1-3 months	164,638	226,831
4-6 months	40,061	49,879
7-12 months	6,613	11,397
Over 1 year	4,711	3,138
	216,023	291,245
Bills payables	36,423	6,164
	252,446	297,409

At the end of the reporting period, the Group's bills payables of HK\$32,538,000 (31 December 2022: Nil) were secured by pledges over certain bank deposits of the Group with an aggregate carrying value of HK\$32,538,000 (31 December 2022: Nil).

21 BANK AND OTHER BORROWINGS

	At 30 June 2023 HK\$'000	At 31 December 2022 HK\$'000
Bank and other borrowings, unsecured, with repayable on demand clause, repayable:		
Within one year	1,090,074	1,080,595
In the second year	16,724	3,760
In the third to fifth years, inclusive	8,459	10,158
	1,115,257	1,094,513
Portion classified as current liabilities	(1,115,257)	(1,094,513)
Non-current portion	-	-





Notes to the Unaudited Consolidated Financial Statements

21 BANK AND OTHER BORROWINGS (CONTINUED)

Movement in bank and other borrowings is analysed as follows:

	Six months ended 30 June	
	2023	2022
	HK\$'000	HK\$'000
Opening balance at 1 January	1,094,513	1,074,962
New borrowings	1,231,551	999,580
Repayments of borrowings	(1,195,790)	(892,658)
Exchange realignment	(15,017)	(17,966)
Closing balance at 30 June	1,115,257	1,163,918

The Group is required to comply with certain restrictive financial covenants, including, inter alia, interest coverage ratios, net debt to EBITDA ratios and finance charge to EBITDA ratios. As at 30 June 2023, the Group breached two covenant requirements (31 December 2022: one) in certain bank loans of HK\$367,511,820 (31 December 2022: HK\$35,561,000) from four banks (31 December 2022: two). The Group obtained waiver letter issued by the banks before the end of the reporting period for one-off waiver from strict compliance with the covenant requirements.

22 SHARE CAPITAL

	At 30 June	At 31 December
	2023	2022
	HK\$'000	HK\$'000
Authorised:		
1,000,000,000 ordinary shares of HK\$0.10 each	100,000	100,000
Issued and fully paid:		
475,547,534 (31 December 2022: 475,547,534) ordinary shares of HK\$0.10 each	47,555	47,555

A summary of the transactions involving the Company's share capital is as follows:

	Number of shares in issue	Issued capital HK\$'000	Share premium HK\$'000	Total HK\$'000
At 1 January 2023 and 30 June 2023	475,547,534	47,555	165,458	213,013
At 1 January 2022 and 30 June 2022	475,547,534	47,555	165,458	213,013





Notes to the Unaudited Consolidated Financial Statements

23 RESERVES

	Share premium HK\$'000	Contributed surplus HK\$'000	Asset revaluation reserve HK\$'000	Exchange fluctuation reserve HK\$'000	Mainland China reserve funds HK\$'000	Other reserve HK\$'000	Retained profits HK\$'000	Total HK\$'000
Balance at 1 January 2023	165,458	2,800	104,142	42,468	74,150	(162)	1,037,173	1,426,029
Loss for the period	-	-	-	-	-	-	(15,368)	(15,368)
Other comprehensive income:								
Item that will not be reclassified subsequently to profit or loss:								
Asset revaluation surplus, net of tax	-	-	69,311	-	-	-	-	69,311
Item that may be reclassified subsequently to profit or loss:								
Currency translation differences	-	-	-	(82,617)	-	-	-	(82,617)
Total comprehensive income for the period ended 30 June 2023	-	-	69,311	(82,617)	-	-	(15,368)	(28,674)
Balance at 30 June 2023	165,458	2,800	173,453	(40,149)	74,150	(162)	1,021,805	1,397,355

	Share premium HK\$'000	Contributed surplus HK\$'000	Asset revaluation reserve HK\$'000	Exchange fluctuation reserve HK\$'000	Mainland China reserve funds HK\$'000	Other reserve HK\$'000	Retained profits HK\$'000	Total HK\$'000
Balance at 1 January 2022	165,458	2,800	99,819	266,426	63,297	(162)	1,005,340	1,602,978
Profit for the period	-	-	-	-	-	-	30,404	30,404
Other comprehensive income:								
Item that will not be reclassified subsequently to profit or loss:								
Asset revaluation surplus, net of tax	-	-	1,702	-	-	-	-	1,702
Item that may be reclassified subsequently to profit or loss:								
Currency translation differences	-	-	-	(111,115)	-	-	-	(111,115)
Total comprehensive income for the period ended 30 June 2022	-	-	1,702	(111,115)	-	-	30,404	(79,009)
Balance at 30 June 2022	165,458	2,800	101,521	155,311	63,297	(162)	1,035,744	1,523,969



Notes to the Unaudited Consolidated Financial Statements

24 CAPITAL COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

	At 30 June 2023	At 31 December 2022
	HK\$'000	HK\$'000
Contracted, but not provided for:		
Plant and machinery	49,866	58,143
Buildings	661	683
Land	1,153	1,192
	51,680	60,018

25 RELATED PARTY TRANSACTIONS

As at 30 June 2023, Man Yue Holdings Inc. had a 44.09% equity interest in the Company as the single largest shareholder. The ultimate controlling party of the Company is Ms. Kee Chor Lin, the Chairman of the Company.

(a) During the Period, the Group had the following material transactions with its joint ventures:

	Six months ended 30 June 2023	2022
	HK\$'000	HK\$'000
Purchases of raw materials ¹	19,488	39,105
Lease rental payments ²	6,792	7,280
Interest income ³	2,764	2,821

Notes:

- The above purchases of raw materials were determined on basis as agreed by both parties and were conducted in the normal course of business.
- The Group entered into a lease in respect of the factory premises in Mainland China from a joint venture. The amount of rental payable by the Group under the lease is RMB1,000,330 per month, which was determined with reference to mark-to-market yield. At 30 June 2023, the Group recognised a right-of-use asset and a lease liability of HK\$5,818,000 and HK\$6,447,000 respectively (30 June 2022: a right-of-use asset and a lease liability of HK\$18,816,000 and HK\$20,375,000 respectively).
- The interest was charged at a rate of 4.90% (30 June 2022: 4.90%) per annum.





Notes to the Unaudited Consolidated Financial Statements

25 RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Period/year-end balances with the Group's joint ventures:

	At 30 June 2023 HK\$'000	At 31 December 2022 HK\$'000
Share of net assets	198,812	200,124
Loans to a joint venture ¹	172,077	169,944
Due from joint ventures ²	22,818	22,815
Due to joint ventures ²	(68,128)	(68,039)

Notes:

1. Except for the loans amounting to HK\$143,244,000 (31 December 2022: HK\$141,125,000), which are interest-bearing at a rate of 4.90% (30 June 2022: 4.90%) per annum, the remaining loans to the joint venture are unsecured, interest-free and repayable on demand.
2. The amounts due from and due to joint ventures are unsecured, interest-free and repayable per trading credit terms.

(c) Remuneration for key management personnel of the Group:

	Six months ended 30 June 2023 HK\$'000	2022 HK\$'000
Salaries and allowances	6,349	6,406
Pension scheme contributions	27	27
Total remuneration for key management personnel	6,376	6,433





Corporate Governance and Other Information

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2023, the interests and short positions of the Directors or chief executive in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Future Ordinance (Chapter 571 of the laws of Hong Kong) ("SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), were as follows:

Long positions in ordinary shares and underlying shares of the Company:

Director	Capacity	Nature of interest	Number of shares held	Approximate percentage of the Company's issued share capital
Kee Chor Lin ¹	Interest of controlled corporation	Corporate	209,689,667	44.09%
Kee Chor Lin	Beneficial owner	Personal	51,634,334	10.86%
			<u>261,324,001</u>	<u>54.95%</u>
Chan Yu Ching, Eugene	Beneficial owner	Personal	4,716,666	0.99%

Note:

- These shares are held by Man Yue Holdings Inc., a company wholly and beneficially owned by Ms. Kee Chor Lin, the Chairman of the Company.

Save as disclosed above and as disclosed under the section "Directors' Rights to Acquire Shares or Debentures" below, as at 30 June 2023, none of the Directors or chief executive of the Company had registered an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.





Corporate Governance and Other Information

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2023, the interests and short positions of persons, other than Directors or chief executive of the Company, being 5% or more in the interest in the issued share capital of the Company as recorded in the register of interests required to be kept under Section 336 of Part XV of the SFO, are set out as below:

Long positions:

Name	Capacity and nature of interest	Number of ordinary shares held	Approximate percentage of the Company's issued share capital
Man Yue Holdings Inc.	Personal/Beneficial owner	209,689,667	44.09%

Save as disclosed above, as at 30 June 2023, no person, other than the Directors or chief executive of the Company, whose interests are set out in the section "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Saved as disclosed under the section "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures" above, at no time during the Period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Directors or their respective spouses or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

PURCHASE, SALE OR REDEMPTION OF SHARES OF THE COMPANY

During the six months ended 30 June 2023, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has complied with the applicable code provisions of the Corporate Governance Code contained in Appendix 14 to the Listing Rules during the Period.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as a code of conduct regulating Directors' dealings in securities of the Company. After having made specific enquiries by the Company, all Directors have confirmed that they have fully complied with the Model Code throughout the Period.

AUDIT COMMITTEE AND SCOPE OF WORK OF KPMG

The unaudited consolidated financial statements of the Group for the six months ended 30 June 2023 have been reviewed by the Audit Committee of the Company.

These interim financial statements for the six months ended 30 June 2023 are unaudited, but have been reviewed by the Company's auditor, KPMG, in accordance with Hong Kong Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*, issued by the HKICPA.





Corporate Governance and Other Information

INTERIM DIVIDEND

The Board does not recommend interim dividend for the Period (30 June 2022: Nil).

PUBLICATION OF INTERIM REPORT

This interim report is printed in both English and Chinese, and is available for electronic and printed formats. Electronic copy is available for download, at no charge, on the Company's website at www.manyue.com. Existing Shareholders of the Company will receive a free printed report by post by the Company's branch share registrar and transfer office. Potential investors who are interested in knowing more about the Company may download the interim report from the Company's website or to request a printed copy by giving a notice in writing to the Company or the Company's branch share registrar and transfer office, Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.

APPRECIATION

The Board would like to take this opportunity to express its sincere gratitude to all our employees for their loyalty and dedication and for the continuing support from our customers, suppliers, banks and Shareholders.

Kee Chor Lin

Chairman

Hong Kong, 25 August 2023

