



SUN HING VISION GROUP HOLDINGS LIMITED

# INTERIM REPORT

中報

2022 / 23

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## CORPORATE INFORMATION

### **BOARD OF DIRECTORS**

#### **EXECUTIVE DIRECTORS**

Ku Ngai Yung, Otis – *Chairman*

Ku Ka Yung – *Deputy Chairman*

Chan Chi Sun

Ma Sau Ching

Liu Tao

#### **INDEPENDENT NON-EXECUTIVE DIRECTORS**

Lee Kwong Yiu

Wong Che Man, Eddy

Chow Chi Fai

#### **COMPANY SECRETARY**

Kam Wing Kwok

#### **AUDITOR**

Deloitte Touche Tohmatsu

#### **LEGAL ADVISER IN HONG KONG**

King & Wood Mallesons

#### **LEGAL ADVISER ON BERMUDA LAW**

Conyers Dill & Pearman

#### **REGISTERED OFFICE**

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

#### **HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG**

25th Floor, EGL Tower

83 Hung To Road, Kwun Tong

Kowloon, Hong Kong

#### **PRINCIPAL SHARE REGISTRAR**

Codan Services Limited

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

#### **HONG KONG BRANCH SHARE REGISTRAR**

Union Registrars Limited

Suites 3301-04, 33rd Floor

Two Chinachem Exchange Square

338 King's Road

North Point

Hong Kong

#### **PRINCIPAL BANKERS**

Standard Chartered Bank (Hong Kong) Limited

Chong Hing Bank Limited

Bank of China (Hong Kong) Limited

#### **WEBSITE**

[www.sunhingoptical.com](http://www.sunhingoptical.com)

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW

During the period under review, the Group's consolidated turnover decreased by 20.47% to HK\$373 million (2021: HK\$469 million) for the six months ended 30 September 2022. The Group's profitability was also adversely affected, with its gross profit margin and net profit margin decreasing to 14.43% (2021: 17.53%) and -0.32% (2021: 1.13%) respectively. The decline in the Group's turnover and profitability were mainly caused by the combined effects of the following factors. Firstly, the global economic downturn, rising inflationary pressure in Europe and the United States, as well as the war between Russia and Ukraine significantly dampened market demand for consumer products, and therefore hindered the performance of the Group's original design manufacturing ("ODM") business that focuses on eyewear products for the European and American markets. Furthermore, the higher raw material prices caused by the global supply chain disruptions, and the lower efficiency brought about by the diseconomies of scale as a result of reduction in turnover led to decreased profitability of the Group. Our teams' continuous efforts in streamlining its operations, reducing costs and increasing overall efficiency as well as the depreciation of Renminbi contributed positively to the profitability during the period, but that could only partly alleviated the negative impacts from the above. As a result, a mild loss attributable to the owners of the Company of HK\$1 million was recorded, in comparison with the profit attributable to the owners of the Company of HK\$6 million for the last review period. Basic loss per share was HK0.45 cents for the current period (2021: basic earnings per share of HK2.31 cents).

### THE ODM BUSINESS

The Group's turnover from its ODM business decreased by 25.06% to HK\$293 million (2021: HK\$391 million), which accounted for 78.55% of the Group's total consolidated turnover. Stubbornly high inflation rates and the continuous interest rate hike expectation across Europe and the United States significantly weakened the consumers' buying power as well as consumers' confidence in the regions. The Groups' customers in the regions became very cautious when making purchase decisions. Accordingly, the Group's ODM turnover to Europe and the United States decreased by 7.03% to HK\$172 million (2021: HK\$185 million) and by 39.76% to HK\$100 million (2021: HK\$166 million) respectively. Europe and the United States continued to be the two largest markets of the Group's ODM business, and they accounted for 58.70% and 34.13% of the Group's total ODM turnover respectively. In terms of product mix, plastic frames, metal frames and others contributed 63%, 36% and 1% (2021:55%, 44% and 1%) of the Group's ODM turnover respectively.

## MANAGEMENT DISCUSSION AND ANALYSIS

### **THE BRANDED EYEWEAR DISTRIBUTION BUSINESS**

The Group's turnover from its branded eyewear distribution business grew by 5.41% to HK\$78 million (2021: HK\$74 million), which accounted for 20.91% of the Group's total consolidated turnover. During the period under review, our branded eyewear distribution business benefited from the economic rebound of a number of Asian countries as a result of the easing of social and travel restrictions during the first half of 2022 in these countries. However, mainland China, being the largest economy in Asia, has been implementing strict restrictions and control measures against the COVID-19 pandemic, and that had adverse impact on the economic activities in the country and therefore hindered the performance of the Group's branded eyewear distribution business and offset part of the growth. Asia continued to be the most important market of the Group's branded eyewear distribution business, and it accounted for 98.15% (2021: 97.56%) of the Group's total distribution turnover.

### **OTHER BUSINESSES**

For the six months ended 30 September 2022, the Group's turnover from its branded contact lens business amounted to HK\$1 million (2021: HK\$3 million). The Group also received a licensing income of HK\$1 million (2021: HK\$1 million) from an external party in connection with the trademark of Jill Stuart.

### **LIQUIDITY AND CAPITAL RESOURCES**

The Group continued to maintain a strong liquidity and financial position. It recorded a net cash inflow of HK\$4 million from operations during the period under review. As at 30 September 2022, the Group held bank balances and cash of HK\$308 million. It also had outstanding bank borrowings of approximately HK\$39 million, which is repayable by installments over a period of 20 years with a repayable on demand clause. The debt-to-equity ratio (expressed as a percentage of bank borrowings over equity attributable to owners of the Company) as at 30 September 2022 was 5.25%, which is considered to be healthy and reasonable in light of the Group's business nature. The bank borrowing of the Group was secured by certain Group's leasehold land and buildings situated in Hong Kong.

As at 30 September 2022, the net current assets and current ratio of the Group were approximately HK\$395 million and 2.67:1 respectively. The total equity attributable to owners of the Company decreased to HK\$746 million as at 30 September 2022 from HK\$781 million as at 31 March 2022. Due to the downturn of the macroeconomic environment, the Group's debtor turnover period and inventory turnover period increased slightly to 98 days and 56 days respectively during the period under review (2021: 93 days and 54 days respectively). The Group believes that its receivables and inventories were still managed at a healthy level and will continue to closely monitor the debt collection status and inventory level in order to reduce risk and maximize working capital. The Directors are confident that the financial position of the Group will remain strong, and the Group has sufficient liquidity and financial resources to meet its present commitments and future business needs.

## MANAGEMENT DISCUSSION AND ANALYSIS

After considering the Group's profitability, liquidity, cash position and future business plans, the Directors resolved to declare an interim special dividend of HK1.5 cents per share and no interim dividend for the six months ended 30 September 2022 (2021: interim special dividend: HK1.5 cents per share; interim dividend: nil). The Directors will continue to monitor the dividend policy closely to ensure that an optimal balance can be achieved between the retention of sufficient liquidity in the Group to prepare for the future development ahead and the distribution of earnings to the shareholders respectively.

### **FOREIGN EXCHANGE EXPOSURE**

Most of the Group's transactions were conducted in United States dollars, Hong Kong dollars and Renminbi. In addition, the majority of the Group's assets were also kept in these currencies. Other than the potential exposure to the fluctuation of Renminbi, the Group's exposure to currency fluctuation was relatively limited. The Group closely monitors the foreign exchange exposure and uses foreign exchange forward contracts and/or other appropriate tools to control the exposure in connection with Renminbi.

### **HUMAN RESOURCES**

The Group had a workforce of around 3,400 people as at 30 September 2022. The Group remunerates its employees based on their performance, years of service, work experience and the prevailing market situation. Bonuses and other incentive payments are granted on a discretionary basis based on individual performance, years of service and overall operating results of the Group. Other employee benefits include medical insurance scheme, mandatory provident fund scheme or other retirement benefit scheme, subsidised or free training programs and participation in the Company's share option scheme.

### **CHARGES ON GROUP'S ASSETS AND CONTINGENT LIABILITIES**

Details of the charges on the Group's assets are set out in Note 11 to the condensed consolidated financial statements. As at 30 September 2022, there were no significant contingent liabilities other than those disclosed in the condensed consolidated financial statements.

### **CAPITAL COMMITMENTS**

Details of the Group's capital commitments are set out in Note 13 to the condensed consolidated financial statements.

## MANAGEMENT DISCUSSION AND ANALYSIS

### PROSPECTS

In light of the present complicated geopolitical and macroeconomic environment, it is expected that the business environment will continue to be tough and uncertain in the period ahead. High inflation, higher interest rates and the war between Russia and Ukraine are expected to continue for a longer time as there is no indication yet when they will come to an end. It is also not certain that when the restrictions and control measures in relation to COVID-19 will be lifted in China. As a result, it is reasonable to expect that the above factors will continue to adversely affect consumers in different regions. Market demand for eyewear products in the near future is therefore expected to be highly volatile, and input prices as well as operating costs for the Group are expected to remain at elevated levels for a period of time. The Group's future profitability will be adversely affected as a result of the above factors.

In response to the tough and uncertain business environment in the coming few quarters, the Group will continue to carry out various measures for overall efficiency enhancement. Improving production efficiency, strengthening budget control, streamlining organizational structures and optimizing suppliers' network and logistic flows are still the main focuses of the Group in the near future. Furthermore, the Group will continue to maintain a flexible operating capacity so that it can swiftly adjust its scale of operation in accordance with market demand and minimize the adverse impact of global supply chain disruptions that may have on the Group. In addition, the Group will continue its strategy of outsourcing non-core operating processes to business partners and focusing on critical operations that are crucial in generating values. Investments in fixed assets will continue to be managed in a prudent manner, and the Group will keep investing in carefully selected assets that are strategically important for future growth.

The Group will continue to explore new sales channels and distribution partners for its branded eyewear distribution business. The Group's brand portfolio is being constantly reviewed and we will take advantage of any opportunity to enrich our portfolio with new brands carrying strong potential. During the period under review, the Group has obtained the exclusive right to distribute eyewear products for the renowned brand "Fila" in China. The new product line under the reputable brand name of Fila has so far received very positive market feedbacks, and is expected to further expand the Group's footprint of its branded eyewear distribution business in China. Besides, in response to the rapidly changing consumers' behaviors and preferences, the Group will further enrich its product scope by introducing collections at more flexible price ranges, incorporate more design and tailor-made elements in our products and distribute them in more and also different sales channels.

Although the future business environment is still expected to be full of challenges, with our strength in product development, brand management and manufacturing in the eyewear industry as well as our strong financial status, we are confident that the Group will overcome the difficulties ahead, and will continue to create long-term values for our various stakeholders as well as deliver the objective to achieve sustainable growth in the long run.

## MANAGEMENT DISCUSSION AND ANALYSIS

### **CORPORATE GOVERNANCE**

The Company is committed to maintain a high standard of corporate governance with a view to enhance the management of the Company as well as to preserve the interests of the shareholders as a whole. The Board has adopted and complied with the code provisions set out in the Corporate Governance Code (the “CG Code”) and the Corporate Governance Report contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) which were effective during the reporting period, except for the deviation from code provision C.2.1 of the CG Code.

Code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive officer should be clearly established and set out in writing. Mr. Ku Ngai Yung, Otis has been assuming the roles of both the chairman and chief executive officer of the Company since its establishment. The Board intends to maintain this structure in the future as it believes that it would provide the Group with strong and consistent leadership and allow the Group’s business operations, planning and decision making as well as execution of long-term business strategies to be carried out more effectively and efficiently. The Board would review and monitor the situation on a regular basis and would ensure that the present structure would not impair the balance of power in the Company.

### **AUDIT COMMITTEE**

An audit committee has been established by the Company with written terms of reference to act in an advisory capacity and to make recommendations to the Board. The members of the audit committee comprise the three independent non-executive directors of the Company, who are Mr. Chow Chi Fai (Chairman), Mr. Lee Kwong Yiu and Mr. Wong Che Man, Eddy. Mr. Chow Chi Fai and Mr. Wong Che Man, Eddy are both qualified certified public accountants and possess the qualifications as required under rule 3.21 of the Listing Rules. None of the members of the audit committee is a member of the former or existing auditors of the Group. The audit committee has adopted the principles set out in the CG Code. The duties of the audit committee include review of the interim and annual reports of the Group as well as various auditing, financial reporting, internal control and risk management matters with the management and/or external auditor of the Company. The Group’s unaudited condensed consolidated financial statements for the six months ended 30 September 2022 have been reviewed by the audit committee together with the Company’s external auditor Deloitte Touche Tohmatsu.

## MANAGEMENT DISCUSSION AND ANALYSIS

### **REMUNERATION COMMITTEE**

A remuneration committee was established by the Company with written terms of reference and currently comprises Mr. Lee Kwong Yiu (Chairman), Mr. Chow Chi Fai and Mr. Wong Che Man, Eddy, all of whom are independent non-executive directors of the Company, as well as the human resources manager of the Group. The duties of the remuneration committee include, inter alia, making recommendations to the Board on the Company's policy and structure for all Directors and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy.

### **NOMINATION COMMITTEE**

A nomination committee was established by the Company with written terms of reference. The nomination committee currently comprises Mr. Wong Che Man, Eddy (Chairman), Mr. Chow Chi Fai and Mr. Lee Kwong Yiu, all of whom are independent non-executive directors of the Company, as well as the human resources manager of the Group. The duties of the nomination committee include, inter alia, the review of the structure, size and composition of the Board and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy. Moreover, in performing the duties, the nomination committee shall ensure that the Board has the appropriate balance of skills, experience and diversity of perspective appropriate to the requirements of the Company's business and that the Company makes relevant disclosure in accordance with the requirements of the Listing Rules.

The Company has adopted the policy related to nomination of the Directors. When a candidate is recommended and selected or when an existing Director is recommended and selected for re-election, decision will be made according to factors including such candidate's integrity, professional knowledge, industry experience and commitment to the Group's business in respect of time and attention. In addition, the nomination committee will also consider the long-term objective of the Group and the requirements as set out in Rule 3.13 of the Listing Rules (if applicable). Candidates are required to make appropriate disclosure to the Board to avoid any conflict of interests. Besides, the nomination procedures and processes are required to be conducted in an objective manner in accordance with the laws of Bermuda, the By-laws as well as other applicable regulations.

## MANAGEMENT DISCUSSION AND ANALYSIS

The Company has adopted policy concerning diversity of Board members. Under such a policy, selection of the candidates to the Board is based on the Company's business model and specific needs with reference to a range of diversity perspectives, including but not limited to gender, age, language, culture, education background, professional knowledge and industry experience. The Company believes that a balanced and diversified board composition will help to stimulate new ideas and enhance the quality of the Group's decision making process. For the six months ended 30 September 2022, the Company maintained an effective Board which comprised members of different gender, professional background and industry experience. The Company's board diversity policy was consistently implemented. As at the date of this interim report, the Board consists of one female and seven male Directors. The nomination committee will ensure the Board should not consist of Directors with a single gender and will endeavour to comply with the requirements of the diversity of the Board from time to time with effect from the date(s) stipulated by the Listing Rules and with reference to the board diversity policy of the Company.

### **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the "Model Code") as its own code of conduct regarding directors' securities transactions on terms no less exacting than the required standard under the Model Code. Having made specific enquiry of all Directors, the Directors confirmed that they had complied with the required standard set out in the Model Code throughout the six months ended 30 September 2022.

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

During the period under review, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

### **APPRECIATION**

On behalf of the Board, we would like to thank our customers for their support during the period. We would also like to express our sincere appreciation to our shareholders, staffs, suppliers and bankers for their efforts and commitments.

On behalf of the Board  
**Ku Ngai Yung, Otis**  
*Chairman*

Hong Kong, 25 November 2022

# REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

# Deloitte.

# 德勤

**TO THE BOARD OF DIRECTORS OF SUN HING VISION GROUP HOLDINGS LIMITED**

**新興光學集團控股有限公司**

*(incorporated in Bermuda with limited liability)*

## **INTRODUCTION**

We have reviewed the condensed consolidated financial statements of Sun Hing Vision Group Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 12 to 30, which comprise the condensed consolidated statement of financial position as of 30 September 2022 and the related condensed consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and certain explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, 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 this report.

## **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 these condensed consolidated financial statements consists of making inquiries, 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.

## REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### **CONCLUSION**

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

**Deloitte Touche Tohmatsu**

*Certified Public Accountants*

Hong Kong

25 November 2022

# CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the six months ended 30 September 2022

	NOTES	Six months ended	
		30.9.2022 HK\$'000 (unaudited)	30.9.2021 HK\$'000 (unaudited)
Revenue	3	373,460	469,444
Cost of sales		(319,570)	(387,129)
Gross profit		53,890	82,315
Other income, gains and losses		10,889	1,470
Reversal (provision) of impairment losses on trade receivables, net		476	(2,542)
Selling and distribution costs		(12,966)	(12,882)
Administrative expenses		(53,496)	(62,340)
Finance costs		(819)	(913)
(Loss) profit before tax		(2,026)	5,108
Income tax credit	4	835	180
(Loss) profit for the period	5	(1,191)	5,288
<b>Other comprehensive (expense) income</b>			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange difference arising on translation of foreign operations		(30,749)	4,000
		(30,749)	4,000
Total comprehensive (expense) income for the period		(31,940)	9,288

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the six months ended 30 September 2022

	NOTES	Six months ended	
		30.9.2022 HK\$'000 (unaudited)	30.9.2021 HK\$'000 (unaudited)
(Loss) profit for the period attributable to:			
Owners of the Company		(1,191)	6,061
Non-controlling interests		–	(773)
		(1,191)	5,288
Total comprehensive (expense) income for the period attributable to:			
Owners of the Company		(31,940)	10,038
Non-controlling interests		–	(750)
		(31,940)	9,288
(Loss) earnings per share		HK cents	HK cents
Basic	7	(0.45)	2.31

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 30 September 2022

		30.9.2022	31.3.2022
	NOTES	HK\$'000	HK\$'000
		(unaudited)	(audited)
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	8	269,666	290,150
Right-of-use assets	8	26,571	14,292
Intangible assets		46,868	47,796
Deposit paid for acquisition of property, plant and equipment and right-of-use asset		5,004	19,742
Financial asset at fair value thought profit or loss	15	1,625	1,625
Deferred tax assets		14,516	11,616
		<b>364,250</b>	<b>385,221</b>
<b>CURRENT ASSETS</b>			
Inventories		97,989	100,926
Trade and other receivables	9	225,592	226,862
Derivative financial instruments	15	84	224
Tax recoverable		65	3,058
Bank balances and cash		307,766	324,084
		<b>631,496</b>	<b>655,154</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	10	178,988	184,937
Lease liabilities		8,551	9,893
Refund liabilities		2,468	2,077
Derivative financial instruments	15	2,767	136
Tax payable		4,793	5,048
Bank borrowings	11	39,164	40,236
		<b>236,731</b>	<b>242,327</b>
<b>NET CURRENT ASSETS</b>		<b>394,765</b>	<b>412,827</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>759,015</b>	<b>798,048</b>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 30 September 2022

	NOTES	30.9.2022 HK\$'000 (unaudited)	31.3.2022 HK\$'000 (audited)
<b>CAPITAL AND RESERVES</b>			
Share capital	12	26,278	26,278
Share premium and reserves		719,325	755,207
Total equity		745,603	781,485
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities		6,432	10,689
Deferred tax liabilities		6,980	5,874
		13,412	16,563
<b>TOTAL EQUITY AND NON-CURRENT LIABILITIES</b>		<b>759,015</b>	<b>798,048</b>

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 September 2022

	Attributable to owners of the Company						Non-controlling interests	Total
	Share capital	Share premium	Special reserve	Translation reserve	Retained profits	Total		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			(Note)					
At 1 April 2021 (audited)	26,278	78,945	18,644	(119)	646,399	770,147	453	770,600
Profit (loss) for the period	–	–	–	–	6,061	6,061	(773)	5,288
Exchange difference arising on translation of foreign operations	–	–	–	3,977	–	3,977	23	4,000
Total comprehensive income (expense) for the period	–	–	–	3,977	6,061	10,038	(750)	9,288
Dividends recognised as distribution (note 6)	–	–	–	–	(3,942)	(3,942)	–	(3,942)
At 30 September 2021 (unaudited)	26,278	78,945	18,644	3,858	648,518	776,243	(297)	775,946
At 1 April 2022 (audited)	26,278	78,945	18,644	10,012	647,606	781,485	–	781,485
Loss for the period	–	–	–	–	(1,191)	(1,191)	–	(1,191)
Exchange difference arising on translation of foreign operations	–	–	–	(30,749)	–	(30,749)	–	(30,749)
Total comprehensive expense for the period	–	–	–	(30,749)	(1,191)	(31,940)	–	(31,940)
Dividends recognised as distribution (note 6)	–	–	–	–	(3,942)	(3,942)	–	(3,942)
At 30 September 2022 (unaudited)	26,278	78,945	18,644	(20,737)	642,473	745,603	–	745,603

*Note:* Special reserve of the Group represents the difference between the aggregate amount of the nominal value of shares, the share premium and the reserves of subsidiaries acquired and the nominal amount of the shares issued by the Company pursuant to a group reorganisation.

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the six months ended 30 September 2022

	<b>Six months ended</b>	
	<b>30.9.2022</b>	<b>30.9.2021</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>
Net cash from operating activities	<b>3,649</b>	5,831
<b>INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	<b>(3,384)</b>	(9,430)
Deposit paid for acquisition of property, plant and equipment and right-of-use assets	<b>(1,684)</b>	(1,542)
Interest received	<b>1,680</b>	382
Net cash used in investing activities	<b>(3,388)</b>	(10,590)
<b>FINANCING ACTIVITIES</b>		
Repayment of lease liabilities	<b>(4,777)</b>	(5,138)
Dividends paid	<b>(3,942)</b>	(3,942)
Repayment of bank borrowings	<b>(1,072)</b>	(1,098)
Interest paid	<b>(819)</b>	(913)
Net cash used in financing activities	<b>(10,610)</b>	(11,091)
Net decrease in cash and cash equivalents	<b>(10,349)</b>	(15,850)
Cash and cash equivalents at beginning of the period	<b>324,084</b>	316,981
Effect of foreign exchange rate changes	<b>(5,969)</b>	702
Cash and cash equivalents at end of the period, representing bank balances and cash	<b>307,766</b>	301,833

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 30 September 2022

## 1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 (“HKAS 34”) “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) as well as the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

## 2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as appropriate.

Other than additional accounting policies resulting from application of amendments to Hong Kong Financial Reporting Standards (“HKFRSs”), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2022 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 31 March 2022.

### APPLICATION OF AMENDMENTS TO HKFRSs

In the current interim period, the Group has applied the following amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatorily effective for the annual periods beginning on 1 April 2022 for the preparation of the Group’s condensed consolidated financial statements:

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

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

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 30 September 2022

### 3. REVENUE AND SEGMENT INFORMATION

#### DISAGGREGATION OF REVENUE FROM CONTRACTS WITH CUSTOMERS RECOGNISED AT A POINT IN TIME

	For the six months ended 30 September 2022 (unaudited)		
	Eyewear products	Others	Total
	HK\$'000	HK\$'000	HK\$'000
<b>Types of goods or services</b>			
Eyewear products	372,205	–	372,205
Contact lens	–	553	553
Royalty income	–	702	702
Revenue from contracts with customers	372,205	1,255	373,460

	For the six months ended 30 September 2021 (unaudited)		
	Eyewear products	Others	Total
	HK\$'000	HK\$'000	HK\$'000
<b>Types of goods or services</b>			
Eyewear products	465,322	–	465,322
Contact lens	–	3,420	3,420
Royalty income	–	702	702
Revenue from contracts with customers	465,322	4,122	469,444

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 30 September 2022

### 3. REVENUE AND SEGMENT INFORMATION (CONTINUED)

The Group's operating segments, based on information reported to the chief operating decision maker ("CODM"), being the executive directors of the Company, for the purposes of resources allocation and performance assessment, is as follows:

Eyewear products	– manufacturing and trading of eyewear products
Contact lens	– trading of contact lens products
Trademarks	– granting license of trademarks

During the current interim period, contact lens and trademarks segments are aggregated under "All other segments" for reporting purpose as both segments do not meet any of quantitative thresholds for determining reportable segments for the both periods. Comparative information for the six months ended 30 September 2021 has been restated.

The following is an analysis of the Group's revenue and results by reportable segments:

#### FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2022 (UNAUDITED)

	Eyewear products HK\$'000	All other segments HK\$'000	Elimination HK\$'000	Consolidated HK\$'000
<b>SEGMENT REVENUE</b>				
External sales	372,205	1,255	–	373,460
Inter-segment sales	–	2,228	(2,228)	–
	<b>372,205</b>	<b>3,483</b>	<b>(2,228)</b>	<b>373,460</b>
Segment results	427	1,953	–	2,380
Unallocated other income, gains and losses				1,314
Central administration costs				(4,901)
Finance costs				(819)
Loss before tax				(2,026)

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 30 September 2022

### 3. REVENUE AND SEGMENT INFORMATION (CONTINUED) FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021 (RESTATED AND UNAUDITED)

	Eyewear products HK\$'000	All other segments HK\$'000	Elimination HK\$'000	Consolidated HK\$'000
<b>SEGMENT REVENUE</b>				
External sales	465,322	4,122	–	469,444
Inter-segment sales	–	1,752	(1,752)	–
	465,322	5,874	(1,752)	469,444
Segment results	6,303	1,759	–	8,062
Unallocated other income, gains and losses				1,143
Central administration costs				(3,184)
Finance costs				(913)
Profit before tax				5,108

Inter-segment sales are charged at prevailing market rates or at terms determined and agreed by both parties.

Segment results represent the results of each segment without allocation of certain other income, gains and losses (mainly including bank interest income, loss on disposal of property, plant and equipment and others), central administration costs (mainly including directors' salaries) and finance costs.

Total segment assets and liabilities are not disclosed as they are not regularly reviewed by the CODM.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 30 September 2022

## 3. REVENUE AND SEGMENT INFORMATION (CONTINUED) GEOGRAPHICAL INFORMATION

The Group's operations are located in Hong Kong and the Guangdong Province in the PRC. The Group's information about its revenue from external customers analysed by geographical location of the revenue are detailed below:

	Six months ended	
	30.9.2022	30.9.2021
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Hong Kong	18,735	26,104
The PRC (excluding Hong Kong)	38,663	51,921
Japan	19,388	27,308
Italy	154,800	159,655
United States	100,951	168,094
Other countries	40,923	36,362
	373,460	469,444

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 30 September 2022

### 4. INCOME TAX CREDIT

	Six months ended	
	30.9.2022	30.9.2021
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
The charge (credit) comprises:		
Current tax		
– PRC Enterprise Income Tax (“EIT”)	748	132
– United States Withholding tax	211	211
	<b>959</b>	<b>343</b>
Overprovision in respect of prior years		
– PRC EIT	–	(260)
Deferred taxation		
– Current period	(1,794)	(263)
	<b>(835)</b>	<b>(180)</b>

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 30 September 2022

## 5. (LOSS) PROFIT FOR THE PERIOD

	Six months ended	
	30.9.2022 HK\$'000 (unaudited)	30.9.2021 HK\$'000 (unaudited)
(Loss) profit for the period has been arrived at after charging (crediting):		
Depreciation and amortisation		
– depreciation of property, plant and equipment	10,013	10,411
– depreciation of right-of-use assets	3,440	3,133
– amortisation of intangible assets (included in cost of sales)	928	928
– depreciation of investment properties	–	76
	14,381	14,548
Capitalised in inventories	(4,936)	(4,276)
	9,445	10,272
Employee benefits expenses	164,977	190,570
Capitalised in inventories	(124,907)	(146,445)
	40,070	44,125
Net foreign exchange (gains) losses	(8,577)	943
Fair value changes on derivative financial instruments	2,771	(1,164)
Loss on disposals of property, plant and equipment	7	15
Write-down of inventories	4,255	3,294
Finance costs		
– interest expenses on bank borrowings	368	293
– interest expenses on lease liabilities	451	620
	819	913
Bank interest income	(1,680)	(382)
Government grants in respect of COVID-19 related subsidies	(1,590)	–

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 30 September 2022

### 6. DIVIDENDS

During the current period, a final special dividend of HK\$1.5 cents per ordinary share in an aggregate amount of HK\$3,942,000 in respect of the year ended 31 March 2022 was declared and paid to shareholders (six months ended 30 September 2021: a final special dividend of HK\$1.5 cents per ordinary share in an aggregate amount of HK\$3,942,000 in respect of the year ended 31 March 2021 were paid to shareholders).

An interim special dividend of HK\$1.5 cents per ordinary share in total of HK\$3,942,000 in respect of the six months ended 30 September 2022 has been proposed by the directors of the Company (six months ended 30 September 2021: an interim special dividend of HK\$1.5 cents per ordinary share in total of HK\$3,942,000). No interim dividend for the six months ended 30 September 2022 has been proposed since the end of the reporting period (six months ended 30 September 2021: nil).

### 7. (LOSS) EARNINGS PER SHARE

The calculation of basic (loss) earnings per share attributable to the owners of the Company is based on the following data:

	<b>Six months ended</b>	
	<b>30.9.2022</b>	<b>30.9.2021</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>
<b>(Loss) earnings</b>		
(Loss) earnings attributable to the owners of the Company		
for the purpose of basic (loss) earnings per share	<b>(1,191)</b>	<b>6,061</b>
<b>Number of shares</b>		
Number of ordinary shares in issue for the purpose of basic		
(loss) earnings per share	<b>262,778,286</b>	<b>262,778,286</b>

No diluted (loss) earnings per share is presented as there was no potential ordinary share outstanding during both periods.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 30 September 2022

### **8. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS AND DEPOSIT PAID FOR ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS**

During the current interim period, the Group paid HK\$3,384,000 (six months ended 30 September 2021: HK\$9,430,000) for acquisition of property, plant and equipment. As at 30 September 2022, the accumulated impairment losses of property, plant and equipment and right-of-use assets amounted to HK\$104,748,000 and HK\$12,813,000 (31 March 2022: HK\$116,146,000 and HK\$14,872,000) respectively. The changes in accumulated impairment losses for property, plant and equipment and right-of-use assets for both periods are due to exchange adjustments and written off of impairment losses arising from the expiration of leases, respectively.

During the current interim period, the Group entered into several new lease agreements which are non-cash transactions with lease terms of 2 to 3 years (six months ended 30 September 2021: 3 to 4 years). On lease commencement, the Group recognised right-of-use assets and lease liabilities amounted to HK\$1,215,000 and HK\$1,215,000 respectively during the six months ended 30 September 2022 (six months ended 30 September 2021: HK\$6,000,000 and HK\$6,000,000 respectively).

During the current interim period, there is a transfer of HK\$15,951,000 from deposit paid for acquisition of property, plant and equipment and right-of-use assets into right-of-use assets as the Group has obtained the formal land use right certificate regarding to a leasehold land in Vietnam.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 30 September 2022

### 9. TRADE AND OTHER RECEIVABLES

The Group allows a credit period of 30 to 120 days to its customers.

	30.9.2022 HK\$'000 (unaudited)	31.3.2022 HK\$'000 (audited)
Trade receivables	210,796	210,699
Less: Allowance for credit losses from contracts with customers	(10,705)	(11,617)
	200,091	199,082
Prepayments	1,918	2,360
Deposits	4,130	4,618
Value-added tax and other receivables	17,617	19,172
Right to return goods assets	1,836	1,630
	225,592	226,862

The following is an aged analysis of trade receivables presented based on payment due date at the end of the reporting period:

	30.9.2022 HK\$'000 (unaudited)	31.3.2022 HK\$'000 (audited)
Current	192,205	193,864
Overdue up to 90 days	10,012	12,595
Overdue more than 90 days	8,579	4,240
	210,796	210,699

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 30 September 2022

### 10. TRADE AND OTHER PAYABLES

The following is an aged analysis of trade payables based on payment due date at the end of the reporting period:

	30.9.2022	31.3.2022
	HK\$'000	HK\$'000
	(unaudited)	(audited)
Trade payables		
Current and overdue up to 90 days	102,148	102,072
Overdue more than 90 days	6,580	9,120
	108,728	111,192
Accruals	55,907	59,478
Value-added tax and other payables	14,353	14,267
	178,988	184,937

### 11. BANK BORROWINGS

The bank loan of the Group is secured by the Group's property, plant and equipment with a carrying amount of HK\$111,950,000 (31 March 2022: HK\$114,220,000).

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 30 September 2022

### 12. SHARE CAPITAL

	Number of shares	Nominal amount HK\$'000
Ordinary shares of HK\$0.10 each		
Authorised:		
At 1 April 2021, 30 September 2021, 1 April 2022 and 30 September 2022	500,000,000	50,000
Issued and fully paid:		
At 1 April 2021, 30 September 2021, 1 April 2022 and 30 September 2022	262,778,286	26,278

### 13. CAPITAL COMMITMENTS

	30.9.2022 HK\$'000 (unaudited)	31.3.2022 HK\$'000 (audited)
Capital expenditure contracted for but not provided in the condensed consolidated financial statements in respect of:		
– Acquisition of plant and machinery and right-of-use asset	3,271	1,305
– Factory under construction or renovation	93	313
	<b>3,364</b>	1,618

### 14. SHARE OPTIONS

Pursuant to a resolution passed on 22 August 2014 by the Company, a share option scheme of the Company (the “Share Option Scheme”) that complies with the amendments to Chapter 17 of the Listing Rules in relation to share option schemes was adopted, primarily for providing incentives to eligible employees. No share options have been granted, exercised, cancelled or lapsed under the Share Option Scheme since its adoption.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 30 September 2022

## 15. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Some of the Group's financial instruments are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial instruments are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements are observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial instruments	Fair value as at		Fair value hierarchy	Valuation techniques and key inputs
	30.9.2022	31.3.2022		
Foreign currency forward contracts classified as derivative financial instruments in the condensed consolidated statement of financial position	<b>Assets</b>	Assets	Level 2	Discounted cash flows. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contracted forward rates.
	– HK\$84,000	– HK\$224,000		
	<b>Liabilities</b>	Liabilities		
	– HK\$2,767,000	– HK\$136,000		
Convertible bond	<b>Asset</b>	Asset	Level 3	Binomial option pricing model
	– HK\$1,625,000	– HK\$1,625,000		

No movement in fair value measurements within Level 3 was noted during the current period.

There was no transfer into and out of Level 2 in the current and prior periods.

Except the above financial instruments that are measured at fair value on a recurring basis, the directors of the Company consider that the carrying amounts of financial assets and financial liabilities recognised in the condensed consolidated financial statements approximate their fair values at the end of the reporting period.

## OTHER INFORMATION

### INTERIM DIVIDEND

The Directors have resolved to declare an interim special dividend of HK1.5 cents per share and no interim dividend for the six months ended 30 September 2022 (2021: interim special dividend: HK1.5 cents per share; interim dividend: nil). The interim special dividend will be payable on or about 11 January 2023 to the shareholders whose names appear on the register of members of the Company at the close of trading on 28 December 2022.

### CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 20 December 2022 to 28 December 2022, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the proposed interim special dividend, all transfers accompanied by the relevant share certificates, must be lodged with the Company's share registrar in Hong Kong, Union Registrars Limited, Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong not later than 4:00 p.m. on 19 December 2022.

### SHARE OPTIONS

Pursuant to a resolution passed on 6 September 2004, the Company's share option scheme adopted on 4 May 1999 (the "Old Share Option Scheme") was terminated and a share option scheme (the "2004 Share Option Scheme") was adopted in order to comply with the amendments to Chapter 17 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") in relation to share option schemes.

Pursuant to another resolution passed on 22 August 2014, the 2004 Share Option Scheme was terminated and another share option scheme (the "2014 Share Option Scheme") was adopted. The 2014 Share Option Scheme was adopted in order to enable the Group to provide any person in full time employment of the Company or any of its subsidiaries with the opportunity to acquire proprietary interests in the Company, which would encourage the grantees of such options to work towards enhancing the value of the Company.

The total number of the Shares issued and to be issued upon exercise of the options granted including those granted (whether or not cancelled) under the 2014 Share Option Scheme and to be granted to any eligible person (including exercised, cancelled and outstanding options) in any 12-month period up to the date of grant to such eligible person shall not exceed 1% of the issued Shares from time to time.

The 2014 Share Option Scheme shall be valid and effective for a period of 10 years from the date of adoption, i.e. 22 August 2014. As at 30 September 2022, the remaining life of the 2014 Share Option Scheme was approximately 1.9 years.

## OTHER INFORMATION

During the six months ended 30 September 2022 and as at 30 September 2022, there was no share in respect of which share options had been granted and remained outstanding under the Old Share Option Scheme and the 2004 Share Option Scheme. No further share options can be granted upon termination of the Old Share Option Scheme and the 2004 Share Option Scheme.

Under the 2014 Share Option Scheme, the maximum number of shares available for issue is 10% of the issued share capital of the Company as at 22 August 2014, being the date of approval of the 2014 Share Option Scheme by the shareholders of the Company. No share options have been granted, exercised, cancelled or lapsed under the 2014 Share Option Scheme since its adoption.

### **DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES**

As at 30 September 2022, the interests and short positions of the Directors and chief executives of the Company, and their associates in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register maintained 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"), were as follows:

#### 1. SHARES IN THE COMPANY (LONG POSITIONS)

Name of Directors	Number of ordinary shares held			Percentage of issued share capital of the Company
	Personal interest	Other interest	Total	
Ku Ngai Yung, Otis	–	141,533,828 (Note i)	141,533,828	53.86%
Ku Ka Yung	–	141,533,828 (Note i)	141,533,828	53.86%
Chan Chi Sun	2,026,000	–	2,026,000	0.77%
Ma Sau Ching	350,000	–	350,000	0.13%
Liu Tao	1,000,000	50,000 (Note ii)	1,050,000	0.40%

## OTHER INFORMATION

*Notes:*

- (i) 141,533,828 ordinary shares of the Company were held by United Vision International Limited, which is ultimately and wholly-owned by The Vision Trust, a discretionary trust settled by Mr. Ku Ngai Yung, Otis and Mr. Ku Ka Yung, the discretionary objects of which include Mr. Ku Ngai Yung, Otis and his spouse, Mr. Ku Ka Yung and his spouse, and their respective children who are under the age 18.
- (ii) 50,000 ordinary shares of the Company were held by the spouse of Mr. Liu Tao. By virtue of the interests in the Company held by the spouse of Mr. Liu Tao, together with his own personal interest, Mr. Liu Tao is deemed to be interested in 1,050,000 shares of the Company in total under the SFO.

### 2. UNDERLYING SHARES IN THE COMPANY (SHARE OPTIONS)

Details of the share options held by the Directors and chief executives of the Company are shown in the section under the heading “Share Options”.

Save as disclosed above, as at 30 September 2022, none of the Directors, chief executives, nor their associates, had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register maintained 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.

## **DISCLOSEABLE INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS UNDER THE SFO**

As at 30 September 2022, the following parties (other than those disclosed under the headings “Directors’ and Chief Executives’ Interests in Shares, Underlying Shares and Debentures” and “Share Options” above) were recorded in the register required to be kept by the Company under Section 336 of the SFO as being directly or indirectly interested in 5% or more of the issued share capital of the Company which is so far as known to any Director or chief executive of the Company.

## OTHER INFORMATION

<b>Name</b>	<b>Number of ordinary shares held</b>	<b>Percentage of the issued share capital of the Company</b>
<b><i>Substantial Shareholders</i></b>		
United Vision International Limited (Note 1)	141,533,828	53.86%
Marshvale Investments Limited (Note 1)	141,533,828	53.86%
HSBC International Trustee Limited (Notes 1 & 2)	141,533,828	53.86%
Ku Ling Wah, Phyllis (Notes 1, 2 & 3)	141,533,828	53.86%
Webb David Michael (Notes 5 & 6)	26,422,000	10.05%
<b><i>Other Persons</i></b>		
FMR LLC (Note 4)	26,277,000	9.99%
Fidelity Puritan Trust (Note 7)	20,999,000	7.99%
Preferable Situation Assets Limited (Note 6)	18,346,000	6.98%
Yeo Seng Chong (Note 8)	13,160,000	5.01%
Lim Mee Hwa (Note 9)	13,160,000	5.01%

*Notes:*

- As at 30 September 2022, United Vision International Limited (“UVI”) is wholly-owned by Marshvale Investments Limited (“Marshvale”). By virtue of UVI’s interests in the Company, Marshvale is deemed to be interested in 141,533,828 shares of the Company under the SFO. Marshvale is wholly-owned by HSBC International Trustee Limited (“HSBC Trustee”). By virtue of Marshvale’s indirect interests in the Company, HSBC Trustee is deemed to be interested in 141,533,828 shares of the Company under the SFO. Mr. Ku Ngai Yung, Otis and Mr. Ku Ka Yung are directors of UVI.

## OTHER INFORMATION

2. HSBC Trustee is the trustee of The Vision Trust, the discretionary trust settled by Mr. Ku Ngai Yung, Otis and Mr. Ku Ka Yung mentioned above. 141,533,828 shares of the Company were held indirectly by HSBC Trustee through UVI as mentioned in note 1 above.
3. Ms. Ku Ling Wah, Phyllis (sister of Mr. Ku Ngai Yung, Otis and Mr. Ku Ka Yung) is one of the discretionary objects of The Vision Trust, the discretionary trust settled by Mr. Ku Ngai Yung, Otis and Mr. Ku Ka Yung mentioned above. As at 30 September 2022, The Vision Trust ultimately and wholly owned UVI, which held 141,533,828 shares of the Company.
4. According to a corporate substantial shareholder notice filed by FMR LLC on 3 March 2017 (with the date of the relevant event as set out in the corporate substantial shareholder notice being 27 February 2017), FMR LLC held 26,277,000 shares of the Company indirectly through FMR Co., Inc.. FMR Co., Inc. is wholly owned by Fidelity Management & Research Company, which is a wholly-owned subsidiary of FMR LLC. Of the above mentioned 26,277,000 shares of the Company held by FMR Co., Inc., 2,642,000 shares of the Company were held for Fidelity Management Trust Company, which is wholly-owned by FMR LLC, while 2,338,000 shares of the Company were held for Fidelity Investments Canada ULC, which is ultimately owned by certain employees and shareholders of FMR LLC. Those employees and shareholders of FMR LLC own 100% equity interest in Fidelity Canada Investors LLC, which owns 64% equity interest in 483A Bay Street Holdings LP. 483A Bay Street Holdings LP owns 100% equity interest in BlueJay Lux 1 S.a.r.l., which owns 100% equity interest in FIC Holdings ULC, which in turn owns 100% equity interest in Fidelity Investments Canada ULC.
5. According to an individual substantial shareholder notice filed by David Michael Webb on 15 July 2022, as at 14 July 2022 (i.e. the date of the relevant event as set out in the individual substantial shareholder notice filed on 15 July 2022), of the 26,422,000 shares of the Company held by David Michael Webb, 9,640,000 shares of the Company were held directly by him, while 16,782,000 shares of the Company were held through his wholly owned company, Preferable Situation Assets Limited. By virtue of Preferable Situation Assets Limited's interest in the Company, David Michael Webb is deemed to be interested in the same 16,782,000 shares of the Company held by Preferable Situation Assets Limited under the SFO. (Please also see note 6 below).
6. According to a corporate substantial shareholder notice filed by Preferable Situation Assets Limited on 18 October 2016, as at 13 October 2016 (i.e. the date of the relevant event as set out in the corporate substantial shareholder notice filed on 18 October 2016), Preferable Situation Assets Limited, which is wholly owned by David Michael Webb, held 18,346,000 shares of the Company. By virtue of Preferable Situation Assets Limited's interest in the Company, David Michael Webb is deemed to be interested in the same 18,346,000 shares of the Company held by Preferable Situation Assets Limited under the SFO.

## OTHER INFORMATION

7. According to a corporate substantial shareholder notice filed by Fidelity Puritan Trust on 4 January 2018, as at 29 December 2017 (i.e. the date of the relevant event as set out in the corporate substantial shareholder notice filed on 4 January 2018), 20,999,000 shares of the Company were held directly by Fidelity Puritan Trust.
8. According to an individual substantial shareholder notice filed by Mr. Yeo Seng Chong on 8 November 2021, as at 5 November 2021 (i.e. the date of the relevant event as set out in the individual substantial shareholder notice filed on 8 November 2021), of the 13,160,000 shares of the Company held by Mr. Yeo Seng Chong, 2,842,000 shares of the Company were held directly by him, 250,000 shares of the Company were held by his spouse, Ms. Lim Mee Hwa (please also see note 9 below), 378,000 shares of the Company were held by Yeoman Capital Management Pte Limited, a jointly owned company of him and his spouse, while 9,540,000 and 150,000 shares of the Company were held by Yeoman 3-Rights Value Asia Fund and Yeoman Client 1 respectively, both are wholly owned companies of Yeoman Capital Management Pte Limited. By virtue of the interests in the Company held by the spouse of Mr. Yeo Seng Chong, Yeoman Capital Management Pte Limited, Yeoman 3-Rights Value Asia Fund and Yeoman Client 1, together with his own personal interest, Mr. Yeo Seng Chong is deemed to be interested in 13,160,000 shares of the Company in total under the SFO.
9. According to an individual substantial shareholder notice filed by Ms. Lim Mee Hwa on 8 November 2021, as at 5 November 2021 (i.e. the date of the relevant event as set out in the individual substantial shareholder notice filed on 8 November 2021), of the 13,160,000 shares of the Company held by Ms. Lim Mee Hwa, 250,000 shares of the Company were held directly by her, 2,842,000 shares of the Company were held by her spouse, Mr. Yeo Seng Chong (please also see note 8 above), 378,000 shares of the Company were held by Yeoman Capital Management Pte Limited, a jointly owned company of her and her spouse, while 9,540,000 and 150,000 shares of the Company were held by Yeoman 3-Rights Value Asia Fund and Yeoman Client 1 respectively, both are wholly owned companies of Yeoman Capital Management Pte Limited. By virtue of the interests in the Company held by the spouse of Ms. Lim Mee Hwa, Yeoman Capital Management Pte Limited, Yeoman 3-Rights Value Asia Fund and Yeoman Client 1, together with her own personal interest, Ms. Lim Mee Hwa is deemed to be interested in 13,160,000 shares of the Company in total under the SFO.

All the interests stated above represent long position. Save as disclosed above, as at 30 September 2022, no other person had an interest or short position in the shares and underlying shares of the Company which were recorded in the register required to be kept under Section 336 of the SFO, or was otherwise a substantial shareholder of the Company.



SUN HING VISION GROUP HOLDINGS LIMITED  
新興光學集團控股有限公司

Stock Code 股份代號：125  
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