



SUN HING VISION GROUP HOLDINGS LIMITED

INTERIM REPORT

中報

2023 / 24

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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

(resigned on 13 October 2023)

Registered Public Interest Entity Auditors

SHINEWING (HK) CPA Limited

(appointed on 13 October 2023)

Registered Public Interest Entity Auditors

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

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

During the period under review, the Group's consolidated turnover slightly decreased by 5.90% to HK\$351 million (2022: HK\$373 million) for the six months ended 30 September 2023. The Group's profitability remained relatively stable, with its gross profit margin and net profit margin at 14.52% (2022: 14.43%) and -0.65% (2022: -0.32%) respectively. Although our Group's original design manufacturing ("ODM") business was still adversely affected by the global economic downturn, the significantly dampened market demand for consumer products in the European and American markets as a result of the rising inflationary pressure in these regions and the persisting armed conflicts between Russia and Ukraine, their negative impacts were mostly alleviated by our teams' continuous efforts in bolstering the branded eyewear business, streamlining the Group's operations, reducing costs and increasing overall efficiency, as well as the depreciation of Renminbi during the period. As a result, our turnover and profitability for the period remained stable, with a mild loss attributable to the owners of the Company of HK\$2 million (2022: HK\$1 million) being recorded. Basic loss per share was HK0.87 cents (2022: HK0.45 cents) for the period.

THE ODM BUSINESS

The Group's turnover from its ODM business decreased by 15.70% to HK\$247 million (2022: HK\$293 million), which accounted for 70.37% of the Group's total consolidated turnover. During the period under review, customers within the Europe and the United States regions were still adversely affected by the stubbornly high inflation rates and the continuous interest rate hike expectation, which significantly weakened the consumers' buying power as well as consumers' confidence in the regions. The Group's customers in such regions became very cautious when making purchase decisions. Accordingly, the Group's ODM turnover to Europe and the United States decreased by 18.02% to HK\$141 million (2022: HK\$172 million) and by 15.00% to HK\$85 million (2022: HK\$100 million) respectively. Europe and the United States continued to be the two largest markets of the Group's ODM business, and they accounted for 57.09% and 34.41% of the Group's total ODM turnover respectively. In terms of product mix, plastic frames, metal frames and others contributed 62%, 37% and 1% (2022: 63%, 36% 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 32.05% to HK\$103 million (2022: HK\$78 million), which accounted for 29.34% of the Group's total consolidated turnover. During the period under review, our branded eyewear distribution business benefited from the continuous economic rebound of a number of Asian countries as a result of the easing of social and travel restrictions since 2022 in these countries. And our sales in mainland China, being the largest market for the Group's branded eyewear distribution business, also recovered gradually since the end of the restrictions and control measures in relation to COVID-19 in early 2023. In addition, sales of our new product line under the reputable brand name of Fila during the period also contributed positively to the sales growth. Asia continued to be the most important market of the Group's branded eyewear distribution business, and it accounted for 98.06% (2022: 98.15%) of the Group's total distribution turnover.

OTHER BUSINESSES

For the six months ended 30 September 2023, the Group's other businesses represented licensing income of HK\$1 million from an external party in connection with the trademark of Jill Stuart (2022: licensing income of HK\$1 million and turnover from branded contact lens business of HK\$1 million).

LIQUIDITY AND CAPITAL RESOURCES

The Group continued to maintain a strong liquidity and financial position. It recorded a net cash inflow of HK\$12 million from operations during the period under review. As at 30 September 2023, the Group held bank balances and cash of HK\$320 million. It also had outstanding bank borrowings of approximately HK\$37 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 2023 was 5.31%, 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 2023, the net current assets and current ratio of the Group were approximately HK\$375 million and 2.63:1 respectively. The total equity attributable to owners of the Company decreased to HK\$699 million as at 30 September 2023 from HK\$722 million as at 31 March 2023. The Group's debtor turnover period improved to 86 days (2022: 98 days) while its inventory turnover period increased to 62 days (2022: 56 days) during the period under review. 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 2023 (2022: 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 3,200 people as at 30 September 2023. 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 2023, 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.

IMPORTANT EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this report, no important events affecting the Group occurred since 30 September 2023 and up to the date of this report.

MANAGEMENT DISCUSSION AND ANALYSIS

PROSPECTS

Given the existing complicated geopolitical and macroeconomic environment, it is reasonable to expect that the tough business environment will continue for a longer period. High inflation, more potential interest rate hikes, the on-going war between Russia and Ukraine as well as the recently intensified Israel-Palestine conflict since the fourth quarter of 2023 will continue to adversely affect consumers in different regions and in turn affect the future businesses of the Group. 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.

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. 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. Our plans of setting up new production lines in Vietnam and Jiangxi Province of China are in good progress, which can further strengthen the flexibility of our product supply.

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. Our new eyewear product line under the reputable brand name of Fila, which was first introduced in China during the period under review, has so far achieved more than satisfactory results in terms of both revenue and appreciation from customers. Besides, in order to cope with the rapidly changing consumers' behaviors and preferences, the Group will further enrich its product scopes by introducing collections at more flexible price ranges, incorporating more design and tailor-made elements in our products and distributing 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 principles and code provisions set out in the Corporate Governance Code (the “CG Code”) set out 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 Rules 3.10(2) and 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 and code provisions 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 2023 have been reviewed by the audit committee together with the Company’s external auditor SHINewing (HK) CPA Limited.

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) to assess the independence of independent non-executive directors. 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 Bye-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 2023, 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 considers the current composition of the Board to be diverse and will continue to maintain a diverse Board. In particular, the nomination committee will continue to pay attention to maintaining and strengthening the concern, selection, and development of high-potential female talents, and nominate and recommend competent and qualified candidates to the Board when necessary. Also, the nomination committee will continue to 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 which will be reviewed annually.

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 2023.

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

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



SHINEWING (HK) CPA Limited
17/F, Chubb Tower, Windsor House,
311 Gloucester Road,
Causeway Bay, Hong Kong

信永中和(香港)會計師事務所有限公司
香港銅鑼灣告士打道311號
皇空大廈安達人壽大樓17樓

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

(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 2023 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.

OTHER MATTER

The comparative 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 ended 30 September 2022 and the relevant explanatory notes included in these condensed consolidated financial statements were extracted from the condensed consolidated financial statements of the Group for the six-month period ended 30 September 2022 reviewed by another auditor who expressed an unmodified conclusion on those condensed consolidated financial statements on 25 November 2022.

The comparative condensed consolidated statement of financial position as at 31 March 2023 and the relevant explanatory notes included in these condensed consolidated financial statements were extracted from the consolidated financial statements of the Group for the year ended 31 March 2023 audited by the same auditor who expressed an unmodified opinion on those consolidated financial statements on 28 June 2023.

SHINEWING (HK) CPA Limited

Certified Public Accountants

Pang Wai Hang

Practising Certificate Number: P05044

Hong Kong

29 November 2023

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the six months ended 30 September 2023

	NOTES	Six months ended	
		30.9.2023 HK\$'000 (unaudited)	30.9.2022 HK\$'000 (unaudited)
Revenue	3	351,306	373,460
Cost of sales		(300,293)	(319,570)
Gross profit		51,013	53,890
Other income, gains and losses		14,132	10,889
(Provision) reversal of impairment losses on trade receivables, net		(349)	476
Selling and distribution costs		(13,315)	(12,966)
Administrative expenses		(54,953)	(53,496)
Share of losses of joint ventures		(253)	–
Finance costs	5	(898)	(819)
Loss before tax		(4,623)	(2,026)
Income tax credit	4	2,334	835
Loss for the period attributable to owners of the Company	5	(2,289)	(1,191)
Other comprehensive expense			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange difference arising on translation of foreign operations		(17,270)	(30,749)
		(17,270)	(30,749)
Total comprehensive expense for the period attributable to owners of the Company		(19,559)	(31,940)
		HK cents	HK cents
Loss per share			
Basic	7	(0.87)	(0.45)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 30 September 2023

	NOTES	30.9.2023 HK\$'000 (unaudited)	31.3.2023 HK\$'000 (audited)
NON-CURRENT ASSETS			
Property, plant and equipment	8	242,124	251,939
Right-of-use assets	8	34,316	23,881
Intangible assets		37,174	37,940
Deposit paid for acquisition of property, plant and equipment and right-of-use assets		4,937	3,526
Interests in joint ventures		5,145	1
Deferred tax assets		19,022	15,467
		342,718	332,754
CURRENT ASSETS			
Inventories		102,164	92,155
Trade and other receivables	9	182,908	191,314
Derivative financial instruments	16	19	110
Tax recoverable		111	71
Bank balances and cash		319,781	328,760
		604,983	612,410
CURRENT LIABILITIES			
Trade and other payables	10	179,773	161,582
Lease liabilities		8,396	5,983
Refund liabilities		2,492	2,321
Derivative financial instruments	16	–	31
Tax payable		2,551	4,381
Bank borrowings	11	37,132	38,140
		230,344	212,438
NET CURRENT ASSETS		374,639	399,972
TOTAL ASSETS LESS CURRENT LIABILITIES		717,357	732,726

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 30 September 2023

		30.9.2023	31.3.2023
	NOTES	HK\$'000	HK\$'000
		(unaudited)	(audited)
CAPITAL AND RESERVES			
Share capital	12	26,278	26,278
Share premium and reserves		672,590	696,091
Total equity		698,868	722,369
NON-CURRENT LIABILITIES			
Lease liabilities		12,485	5,031
Deferred tax liabilities		6,004	5,326
		18,489	10,357
TOTAL EQUITY AND NON-CURRENT LIABILITIES		717,357	732,726

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 September 2023

	Attributable to owners of the Company					Total HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Special reserve HK\$'000 (Note)	Translation reserve HK\$'000	Retained profits HK\$'000	
At 1 April 2022 (audited)	26,278	78,945	18,644	10,012	647,606	781,485
Loss for the period	–	–	–	–	(1,191)	(1,191)
Exchange difference arising on translation of foreign operations	–	–	–	(30,749)	–	(30,749)
Total comprehensive expense for the period	–	–	–	(30,749)	(1,191)	(31,940)
Dividends recognised as distribution (note 6)	–	–	–	–	(3,942)	(3,942)
At 30 September 2022 (unaudited)	26,278	78,945	18,644	(20,737)	642,473	745,603
At 1 April 2023 (audited)	26,278	78,945	18,644	(10,662)	609,164	722,369
Loss for the period	–	–	–	–	(2,289)	(2,289)
Exchange difference arising on translation of foreign operations	–	–	–	(17,270)	–	(17,270)
Total comprehensive expense for the period	–	–	–	(17,270)	(2,289)	(19,559)
Dividends recognised as distribution (note 6)	–	–	–	–	(3,942)	(3,942)
At 30 September 2023 (unaudited)	26,278	78,945	18,644	(27,932)	602,933	698,868

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 2023

	Six months ended	
	30.9.2023	30.9.2022
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Net cash from operating activities	11,859	3,649
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(4,686)	(3,384)
Capital contribution to a joint venture	(5,499)	–
Deposit paid for acquisition of property, plant and equipment and right-of-use assets	(1,617)	(1,684)
Interest received	5,999	1,680
Net cash used in investing activities	(5,803)	(3,388)
FINANCING ACTIVITIES		
Repayment of lease liabilities	(4,262)	(4,777)
Dividends paid	(3,942)	(3,942)
Repayment of bank borrowings	(1,008)	(1,072)
Interest paid	(898)	(819)
Net cash used in financing activities	(10,110)	(10,610)
Net decrease in cash and cash equivalents	(4,054)	(10,349)
Cash and cash equivalents at beginning of the period	328,760	324,084
Effect of foreign exchange rate changes	(4,925)	(5,969)
Cash and cash equivalents at end of the period, representing bank balances and cash	319,781	307,766

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 30 September 2023

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.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2023 are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 March 2023.

APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

In the current interim period, the Group has applied the following new and amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatorily effective for the Group’s financial year beginning on 1 April 2023 for the preparation of the Group’s condensed consolidated financial statements:

HKFRS 17 and related amendments	Insurance Contracts
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to HKAS 8	Definition of Accounting Estimates
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to HKAS 12	International Tax Reform – Pillar Two Model Rules

The application of the new and 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 2023

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 2023 (unaudited)		
	Eyewear products	Others	Total
	HK\$'000	HK\$'000	HK\$'000
Types of goods or services			
Eyewear products	350,604	–	350,604
Royalty income	–	702	702
Revenue from contracts with customers	350,604	702	351,306

	For the six months ended 30 September 2022 (unaudited)		
	Eyewear products	Others	Total
	HK\$'000	HK\$'000	HK\$'000
Types of goods or services			
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

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, are as follows:

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 30 September 2023

3. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Contact lens and trademarks segments were aggregated under “All other segments” for reporting purpose as both segments did not meet any of the quantitative thresholds for determining reportable segments for both periods.

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

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023 (UNAUDITED)

	Eyewear products HK\$'000	All other segments HK\$'000	Elimination HK\$'000	Consolidated HK\$'000
SEGMENT REVENUE				
External sales	350,604	702	–	351,306
Inter-segment sales	–	2,065	(2,065)	–
	<u>350,604</u>	<u>2,767</u>	<u>(2,065)</u>	<u>351,306</u>
Segment results	<u>(7,688)</u>	<u>1,939</u>	<u>–</u>	<u>(5,749)</u>
Unallocated other income, gains and losses				7,402
Central administration costs				(5,125)
Share of losses of joint ventures				(253)
Finance costs				<u>(898)</u>
Loss before tax				<u>(4,623)</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 30 September 2023

3. REVENUE AND SEGMENT INFORMATION (CONTINUED) FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2022 (UNAUDITED)

	Eyewear products HK\$'000	All other segments HK\$'000	Elimination HK\$'000	Consolidated HK\$'000
SEGMENT REVENUE				
External sales	372,205	1,255	–	373,460
Inter-segment sales	–	2,228	(2,228)	–
	372,205	3,483	(2,228)	373,460
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)

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 30 September 2023

3. REVENUE AND SEGMENT INFORMATION (CONTINUED)

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), share of losses of joint ventures and finance costs.

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

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	
	30.9.2023	30.9.2022
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Hong Kong	24,793	18,735
The PRC (excluding Hong Kong)	50,964	38,663
Japan	8,357	19,388
Italy	124,322	154,800
United States	87,405	100,951
Other countries	55,465	40,923
	351,306	373,460

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 30 September 2023

4. INCOME TAX CREDIT

	Six months ended	
	30.9.2023	30.9.2022
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
<hr/>		
The credit (charge) comprises:		
Current tax		
– PRC Enterprise Income Tax (“EIT”)	(332)	(748)
– United States Withholding tax	(211)	(211)
	<hr/>	<hr/>
	(543)	(959)
	<hr/>	<hr/>
Deferred taxation		
– Current period	2,877	1,794
	<hr/>	<hr/>
	2,334	835
	<hr/>	<hr/>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 30 September 2023

5. LOSS FOR THE PERIOD

	Six months ended	
	30.9.2023	30.9.2022
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Loss for the period has been arrived at after charging (crediting):		
Depreciation and amortisation		
– depreciation of property, plant and equipment	8,257	10,013
– depreciation of right-of-use assets	4,236	3,440
– amortisation of intangible assets (included in cost of sales)	766	928
	13,259	14,381
Capitalised in inventories	(5,883)	(4,936)
	7,376	9,445
Employee benefits expenses	151,077	164,977
Capitalised in inventories	(111,570)	(124,907)
	39,507	40,070
Net foreign exchange gains	(6,789)	(8,577)
Fair value changes on derivative financial instruments	60	2,771
Loss on disposals of property, plant and equipment	–	7
Write-down of inventories	846	4,255
Finance costs		
– interest expenses on bank borrowings	548	368
– interest expenses on lease liabilities	350	451
	898	819
Bank interest income	(5,999)	(1,680)
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 2023

6. DIVIDENDS

During the current period, a final special dividend of HK1.5 cents per ordinary share in an aggregate amount of HK\$3,942,000 in respect of the year ended 31 March 2023 was declared and paid to shareholders (six months ended 30 September 2022: a final special dividend of HK1.5 cents per ordinary share in an aggregate amount of HK\$3,942,000 in respect of the year ended 31 March 2022 were paid to shareholders).

An interim special dividend of HK1.5 cents per ordinary share in total of HK\$3,942,000 in respect of the six months ended 30 September 2023 has been proposed by the directors of the Company (six months ended 30 September 2022: an interim special dividend of HK1.5 cents per ordinary share in total of HK\$3,942,000). No interim dividend for the six months ended 30 September 2023 has been proposed since the end of the reporting period (six months ended 30 September 2022: nil).

7. LOSS PER SHARE

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

	Six months ended	
	30.9.2023	30.9.2022
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
<hr/>		
Loss		
Loss for the period attributable to the owners of the Company for the purpose of basic loss per share	(2,289)	(1,191)
<hr/>		
Number of shares		
Number of ordinary shares in issue for the purpose of basic loss per share	262,778,286	262,778,286
<hr/>		

No diluted loss 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 2023

8. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT, 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\$4,686,000 (six months ended 30 September 2022: HK\$3,384,000) for acquisition of property, plant and equipment. As at 30 September 2023, the accumulated impairment losses of property, plant and equipment and right-of-use assets amounted to HK\$118,139,000 and HK\$7,895,000 (31 March 2023: HK\$125,477,000 and HK\$12,036,000) 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 a new lease agreement which is a non-cash transaction with lease terms of 3 years (six months ended 30 September 2022: the Group entered into several new lease agreements which are non-cash transactions with lease terms of 2 to 3 years). On lease commencement, the Group recognised right-of-use assets and lease liabilities amounted to HK\$14,799,000 and HK\$14,799,000 respectively during the six months ended 30 September 2023 (six months ended 30 September 2022: HK\$1,215,000 and HK\$1,215,000 respectively).

During the six months ended 30 September 2023, there is no transfer from deposit paid for acquisition of property, plant and equipment and right-of-use assets into property, plant and equipment and right-of-use assets while there was 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 during six months ended 30 September 2022 as the Group had 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 2023

9. TRADE AND OTHER RECEIVABLES

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

	30.9.2023	31.3.2023
	HK\$'000	HK\$'000
	(unaudited)	(audited)
Trade receivables	173,449	173,980
Less: Allowance for credit losses	(7,877)	(7,743)
	165,572	166,237
Prepayments	2,289	3,069
Deposits	4,779	3,503
Value-added tax and other receivables	8,456	16,649
Right to return goods assets	1,812	1,856
	182,908	191,314

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

	30.9.2023	31.3.2023
	HK\$'000	HK\$'000
	(unaudited)	(audited)
Current	147,417	146,397
Overdue up to 90 days	17,785	17,502
Overdue more than 90 days	8,247	10,081
	173,449	173,980

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 30 September 2023

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:

	30.9.2023 HK\$'000 (unaudited)	31.3.2023 HK\$'000 (audited)
Trade payables		
Current and overdue up to 90 days	111,342	87,543
Overdue more than 90 days	5,298	6,466
	116,640	94,009
Accruals	56,387	54,811
Value-added tax and other payables	6,746	12,762
	179,773	161,582

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\$107,412,000 (31 March 2023: HK\$109,681,000).

12. SHARE CAPITAL

	Number of shares	Nominal amount HK\$'000
Ordinary shares of HK\$0.10 each		
Authorised:		
At 1 April 2022, 30 September 2022, 1 April 2023 and 30 September 2023	500,000,000	50,000
Issued and fully paid:		
At 1 April 2022, 30 September 2022, 1 April 2023 and 30 September 2023	262,778,286	26,278

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 30 September 2023

13. CAPITAL COMMITMENTS

	30.9.2023	31.3.2023
	HK\$'000	HK\$'000
	(unaudited)	(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	1,807	1,224
– Factory under construction or renovation	–	554
	1,807	1,778

The Group's share of the capital commitments made jointly with the joint venture partners relating to its joint ventures, Sun Yuan Optical Company Limited and 新東眼鏡(江西)有限公司, but not recognised at the end of the reporting date is as follows:

	30.9.2023	31.3.2023
	HK\$'000	HK\$'000
	(unaudited)	(audited)
Commitments to contribute funds for future operations	1,610	5,500

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 30 September 2023

14. RELATED PARTY DISCLOSURES

The following table provides the total amount of transactions which have been entered into with the related party during the six months ended 30 September 2023 and 2022, as well as balances with the related party as at 30 September 2023 and 31 March 2023:

(A) MATERIAL RELATED PARTY TRANSACTIONS

	Purchases from a related party		Trade payable	
	30.9.2023 HK\$'000 (unaudited)	30.9.2022 HK\$'000 (unaudited)	30.9.2023 HK\$'000 (unaudited)	31.3.2023 HK\$'000 (audited)
A joint venture in which the parent is a venturer	5,896	–	6,236	–

(B) KEY MANAGEMENT PERSONNEL COMPENSATION

Key management personnel of the Group comprised of directors. The compensation paid or payable to directors is shown below:

	Six months ended	
	30.9.2023 HK\$'000 (unaudited)	30.9.2022 HK\$'000 (unaudited)
Short-term employee benefits	2,160	2,130
Retirement benefits schemes contributions	83	81
	2,243	2,211

15. 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 2023

16. 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
	30.9.2023 (unaudited)	31.3.2023 (audited)		
Foreign currency forward contracts classified as derivative financial instruments in the condensed consolidated statement of financial position	Assets – HK\$19,000	Assets – HK\$110,000	Level 2	Discounted 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.
	Liabilities – Nil	Liabilities – HK\$31,000		

There were no transfers 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 2023 (2022: interim special dividend: HK1.5 cents per share; interim dividend: nil). The interim special dividend will be payable on or about Wednesday, 10 January 2024 to the shareholders whose names appear on the register of members of the Company at the close of trading on Wednesday, 27 December 2023.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 19 December 2023 to Wednesday, 27 December 2023, 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 Monday, 18 December 2023.

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 2023, the remaining life of the 2014 Share Option Scheme was approximately 0.9 years.

OTHER INFORMATION

During the six months ended 30 September 2023 and as at 30 September 2023, 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 shares 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, which is 26,277,828 shares. No share options have been granted, exercised, cancelled or lapsed under the 2014 Share Option Scheme since its adoption. As at 1 April 2023 and 30 September 2023, there were 26,277,828 share options available for grant under the 2014 Share Option Scheme.

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

As at 30 September 2023, 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 2023, 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 2023, 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

Name	Number of ordinary shares held	Percentage of the issued share capital of the Company
<i>Substantial Shareholders</i>		
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)	28,984,000	11.02%
<i>Other Persons</i>		
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 2023, 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.

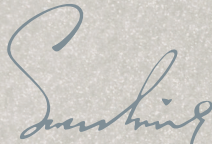
OTHER INFORMATION

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 2023, 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 26 September 2023, as at 21 September 2023 (i.e. the date of the relevant event as set out in the individual substantial shareholder notice filed on 26 September 2023), of the 28,984,000 shares of the Company held by David Michael Webb, 11,794,800 shares of the Company were held directly by him, while 17,189,200 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 17,189,200 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, as at 13 October 2016, David Michael Webb was deemed to be interested in the same 18,346,000 shares of the Company held by Preferable Situation Assets Limited under the SFO.
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.

OTHER INFORMATION

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 2023, 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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