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## **China Castson 81 Finance Company Limited**

**中國鑄晨81金融有限公司**

*(Continued into Bermuda with limited liability)*

**(Stock Code: 810)**

### **ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **RESULTS**

The Board of Directors (the “Board”) of China Castson 81 Finance Company Limited (formerly known as China Internet Investment Finance Holdings Limited) (the “Company”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2022, with comparative figures for the previous year as follows:

#### **CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

*For the year ended 31 December 2022*

	<i>Note</i>	<b>2022</b> <b>HK\$’000</b>	2021 HK\$’000
Gross proceeds from operations	4	<b>31,896</b>	137,280
Revenue			
Dividend income from financial assets at fair value through profit or loss (“FVTPL”)		<b>493</b>	472
Interest income from listed debt instrument at fair value through other comprehensive income (“FVTOCI”)		<b>—</b>	13
Total revenue		<b>493</b>	485

	<i>Note</i>	<b>2022</b> <b>HK\$'000</b>	2021 HK\$'000
Net (losses)/gains on financial assets at FVTPL		<b>(10,819)</b>	1,096
Other income	5	<b>313</b>	1
Other gains and losses	6	<b>(36)</b>	8,938
Administrative expenses		<b>(16,638)</b>	(18,603)
Other operating expenses		<b>(1,268)</b>	(1,426)
Share of results of an associate		<u>–</u>	<u>(22)</u>
<b>Loss from operations</b>		<b>(27,955)</b>	(9,531)
Finance costs		<u>(36)</u>	<u>(48)</u>
<b>Loss before tax</b>		<b>(27,991)</b>	(9,579)
Income tax expense	7	<u>–</u>	<u>–</u>
<b>Loss for the year attributable to owners of the Company</b>	8	<b><u>(27,991)</u></b>	<b><u>(9,579)</u></b>
<b>Loss per share attributable to owners of the Company</b>	9		
Basic (HK cents)		<b><u>(19.79)</u></b>	<b><u>(7.59)</u></b>
Diluted (HK cents)		<b><u>(19.79)</u></b>	<b><u>(7.59)</u></b>

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

*For the year ended 31 December 2022*

	<b>2022</b>	2021
	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>Loss for the year</b>	<u>(27,991)</u>	<u>(9,579)</u>
<b>Other comprehensive income:</b>		
<i>Items that may be reclassified to profit or loss:</i>		
Exchange differences arising on translating foreign operations	4	(1)
Release of translation reserve upon deregistration of a subsidiary	73	–
Fair value gain on debt instrument measured at FVTOCI	–	1
Release of FVTOCI reserve upon disposal of debt instrument	<u>–</u>	<u>25</u>
<b>Other comprehensive income for the year, net of tax</b>	<u>77</u>	<u>25</u>
<b>Total comprehensive loss for the year attributable to owners of the Company</b>	<u><u>(27,914)</u></u>	<u><u>(9,554)</u></u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*As at 31 December 2022*

	<i>Note</i>	<b>2022</b> <i>HK\$'000</i>	2021 <i>HK\$'000</i>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		<b>8,838</b>	9,434
Financial assets at FVTPL	11	<b>11,774</b>	24,208
Interest in an associate		–	–
		<u><b>20,612</b></u>	<u>33,642</u>
<b>Current assets</b>			
Financial assets at FVTPL	11	<b>36,775</b>	18,631
Other receivables, prepayments and deposits		<b>874</b>	1,921
Bank and cash balances		<b>1,828</b>	35,273
		<u><b>39,477</b></u>	<u>55,825</u>
<b>Total assets</b>		<u><b>60,089</b></u>	<u>89,467</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital	12	<b>1,414</b>	1,414
Reserves		<b>54,201</b>	82,115
<b>Total equity</b>		<u><b>55,615</b></u>	<u>83,529</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accruals		<b>3,344</b>	4,287
Secured bank loan		<b>1,130</b>	1,651
<b>Total liabilities</b>		<u><b>4,474</b></u>	<u>5,938</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>60,089</b></u>	<u>89,467</u>
<b>Net current assets</b>		<u><b>35,003</b></u>	<u>49,887</u>
<b>Net assets</b>		<u><b>55,615</b></u>	<u>83,529</u>
<b>Net asset value per share (HK\$)</b>	13	<u><b>0.39</b></u>	<u>0.59</u>

## NOTES

### 1. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). HKFRSs comprise Hong Kong Financial Reporting Standards (“HKFRS”); Hong Kong Accounting Standards (“HKAS”); and Interpretations. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) and with the disclosure requirements of the Companies Ordinance (Cap. 622).

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting year of the Group. Note 2 below provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting years reflected in these consolidated financial statements.

### 2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

#### (a) Application of new and revised HKFRSs

The HKICPA has issued a number of amendments to HKFRSs that are first effective for the current accounting year of the Group.

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

**(b) New and revised HKFRSs in issue but not yet effective**

The Group has not applied any new standard, amendments to standards and interpretation that have been issued but are not yet effective for the financial year beginning 1 January 2022. The new standard, amendments to standards and interpretation include the following which may be relevant to the Group.

	<b>Effective for accounting periods beginning on or after</b>
Amendments to HKAS 1 and HKFRS Practice Statement 2 - Disclosure of Accounting Policies	1 January 2023
Amendments to HKAS 8 - Definition of Accounting Estimates	1 January 2023
Amendments to HKAS 12 - Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction	1 January 2023
Amendments to HKAS 1 - Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to HKAS 1 - Non-current Liabilities with Covenants	1 January 2024
Hong Kong Interpretation 5 (2020) Presentation of Financial Statements - Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2024
Amendments to HKFRS 10 and HKAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined by the HKICPA

The Group is in the process of making an assessment of what the impact of these amendments and new standards is expected to be in the period of initial application. So far it has been concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

**3. SEGMENT INFORMATION**

The Group's principal activity is investment in equity and debt instruments. For the purpose of resources allocation and assessment of performance, the management regularly reviews and manages the Group's investments on a portfolio basis. Information is regularly provided to the management and mainly includes fair value of respective investees and the related investment income. Therefore, no segment information is presented other than entity-wide disclosures.

The Group's revenue is generated from operations in Hong Kong. The Group's non-current assets (excluding financial assets at FVTPL) are located in Hong Kong.

#### 4. GROSS PROCEEDS FROM OPERATION

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Gross proceeds from disposal of financial assets at FVTPL	31,403	136,795
Dividend income from financial assets at FVTPL	493	472
Interest income from debt instrument at FVTOCI	–	13
	<u>31,896</u>	<u>137,280</u>

#### 5. OTHER INCOME

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Government grants received ( <i>Note</i> )	312	–
Bank interest income	1	1
	<u>313</u>	<u>1</u>

*Note:* During the year ended 31 December 2022, the Group recognised government grants of approximately HK\$312,000 (2021: HK\$ Nil) related to 2022 Employment Support Scheme provided by the Hong Kong Special Administrative Region Government (“2022 Employment Support Scheme”). The Group has complied all attached conditions under the 2022 Employment Support Scheme before 31 December 2022.

#### 6. OTHER GAINS AND LOSSES

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Exchange gains	37	28
Gain on disposal of property, plant and equipment	–	8,935
Derecognition of debt instrument at FVTOCI	–	(25)
Loss on deregistration of a subsidiary	(73)	–
	<u>(36)</u>	<u>8,938</u>

#### 7. INCOME TAX EXPENSE

No provision for Hong Kong Profits Tax and People’s Republic of China Enterprise Income Tax was required since the Group had no estimated assessable profit for both years.

## 8. LOSS FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE COMPANY

The Group's loss for the year attributable to owners of the Company is stated at after charging the following:

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Auditor's remuneration	360	400
Depreciation	615	848
Donation	45	45
Brokerage commission expenses ( <i>Note</i> )	–	319
Investment management fees ( <i>Notes</i> )	482	505
Custody service fees ( <i>Note</i> )	106	52
	<u>          </u>	<u>          </u>

*Note:* They were de minimis continuing connected transactions of the Company under Rule 14A.73(1) of the Listing Rules.

## 9. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

### Basic loss per share

The calculation of the basic loss per share is based on the loss for the year attributable to owners of the Company of approximately HK\$27,991,000 (2021: HK\$9,579,000) and the weighted average number of ordinary shares of 141,423,187 (2021: 126,241,050) in issue during the year.

### Diluted loss per share

During the year ended 31 December 2022, the potential ordinary shares that may arise from the outstanding share options issued have not been included in the calculation of diluted loss per share because they are anti-dilutive. Diluted loss per share was the same as the basic loss per share for the year ended 31 December 2022.

The computation of diluted loss per share did not assume the exercise of the Company's outstanding share options as the exercise price of those share options was higher than the average market price for shares for the year ended 31 December 2021. Diluted loss per share was the same as the basic loss per share for the year ended 31 December 2021.

## 10. DIVIDEND

No dividend was paid or proposed by the Company during the year ended 31 December 2022 (2021: Nil), nor has any dividend been proposed since the end of the reporting period.

## 11. FINANCIAL ASSETS AT FVTPL

	2022 HK\$'000	2021 HK\$'000
Equity securities listed in Hong Kong, at fair value	<u>48,549</u>	<u>42,839</u>
Analysed as:		
Current assets	36,775	18,631
Non-current assets	<u>11,774</u>	<u>24,208</u>
	<u>48,549</u>	<u>42,839</u>

Fair values of equity securities listed in Hong Kong are primarily based on quoted market prices.

As at 31 December 2022, an amount of approximately HK\$11,774,000 (2021: HK\$24,208,000) was classified as non-current assets as the management of the Group expected that such amount might not be realised within twelve months after the reporting period.

## 12. SHARE CAPITAL

	Number of ordinary shares of HK\$0.10 each '000	Number of ordinary shares of HK\$1 each '000	Number of ordinary shares of HK\$0.01 each '000	Par value HK\$'000
<b>Authorised:</b>				
As at 1 January 2021	2,000,000	–	–	200,000
Share consolidation ( <i>Note (1a)</i> )	(2,000,000)	200,000	–	–
Capital reduction ( <i>Note (1b)</i> )	–	(200,000)	200,000	(198,000)
Capital increase ( <i>Note (1c)</i> )	–	–	19,800,000	198,000
	<u>–</u>	<u>–</u>	<u>20,000,000</u>	<u>200,000</u>
As at 31 December 2021, 1 January 2022 and 31 December 2022	<u>–</u>	<u>–</u>	<u>20,000,000</u>	<u>200,000</u>
<b>Issued and fully paid:</b>				
As at 1 January 2021	942,822	–	–	94,282
Share consolidation ( <i>Note (1a)</i> )	(942,822)	94,282	–	–
Capital reduction ( <i>Note (1b)</i> )	–	(94,282)	94,282	(93,339)
Issuances of share upon Rights Issue ( <i>Note 2</i> )	–	–	47,141	471
	<u>–</u>	<u>–</u>	<u>141,423</u>	<u>1,414</u>
As at 31 December 2021, 1 January 2022 and 31 December 2022	<u>–</u>	<u>–</u>	<u>141,423</u>	<u>1,414</u>

*Notes:*

1. Pursuant to a special resolution passed on 15 March 2021, a capital reorganisation was approved with effect from 17 March 2021. Details of the capital reorganisation are set out in the Company's circular dated 18 February 2021 and the Company's announcement dated 15 March 2021. It comprised the following changes to the capital structure:

- (a) **Share consolidation**

Every ten issued and unissued shares of par value of HK\$0.10 each in the share capital of the Company were consolidated into one share of par value of HK\$1.00 each.

- (b) **Capital reduction**

The par value of all the then issued and unissued share capital was reduced from HK\$1.00 each to HK\$0.01 each by cancelling the paid-up capital of the Company to the extent of HK\$0.99 on each of all the then consolidated shares. The issued and fully paid capital was thus reduced by approximately HK\$93,339,000 represented by the multiplication of approximately 94,282,000 shares and HK\$0.99.

- (c) **Authorised capital increase**

The authorised share capital of the Company was then increased from HK\$2,000,000 divided into 200,000,000 shares of par value of HK\$0.01 each to HK\$200,000,000 divided into 20,000,000,000 shares of par value of HK\$0.01 each.

2. **Issuance of shares upon Rights Issue**

During the year ended 31 December 2021, the Company implemented the rights issue on the basis of one rights share for every two existing shares at the subscription price of HK\$0.2 per rights share (the "Rights Issue"). The Company received net proceeds of approximately HK\$8,196,000 from the Rights Issue and 47,141,062 rights shares were issued.

13. **NET ASSET VALUE PER SHARE**

The calculation of the net asset value per share at the end of the reporting period is based on the Group's net assets of approximately HK\$55,615,000 (2021: HK\$83,529,000) and the number of ordinary shares of 141,423,187 (2021: 141,423,187) in issue as at that date.

14. **EVENTS AFTER THE REPORTING PERIOD**

The net losses on financial assets at FVTPL as at 31 December 2022 to the date of approval of this results announcement amounted to approximately HK\$3,033,000.

## **CHAIRMAN’S STATEMENT**

### **CHANGE OF COMPANY NAME**

With the support of our shareholders, our Company name was changed from “China Internet Investment Finance Holdings Limited” to “China Castson 81 Finance Company Limited” and the Chinese name of “中國鑄晨81金融有限公司” was adopted as the Company’s new secondary name. As highlighted in the Company’s annual reports for the year ended 31 December 2020 and 31 December 2021, the Company will identify and consider potential investment opportunities in new economy sector and sustainable agriculture, green food, and biotech driven through new technological breakthrough. With this new focus on the various industry sectors, the Company will not restrict its private equity investments mainly in the internet finance sector and would take a diversified approach in order to enhance the long term returns at a level of risk suitable to the Company and its shareholders. In order to highlight the Group’s new strategy and non-focus on the internet finance sector, the Board believes that the Proposed Change of Company Name would provide the Company with a fresh corporate identity and image which will benefit its future business development.

### **DIVIDEND**

The Board does not recommend the payment of a final dividend for the year ended 31 December 2022 (2021: Nil).

### **KEY PERFORMANCE INDICATOR**

As at 31 December 2022, our net asset value amounted to about HK\$55.6 million and decreased by about HK\$27.9 million. During the year, the Group suffered an operational loss of about HK\$28.0 million (2021: HK\$9.5 million).

### **INVESTMENT PORTFOLIO COMPOSITION**

As at 31 December 2022, the Group’s portfolio value of the Group increased by HK\$5.7 million and amounted to about HK\$48.5 million. Our portfolio comprised a mix of Hong Kong-listed equities which were classified as financial assets at fair value through profit or loss. The current and non-current portions of the listed equities portfolio were in the amount of about HK\$36.8 million and HK\$11.7 million, respectively.

## **REVIEW OF OPERATIONS**

### **Market Review**

The year 2022 was a challenging and difficult year for capital markets and both equities and bonds performed unsatisfactorily. The Hong Kong stock market fell amid the global market correction. Most markets fell on the monetary tightening by major central banks amid persistent global inflationary pressures. Worries about recession risks also affected corporate earnings outlook and stock market performance. Prolonged geopolitical conflicts in Ukraine and energy supply issues in Europe further increased the market volatility.

### **Revenue**

The gross proceeds from the disposal of investments decreased from HK\$136.8 million to about HK\$31.4 million. Trading activities were reduced as turnover in the Hong Kong stock market fell in 2022, and the decline was largely in line with trends in overseas markets.

For the year ended 31 December 2022, the revenue of the Group of HK\$0.5 million (2021: HK\$0.5 million) primarily comprised dividend income from our equity investments.

### **Loss from operations**

For the year ended 31 December 2022, the loss from operations increased from HK\$9.5 million to about HK\$28.0 million. The fair value loss was about HK\$10.8 million which was in line with the market performance. The HSI and HSCEI hit their 13- and 17-year lows, whilst the Hang Seng TECH Index fell to the lowest level since its launch at one point. The market decline seemed to be largely driven by external macro factors, partly attributable to worries about US interest rate hikes, a global economic slowdown and lingering geopolitical risks related to Ukraine. Rate-sensitive technology stocks led losses.

### **Net (losses)/gains on financial assets at fair value through profit or loss**

For the year ended 31 December 2022, the Hang Seng Index (“HSI”) and Hang Seng TECH Index (“HSTI”) substantially dropped 15.5% and 27.2% respectively. During the current year, the net fair value losses in our investment portfolio were about HK\$10.8 million. The overall performance in listed equities portfolio was in line with the market indices. We suffered net fair value losses of about HK\$281,000 and HK\$2,363,900 of our investments in constituent of HSI and HSTI, respectively. There were also net fair value losses of our investments in other Main Board stocks of about HK\$7.7 million.

### **Other income**

For the year ended 31 December 2022, the Group recognised government grants of about HK\$0.3 million from the 2022 Employment Support Scheme under the Anti-epidemic Fund provided by the Hong Kong Special Administrative Region Government. The Scheme provided wage subsidies to employers for the period from May to July 2022, mainly to retain their current employees. Other income in prior year mainly represented the bank interest income.

### **Other gains and losses**

For the year ended 31 December 2022, other net losses amounted to HK\$36,000 and mainly represented the loss on deregistration of a subsidiary which was partly offset by the exchange gain arising on the translation of assets denominated in US dollars. Other net gains in prior year amounted to HK\$8,938,000, and mainly represented the gain on disposal of property, plant and equipment and the exchange gain arising on the translation of assets denominated in US dollars.

### **Administrative expenses and other operating expenses**

Administrative expenses for the year dropped from about HK\$18.6 million in prior year to HK\$16.6 million and was partly attributed to the cost control measures. During the year, certain inactive subsidiaries were either deregistered or underwent the similar process for the sake of cost-saving. Other operating expenses comprised the management fee to the Investment Manager of about HK\$482,000 (2021: HK\$505,000) and finance costs represented the office mortgage interest.

### **Interest in an associate**

The interest in an associate represented our interests in the 30% shareholdings of Superb Kingdom Limited and its subsidiaries and it had no carrying value at the reporting date.

## **PROSPECTS**

The global economic outlook improved in late 2022 and most major overseas markets rebounded amid easing price pressures and interest rate hike concerns. Moderating inflation in the US and Eurozone raised hopes for a potential deceleration in monetary tightening. The reopening of borders between the China and Hong Kong in early 2023 also positively improved the investor sentiment. However, there are still growing worries of a slowing global economy. The International Monetary Fund and the World Bank both warned about the risk of a global recession amid interest rate hikes. Prolonged geopolitical tensions in Ukraine had also widespread consequences for the global economy.

In October 2022, the Stock Exchange of Hong Kong Limited published a consultation paper on proposals to expand Hong Kong's existing listing regime to permit listings of Specialist Technology Companies and it is expected the new proposed Specialist Technology rules will help to drive growth in talent and investment across five frontier industries, which include next-generation IT, advanced hardware, advanced materials, new energy and environmental protection, new food and agricultural technologies. This also echoes ESG investing and together with biotech companies, these sectors are generally considered to be benefitted from the ESG opportunities or can reduce the ESG risks. Going forward, it will be preferable to integrate the ESG issues into our investment decision making process. Different ways to strengthen our financial position will also be considered as necessary. After the full reopening of Hong Kong-mainland border, we will continue to explore PE, SPAC-related and pre-IPO investment opportunities on a proactive but prudent manner and hope to enjoy a better return when the market is back to normal.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **Financial resources and liquidity**

As at 31 December 2022, the bank and cash balances decreased to approximately HK\$1.8 million (2021: HK\$35.3 million) mainly because of the increase in equity investments. The net current assets decreased to approximately HK\$35.0 million (2021: HK\$49.9 million), mainly to finance the operations. As at 31 December 2022, the Group had no material capital commitment (2021: Nil).

### **Gearing ratio**

As at 31 December 2022, the Group maintained a low level of gearing ratio of 2.0% as defined by total borrowings divided by total equity (31 December 2021: 2.0%).

### **Property, plant and equipment**

As at 31 December 2022, property, plant and equipment amounted to approximately HK\$8.8 million (2021: HK\$9.4 million).

### **Material acquisition and disposal**

During the year, save for deregistration or strike-off of certain inactive subsidiaries for the purpose of corporate group rationalisation, there were no significant acquisitions or disposals of subsidiaries by the Group.

### **Capital structure**

As at 31 December 2022, the Company's total number of issued shares remained to be 141,423,187 at par value of HK\$0.01 each.

### **Share option scheme**

The 2012 Share Option Scheme adopted by the Company on 31 July 2012 has expired on the tenth anniversary of its adoption. During the year, 885,638 share options under the 2012 Share Option Scheme were lapsed and no share options were granted, exercised and cancelled. On 27 June 2022, the 2022 Share Option Scheme was adopted and no options has been offered or granted during the year. There were no shares options outstanding as at 31 December 2022.

### **Events after the reporting period**

The net losses on financial assets at FVTPL as at 31 December 2022 to the date of approval of this results announcement amounted to approximately HK\$3,033,000.

### **Exposure to foreign exchange**

The investment portfolio primarily comprises listed equities in Hong Kong stock market, and other funds are usually maintained in the banks. Majority of them are denominated in Hong Kong dollars. The Board considered the Group had no significant exposure to foreign exchange fluctuation as at the balance sheet date.

### **Pledge of the Group's assets**

As at 31 December 2022, the office premise with a carrying amount of about HK\$8.8 million (2021: HK\$9.3 million) was pledged for an instalment loan.

### **Human resources**

As at 31 December 2022, the Company had 16 employees and directors (2021: 21). The remuneration packages for the employees and the directors were in line with the prevailing market practice and are determined on the basis of performance and experience.

## **CORPORATE GOVERNANCE PRACTICES**

The Company is committed to maintaining and implementing a high standard of corporate governance and recognises that good governance can help the business to deliver its strategies, generate shareholder value and meet its obligations towards shareholders and other stakeholders. The Company has established a governance structure, and embeds governance and principles in the business to ensure accountability, fairness, integrity and transparency.

The Board adheres to corporate governance practices by adopting and complying with the established rules, codes, guidelines under the Corporate Governance Code (the “CG Code”) set out in Appendix 14 to the Listing Rules. The Company has followed the CG Code and formulated its own policies and procedures regarding the corporate governance practices. During the financial year of 2022, the Company complied with all of the provisions under the CG Code except for the following:

### **1. Code provision C.5.8**

It is required that an agenda and accompanying board papers should be sent, in full, to all Directors for regular board meetings and as far as practicable in all other cases. These papers should be sent in a timely manner and at least 3 days before the intended date of a board or board committee meeting (or other agreed period).

Due to the practical reasons, agenda and related board papers have not been sent, in full, in 3 days in advance to certain meetings of the Board or Board Committee. Save for the disclosure of certain inside information which required timely publication of announcements, the Company Secretary used the best endeavours to fulfil the above practice of three days advance notice.

## **DIRECTORS’ SECURITIES TRANSACTIONS**

The Company adopted the Model Code for Securities Transactions by Directors of Listed issuers (the “Model Code”) contained in Appendix 10 to the Listing Rules as its codes of conduct regarding securities transactions by Directors on terms no less exacting than the required standard set out in the Model Code.

For the year ended 31 December 2022, having made specific enquiry of all the Directors, all the Directors of the Company have confirmed that they had complied with the required standards as set out in the Model Code regarding the securities transactions by the Directors and there were no incidents of non-compliance with the required standard set out in the Model Code.

## **AUDIT COMMITTEE**

The Audit Committee currently consists of three independent non-executive Directors, namely, Mr. Tam Yuk Sang, Sammy, Dr. Ng Chi Yeung, Simon and Ms. Florence Ng. Mr. Tam Yuk Sang, Sammy is the chairman of the audit committee.

The Audit Committee reviewed the annual results of the Company for the year ended 31 December 2022 with the Company's auditor.

## **REMUNERATION COMMITTEE**

The Remuneration Committee currently consists of three Independent Non-executive Directors, namely Dr. Ng Chi Yeung, Simon, Mr. Tam Yuk Sang, Sammy and Ms. Florence Ng. Mr. Tam Yuk Sang, Sammy is the Chairman of the Remuneration Committee.

## **NOMINATION COMMITTEE**

The Nomination Committee currently consists of one Executive Director, namely, Mr. Lee Kwok Leung and three Independent Non-executive Directors, namely, Dr. Ng Chi Yeung, Simon, Mr. Tam Yuk Sang, Sammy and Ms. Florence Ng. Dr. Ng Chi Yeung, Simon is the Chairman of the Committee.

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

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding directors' securities transactions (the "Model Code"). Having made specific enquiry of all directors of the Company, the directors of the Company have confirmed that they have fully complied with the required standard as set out in the Model Code throughout the year ended 31 December 2022.

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

The Company has not purchased, sold or redeemed any of its own shares during the year ended 31 December 2022.

## **REVIEW OF FINANCIAL INFORMATION**

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2022 as set out in the preliminary announcement have been agreed by the Group's auditor, RSM Hong Kong, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by RSM Hong Kong in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by RSM Hong Kong on the preliminary announcement.

## **ANNUAL GENERAL MEETING (“AGM”)**

The AGM of the Company will be held on 19 June 2023. The notice of AGM will be published and dispatched to the shareholders of the Company in the manner as required by the Listing Rules in due course.

## **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from 14 June 2023 to 19 June 2023, both days inclusive, for the purpose of determining the entitlement of the shareholders of the Company to attend and vote at the AGM. No transfer of shares may be registered during the said period. In order to qualify to attend and vote at the AGM, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than on 4:30 p.m. on 13 June 2023.

## **PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT OF THE STOCK EXCHANGE AND THE COMPANY ON THE WEBSITES**

The annual results announcement is published on the websites of the Stock Exchange (<http://www.hkex.com.hk>) and the Company (<http://www.irasia.com/listedco/hk/810>). The Company’s Annual Report for the year ended 31 December 2022 will be dispatched to the shareholders and published on the above websites in due course.

## **APPRECIATION**

On behalf of the Company, I would express my heartfelt gratitude towards all of the directors, management and staff members for their support and contribution to the Group.

On behalf of the Board  
**China Castson 81 Finance Company Limited**  
**Lam Man Chan**  
*Chairman*

Hong Kong, 27 March 2023

*As at the date of this announcement, the executive director of the Company is Mr. Lee Kwok Leung; the non-executive director of the Company is Dr. Lam Man Chan and the independent non-executive directors of the Company are Dr. Ng Chi Yeung, Simon, Mr. Tam Yuk Sang, Sammy and Ms. Florence Ng.*