ELEGANCE OPTICAL INTERNATIONAL HOLDINGS LIMITED
高雅光學國際集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 907)

FINAL RESULTS
FOR THE YEAR ENDED 31 MARCH 2022

The board of directors (the "**Board**" or "**Directors**") of Elegance Optical International Holdings Limited (the "**Company**") would like to announce the audited consolidated financial results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the year ended 31 March 2022 together with the comparative figures for 2021 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the year ended 31 March 2022

	Notes	**2022** **HK$'000**	2021 HK$'000
REVENUE	4	**56,800**	53,930
Cost of sales and services		**(50,504)**	(46,173)
Gross profit		**6,296**	7,757
Other income and gains	4	**26,890**	34,273
Selling and distribution expenses		**(727)**	(2,974)
Administrative expenses		**(36,027)**	(41,038)
Equity-settled share-based payments		**(53,312)**	–
Other operating expenses	5	**(116,771)**	(27,342)
Finance costs	6	**(1,722)**	(3,058)
Share of profit of a joint venture		**(150)**	44
Share of profit of an associate		**(6,643)**	13,737
LOSS BEFORE TAX	7	**(182,166)**	(18,601)
Income tax (expense)/credit	8	**(44)**	435
LOSS FOR THE YEAR		**(182,210)**	(18,166)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS *(continued)*
For the year ended 31 March 2022

	Notes	2022 HK$'000	2021 HK$'000
Loss for the year attributable to:			
Owners of the Company		**(177,076)**	(15,274)
Non-controlling interests		**(5,134)**	(2,892)
		(182,210)	(18,166)

	Notes	2022 HK cents	2021 HK cents
LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY	*10*		
Basic		**(20.29)**	(2.15)
Diluted		**N/A**	N/A

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2022

	2022	2021
	HK$'000	*HK$'000*
LOSS FOR THE YEAR	**(182,210)**	(18,166)
OTHER COMPREHENSIVE INCOME		
Items that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**2,390**	2,744
Reclassification adjustment relating to foreign operations disposed of	**–**	2
Share of exchange differences on translation of a joint venture	**46**	101
Share of exchange differences on translation of an associate	**765**	1,456
OTHER COMPREHENSIVE INCOME FOR THE YEAR	**3,201**	4,303
TOTAL COMPREHENSIVE EXPENSE FOR THE YEAR	**(179,009)**	(13,863)
Total comprehensive expense for the year attributable to:		
Owners of the Company	**(173,554)**	(11,746)
Non-controlling interests	**(5,455)**	(2,117)
	(179,009)	(13,863)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2022

	Notes	**2022** **HK$'000**	2021 *HK$'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**32,986**	41,196
Right-of-use assets		**19,302**	22,868
Investment properties		**59,330**	63,181
Investment in an associate		**41,000**	93,000
		152,618	220,245
CURRENT ASSETS			
Inventories		**5,483**	4,535
Trade receivables	*11*	**10,203**	14,155
Loan and interest receivables	*12*	**–**	–
Prepayments, deposits and other receivables		**56,189**	39,542
Financial assets at fair value through profit or loss		**19,748**	81,955
Cash and cash equivalents		**18,770**	40,078
		110,393	180,265
CURRENT LIABILITIES			
Trade payables	*13*	**7,662**	3,603
Other payables, accruals and deposits received		**53,774**	60,151
Interest-bearing borrowings		**14,609**	23,396
Contract liabilities		**2,600**	3,377
Lease liabilities		**676**	1,162
Income tax payable		**15,327**	15,327
		94,648	107,016
NET CURRENT ASSETS		**15,745**	73,249
TOTAL ASSETS LESS CURRENT LIABILITIES		**168,363**	293,494

CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(continued)*
As at 31 March 2022

	Notes	**2022** **HK$'000**	2021 *HK$'000*
NON-CURRENT LIABILITIES			
Deposits received		**519**	125
Deferred tax liabilities		**2,072**	1,998
Lease liabilities		**18,977**	18,879
		21,568	21,002
Net assets		**146,795**	272,492
EQUITY			
Share capital	*14*	**8,728**	8,728
Reserves		**154,476**	274,718
Equity attributable to owners of the Company		**163,204**	283,446
Non-controlling interests		**(16,409)**	(10,954)
Total equity		**146,795**	272,492

NOTES

1. GENERAL INFORMATION

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

The Company acts as an investment holding company. The Company's subsidiaries are principally engaged in the manufacture and trading of optical frames and sunglasses, property investment, investment in debts and securities, film investment and distribution business and energy business.

The consolidated financial statements are presented in Hong Kong dollars ("**HK$**"), except otherwise indicated.

2. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

Amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") for the first time, which are mandatorily effective for the annual period beginning on or after 1 April 2021 for the preparation of the consolidated financial statements:

Amendments to HKFRS 16	Covid-19-Related Rent Concessions
Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	Interest Rate Benchmark Reform – Phase 2

In addition, the Group has early applied the Amendment to HKFRS 16 Covid-19-Related Rent Concessions beyond 30 June 2021.

The Group also applied the agenda decision of the IFRS Interpretations Committee (the "**Committee**") of the International Accounting Standards Board issued in June 2021 which clarified the costs an entity should include as "estimated costs necessary to make the sale" when determining the net realisable value of inventories.

Except as described below, the application of the aforesaid amendments to HKFRSs in the current year had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

Impacts on application of Amendment to HKFRS 16 Covid-19-Related Rent Concessions and early application of Amendment to HKFRS 16 Covid-19-Related Rent Concessions beyond 30 June 2021

The Group has applied the Amendment to HKFRS 16 *Covid-19-Related Rent Concessions* for the first time and early applied the Amendment to HKFRS 16 *Covid-19-Related Rent Concessions beyond 30 June 2021* in the current year. The amendments introduce a new practical expedient for lessees to elect not to assess whether a Covid-19-related rent concession is a lease modification. The practical expedient only applies to rent concessions that occurred as a direct consequence of the Covid-19 pandemic that meets all of the following conditions:

- the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- any reduction in lease payments affects only payments originally due on or before 30 June 2022; and
- there is no substantive change to other terms and conditions of the lease.

A lessee applying the practical expedient accounts for changes in lease payments resulting from rent concessions the same way it would account for the changes applying HKFRS 16 *Leases* ("**HKFRS 16**") if the changes were not a lease modification. Forgiveness or waiver of lease payments are accounted for as variable lease payments. The related lease liabilities are adjusted to reflect the amounts forgiven or waived with a corresponding adjustment recognised in the profit or loss in the period in which the event occurs.

The application of these amendments has had no material impact on the Group's financial positions and performance in the current and prior years as the Group opted not to apply the practical expedient, but applied the applicable requirements of HKFRS 16 to account for rent concessions provided by certain lessors.

Impacts on application of Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16 Interest Rate Benchmark Reform – Phase 2

The Group has applied the amendments for the first time in the current year. The amendments relate to changes in the basis for determining the contractual cash flows of financial assets, financial liabilities and lease liabilities as a result of interest rate benchmark reform, specific hedge accounting requirements and the related disclosure requirements applying HKFRS 7 Financial Instruments: Disclosures ("**HKFRS 7**").

The amendments have had no impact on the consolidated financial statements as none of the relevant contracts has been transitioned to the relevant replacement rates during the year. The Group will apply the practical expedient in relation to the changes in contractual cash flows resulting from the interest rate benchmark reform for financial instruments measured at amortised cost.

Impacts on application of the agenda decision of the Committee – Cost necessary to sell inventories (HKAS 2 Inventories)

In June 2021, the Committee, through its agenda decision, clarified the costs an entity should include as "estimated costs necessary to make the sale" when determining the net realisable value of inventories. In particular, whether such costs should be limited to those that are incremental to the sale. The Committee concluded that the estimated costs necessary to make the sale should not be limited to those that are incremental but should also include costs that an entity must incur to sell its inventories including those that are not incremental to a particular sale.

The Group's accounting policy prior to the Committee's agenda decision was to determine the net realisable value of inventories taking into consideration incremental costs only. Upon application of the Committee's agenda decision, the Group changed its accounting policy to determine the net realisable value of inventories taking into consideration both incremental costs and other cost necessary to sell inventories. The new accounting policy has been applied retrospectively.

The application of the Committee's agenda decision has had no material impact on the Group's financial positions and performance.

New and amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

HKFRS 17 Insurance	Contracts and the related Amendments[2]
Amendments to HKFRS 3	Reference to the Conceptual Framework[1]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3]
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies[2]
Amendments to HKAS 8	Definition of Accounting Estimates[2]
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction[2]
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current[2]
Amendments to HKAS 16	Property, Plant and Equipment: Proceeds before Intended Use[1]
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract[1]
Amendments to HKFRS Standards	Annual Improvements to HKFRS Standards 2018-2020[1]

1 Effective for annual periods beginning on or after 1 January 2022.
2 Effective for annual periods beginning on or after 1 January 2023.
3 Effective for annual periods beginning on or after a date to be determined.

Except for the new amendments to HKFRSs mentioned, the directors of the Company anticipate that the application of all new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

Amendments to HKFRS 3 Reference to the Conceptual Framework

The amendments:

- update a reference in HKFRS 3 Business Combinations so that it refers to the Conceptual Framework for Financial Reporting issued by International Accounting Standards Board in March 2018 (the "**Conceptual Framework**") instead of the International Accounting Standards Committee's Framework for the Preparation and Presentation of Financial Statements (replaced by the Conceptual Framework for Financial Reporting issued in September 2010);

- add a requirement that, for transactions and other events within the scope of HKAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, an acquirer applies HKAS 37 or IFRIC 21 instead of Conceptual Framework to identify the liabilities it has assumed in a business combination; and

- add an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

The Group will apply the amendments prospectively to business combinations for which the date of acquisition is on or after the beginning of the first annual period beginning on or after 1 April 2022. The application of the amendments is not expected to have significant impact on the financial position and performance of the Group.

Amendments to HKFRS 10 and HKAS 28 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The amendments to HKFRS 10 *Consolidated Financial Statements* and HKAS 28 *Investments in Associates and Joint Ventures* deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

The application of the amendments is not expected to have significant impact on the financial position and performance of the Group.

Amendments to HKAS 1 *Classification of Liabilities as Current or Non-current*

The amendments provide clarification and additional guidance on the assessment of right to defer settlement for at least twelve months from reporting date for classification of liabilities as current or non-current, which:

- specify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period. Specifically, the amendments clarify that:

    (i) the classification should not be affected by management intentions or expectations to settle the liability within 12 months; and

    (ii) if the right is conditional on the compliance with covenants, the right exists if the conditions are met at the end of the reporting period, even if the lender does not test compliance until a later date; and

- clarify that if a liability has terms that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instruments, these terms do not affect its classification as current or non-current only if the entity recognises the option separately as an equity instrument applying HKAS 32 *Financial Instruments: Presentation*.

Based on the Group's outstanding liabilities as at 31 December 2021, the application of the amendments will not result in reclassification of the Group's liabilities.

Amendments to HKAS 1 and HKFRS Practice Statement 2 Disclosure of Accounting Policies

HKAS 1 is amended to replace all instances of the term "significant accounting policies" with "material accounting policy information". Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The amendments also clarify that accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. If an entity chooses to disclose immaterial accounting policy information, such information must not obscure material accounting policy information.

HKFRS Practice Statement 2 Making Materiality Judgements (the "**Practice Statement**") is also amended to illustrate how an entity applies the "four-step materiality process" to accounting policy disclosures and to judge whether information about an accounting policy is material to its financial statements. Guidance and examples are added to the Practice Statement.

The application of the amendments is not expected to have significant impact on the financial position or performance of the Group but may affect the disclosures of the Group's significant accounting policies. The impacts of application, if any, will be disclosed in the Group's future consolidated financial statements.

Amendments to HKAS 8 Definition of Accounting Estimates

The amendments define accounting estimates as "monetary amounts in financial statements that are subject to measurement uncertainty". An accounting policy may require items in financial statements to be measured in a way that involves measurement uncertainty – that is, the accounting policy may require such items to be measured at monetary amounts that cannot be observed directly and must instead be estimated. In such a case, an entity develops an accounting estimate to achieve the objective set out by the accounting policy. Developing accounting estimates involves the use of judgements or assumptions based on the latest available, reliable information.

In addition, the concept of changes in accounting estimates in HKAS 8 is retained with additional clarifications.

The application of the amendments is not expected to have significant impact on the Group's consolidated financial statements.

Amendments to HKAS 12 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

The amendments narrow the scope of the recognition exemption of deferred tax liabilities and deferred tax assets in paragraphs 15 and 24 of HKAS 12 *Income Taxes* so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, for transactions in which provisions for decommissioning and restoration are recognised with the corresponding amounts recognised as part of the cost of the related assets, the Group applies HKAS 12 requirements to the relevant assets and liabilities as a whole. Temporary differences relating to relevant assets and liabilities are assessed on a net basis.

Upon the application of the amendments, the Group will recognise a deferred tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised) and a deferred tax liability for all deductible and taxable temporary differences associated with the right-of-use assets and the lease liabilities.

The amendments are effective for annual reporting periods beginning on or after 1 April 2023, with early application permitted. As at 31 March 2022, the carrying amounts of right-of-use assets and lease liabilities which are subject to the amendments amounted to HK$19,302,000 and HK$19,653,000 respectively. The Group is still in the process of assessing the full impact of the application of the amendments. The cumulative effect of initially applying the amendments will be recognised as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of the earliest comparative period presented.

Amendments to HKAS 16 Property, Plant and Equipment – Proceeds before Intended Use

The amendments specify that the costs of any item that were produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management (such as samples produced when testing whether the relevant property, plant and equipment is functioning properly) and the proceeds from selling such items should be recognised and measured in the profit or loss in accordance with applicable standards. The cost of the items are measured in accordance with HKAS 2 Inventories.

The application of the amendments is not expected to have significant impact on the financial position and performance of the Group.

Amendments to HKFRSs Annual Improvements to HKFRSs 2018-2020

The annual improvements make amendments to the following standards.

HKFRS 9 Financial Instruments

The amendment clarifies that for the purpose of assessing whether modification of terms of original financial liability constitutes substantial modification under the "10 per cent" test, a borrower includes only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or the lender on the other's behalf.

HKFRS 16 Leases

The amendment to Illustrative Example 13 accompanying HKFRS 16 removes from the example the illustration of reimbursement relating to leasehold improvements by the lessor in order to remove any potential confusion.

3. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has five reportable operating segments (2021: five reportable operating segments) as follows:

(a) the manufacturing and trading segment engaged in manufacture and trading of optical frames and sunglasses;

(b) the property investment segment engaged in leasing of properties for rental income;

(c) the debts and securities investment segment engaged in investments in financial instruments and quoted shares;

(d) the film investment and distribution segment engaged in film right and movie investments and distributions; and

(e) the energy business segment engaged in investments in energy sector related instrument and sale and trading of liquefied petroleum gas products.

The management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/ loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit/loss before tax except that bank and other interest income, finance costs and unallocated gains as well as corporate and other unallocated expenses are excluded from such measurement.

During the prior year ended 31 March 2021, the Group commenced the energy business engaging in sale and trading of liquefied petroleum gas products following the completion of acquisition of H. Sterling Global Energy Limited (formerly know as "Gulf Energy (China) Limited"), and this business was regarded as a new operating and reportable segment by the management of the Group during that year.

Segment assets exclude other unallocated head office and corporate assets, including cash and cash equivalents, investments in and balances with a joint venture, certain property, plant and equipment and loan and interest receivables, as these assets are managed on a group basis.

Segment liabilities exclude other unallocated head office and corporate liabilities, including interest-bearing bank and other borrowings, income tax payable, deferred tax liabilities and other payables, accruals and deposits received, as these liabilities are managed on a group basis.

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

In respect of the year ended 31 March 2022

	Manufacturing and trading *HK$'000*	Property investment *HK$'000*	Debts and securities investment *HK$'000*	Film investment and distribution *HK$'000*	Energy business *HK$'000*	Total *HK$'000*
Segment revenue	40,921	1,921	–	13,978	–	56,820
Inter-segment revenue	–	(20)	–	–	–	(20)
Revenue from external customers	40,921	1,901	–	13,978	–	56,800
Segment profit/(loss)	5,730*	(14,920)**	(2,297)	(91,147)***	(15,696)	(118,330)
Bank interest income						11
Bad debt recovery						3,100
Equity settled share-based payment						(53,312)
Corporate and other unallocated expenses						(5,120)
Finance costs						(1,722)
Share of profit of a joint venture	(150)	–	–	–	–	(150)
Share of profit of an associate	–	–	–	(6,643)	–	(6,643)
Loss before tax						(182,166)
Segment assets	77,542	39,493	3,484	68,771	26,522	215,812
Corporate and other unallocated assets						47,199
Total assets						263,011
Segment liabilities	44,077	702	3,370	34,745	12,706	95,600
Corporate and other unallocated liabilities						20,616
Total liabilities						116,216

* Included gain on disposal of items of property, plant and equipment of approximately HK$14,948,000 as the corresponding assets were previously included in segment assets of manufacturing and trading.

** Included loss on change in fair value of investment properties of approximately HK$4,312,000 as the corresponding assets are included in segment assets of property investment.

*** Included loss in change in fair value of financial assets at fair value through profit or loss – investments in film production and impairment loss on investment in an associate of approximately HK$42,764,000 and approximately HK$46,122,000 respectively as the corresponding assets are included in segment assets of film investment and distribution.

	Manufacturing and trading *HK$'000*	Property investment *HK$'000*	Debts and securities investment *HK$'000*	Film investment and distribution *HK$'000*	Energy business *HK$'000*	Total *HK$'000*
Other segment information:						
Share of loss of a joint venture	**(150)**	**–**	**–**	**–**	**–**	**(150)**
Share of loss of an associate	**–**	**–**	**–**	**(6,643)**	**–**	**(6,643)**
Depreciation						
Segment expenses	**(3,453)**	**(41)**	**–**	**(1,119)**	**–**	**(4,613)**
Unallocated						**(4)**
Total						**(4,617)**
Impairment loss on investment in an associate	**–**	**–**	**–**	**(46,122)**	**–**	**(46,122)**
Impairment loss of inventories	**(15)**	**–**	**–**	**–**	**–**	**(15)**
Impairment of trade receivables reversed/(recognised)	**529**	**–**	**–**	**(209)**	**–**	**320**
Written off of loan and interest receivables						
Segment expenses	**–**	**–**	**–**	**–**	**–**	**–**
Unallocated						**–**
Total						**–**
Impairment loss on investment in and loan to a joint venture reversed	**638**	**–**	**–**	**–**	**–**	**638**
Additions to items of property, plant and equipment	**–**	**–**	**–**	**–**	**–**	**–**

In respect of the year ended 31 March 2021

	Manufacturing and trading *HK$'000*	Property investment *HK$'000*	Debts and securities investment *HK$'000*	Film investment and distribution *HK$'000*	Energy business *HK$'000*	Total *HK$'000*
In respect of the year ended 31 March 2021						
Segment revenue	49,012	2,425	–	3,046	–	54,483
Inter-segment revenue	–	(553)	–	–	–	(553)
Revenue from external customers	49,012	1,872	–	3,046	–	53,930
Segment profit/(loss)	2,571*	(1,612)**	(831)	(12,712)***	(434)	(13,018)
Bank interest income						11
Gain on disposal of subsidiaries						175
Bad debt recovery						2,000
Impairment loss on goodwill						(2,666)
Corporate and other unallocated expenses						(15,826)
Finance costs						(3,058)
Share of profit of a joint venture	44	–	–	–	–	44
Share of profit of an associate	–	–	–	13,737	–	13,737
Loss before tax						(18,601)
Segment assets	92,857	63,569	5,307	155,025	34,436	351,194
Corporate and other unallocated assets						49,316
Total assets						400,510
Segment liabilities	66,713	696	357	26,732	2,019	96,517
Corporate and other unallocated liabilities						31,501
Total liabilities						128,018

* Included gain on disposal of items of property, plant and equipment of approximately HK$14,478,000 as the corresponding assets were previously included in segment assets of manufacturing and trading.

** Included gain on change in fair value of investment properties of approximately HK$3,037,000 as the corresponding assets are included in segment assets of property investment.

*** Included gain on disposal of intangible assets, gain on change in fair value of financial assets at fair value through profit or loss – investments in film production, and impairment loss on investment in associate of approximately HK$4,263,000, HK$2,323,000 and HK$13,193,000 respectively as the corresponding assets previously included in segment assets of film investment and distribution.

	Manufacturing and trading *HK$'000*	Property investment *HK$'000*	Debts and securities investment *HK$'000*	Film investment and distribution *HK$'000*	Energy business *HK$'000*	Total *HK$'000*
Other segment information:						
Share of profit of a joint venture	44	–	–	–	–	44
Share of profit of an associate	–	–	–	13,737	–	13,737
Depreciation and amortisation						
Segment expenses	(4,048)	(409)	–	(2,123)	(177)	(6,757)
Unallocated						(8)
Total						(6,765)
Impairment loss on investment in an associate	–	–	–	(13,193)	–	(13,193)
Impairment of inventories	(291)	–	–	–	–	(291)
Impairment of trade receivables	(30)	–	–	–	–	(30)
Written off of loan and interest receivables						
Segment expenses	–	–	–	–	–	–
Unallocated						(11,129)
Total						(11,129)
Provision for impairment loss on investment in and loan to a joint venture	(324)	–	–	–	–	(324)
Additions to items of property, plant and equipment	583	–	–	–	–	583

Geographical information

(a) Revenue from external customers

	2022	2021
	HK$'000	*HK$'000*
Europe	**8,972**	4,071
America	**31,297**	38,025
The People's Republic of China ("**PRC**") (including Hong Kong)	**15,658**	9,139
Other Asian countries	**665**	2,695
Others	**208**	–
	56,800	53,930

The revenue information shown above is based on the locations of the customers. The PRC (including Hong Kong) segment mainly represents rental income from lease of the Group's properties located in the PRC (including Hong Kong), the sales of eyewear products to agents located in Hong Kong including sales made to local retailers and fair value gains on equity investments listed in Hong Kong. The Directors are of the opinion that the agents in Hong Kong export the Group's products mainly to ultimate customers located in Europe and America.

(b) Non-current assets

All significant operating assets of the Group are located in the PRC (including Hong Kong). Accordingly, no geographical information of segment assets is presented.

Information about major customers

Revenue from individual customers of the corresponding years contributing over 10% of total revenue of the Group is as follows:

		2022	2021
		HK$'000	*HK$'000*
	Revenue generated from		
Customer A	Manufacturing and trading	**21,178**	24,404
Customer B	Manufacturing and trading	**6,550**	N/A*
Customer C	Manufacturing and trading	**5,778**	N/A*
Customer D	Film investment and distribution	**6,000**	N/A*

* *Each of the revenue of Customer B, Customer C and Customer D did not contribute over 10% of the total revenue of the Group for the prior year ended 31 March 2021.*

4. REVENUE AND OTHER INCOME AND GAINS

Revenue represents the net invoiced value of goods sold, after allowances for returns and trade discounts, gross rental income and agency and commission income from film distribution.

An analysis of the Group's revenue and other income is as follows:

	2022	2021
	HK$'000	*HK$'000*
Revenue:		
Sale of goods – at point in time	**40,920**	49,012
Film distribution agency and commission income – over time	**13,978**	3,046
Revenue from contracts with customers	**54,898**	52,058
Rental income from lease of investment properties	**1,902**	1,872
Total revenue recognised	**56,800**	53,930

	2022	2021
	HK$'000	*HK$'000*
Other income and gains:		
Accounting service fee	**1,660**	1,320
Bank interest income	**11**	11
Bad debt recovery	**3,100**	2,000
Gain on change in fair value of financial assets at fair value through profit or loss		
– investments in film production	**–**	2,323
– investments in convertible bond	**780**	–
Gains on change in fair value of equity investments at fair value through profit or loss, net	**–**	1,256
Gain on disposal of items of property, plant and equipment	**14,948**	14,478
Gain on disposal of intangible assets	**–**	4,263
Gain on disposal of investment in a joint venture	**116**	–
Gain on disposal of subsidiaries	**–**	175
Gain on change in fair value of investment properties	**–**	3,037
Net foreign exchange gains	**2,685**	3,009
Government grants	**135**	364
Rental income from lease of machineries	**2,280**	865
Impairment loss on investment in and loan to a joint venture reversed	**638**	–
Impairment loss on trade receivable reversed	**320**	–
Sale of scrap materials	**143**	1,038
Others	**74**	134
	26,890	34,273

5. OTHER OPERATING EXPENSES

	2022	2021
	HK$'000	*HK$'000*
Impairment of trade receivables	**–**	30
Impairment of other receivables	**15,135**	–
Impairment loss on investment in an associate	**46,122**	13,193
Impairment loss on investment in and loan to a joint venture	**–**	324
Impairment loss on property, plant and equipment	**4,970**	–
Impairment loss on right-of-use assets	**2,641**	–
Loss on change in fair value of investment properties	**4,312**	–
Loss on change in fair value of financial assets at fair value through profit or loss		
– investments in film production	**42,764**	–
– equity investments at fair value through profit or loss	**827**	–
Impairment loss on goodwill	**–**	2,666
Written off of loan and interest receivables	**–**	11,129
	116,771	27,342

6. FINANCE COSTS

	2022	2021
	HK$'000	*HK$'000*
Interest on borrowings	**1,064**	2,520
Interest on lease liabilities	**658**	538
	1,722	3,058

7. LOSS BEFORE TAX

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

	2022	2021
	HK$'000	*HK$'000*
Cost of inventories sold *(note a & c)*	**39,804**	44,408
Depreciation of property, plant and equipment *(note c)*	**2,828**	4,525
Depreciation of right-of-use assets	**1,789**	990
Amortisation of intangible assets	**–**	1,250
Auditor's remuneration		
– audit service	**1,155**	1,225
Short-term leases expenses	**2,381**	1,752
Employee benefit expense (including directors' remuneration):		
Wages, salaries and other benefits	**30,531**	30,057
Pension scheme contributions *(note b)*	**791**	729
Equity-settled share-based payments	**53,312**	–
Total employee benefit expense *(note c)*	**84,634**	30,786
Impairment loss of inventories	**15**	291
Gross rental income	**(1,902)**	(1,872)
Less: Direct operating expenses (including repairs and maintenance) arising from rental-earning investment properties *(note a)*	**–**	224
Net rental income	**(1,902)**	(1,648)

Notes:

(a) Included in "cost of sales and services" on the face of the consolidated statement of profit or loss.

(b) At the end of the reporting period, the Group had no forfeited pension scheme contributions available to reduce its contributions to the pension schemes in future years (2021: Nil).

(c) For the year ended 31 March 2022, the depreciation of property, plant and equipment and employee benefit expenses included amounts of HK$1,683,000 (2021: HK$2,494,000) and HK$10,340,000 (2021: HK$9,817,000) respectively which were also included in the cost of inventories sold.

8. INCOME TAX (EXPENSE)/CREDIT

	2022	2021
	HK$'000	*HK$'000*
Current tax		
Hong Kong profits tax	**–**	–
Elsewhere	**–**	–
	–	–
Deferred tax (charge)/credit	**(44)**	435
Income tax (expenses)/credit	**(44)**	435

No provision for the Hong Kong profits tax has been made as the Group does not generate any assessable profits for the year. No provision for income tax elsewhere has been made as the Group has no profits assessable in other jurisdictions in which the Group operates.

9. DIVIDEND

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

10. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of basic loss per share is based on the loss for the year attributable to owners of the Company amounted to HK$177,076,000 (2021: HK$15,274,000), and the weighted average of approximately 872,864,000 (2021: approximately 710,341,000) ordinary shares in issue during the year.

The computation of diluted loss per share does not assume the exercise of the Company's share options granted because the exercise prices of those share options granted during the current year were higher than the average market prices for shares of the Company for the years ended 31 March 2022.

No diluted loss per share is presented as the Group had no other potential ordinary shares in issue during the years ended 31 March 2022 and 2021 or as at those dates.

11. TRADE RECEIVABLES

	2022	2021
	HK$'000	*HK$'000*
Trade receivables, gross amount	**12,246**	16,518
Less: impairment loss recognised	**(2,043)**	(2,363)
	10,203	14,155

The Group's trading terms with its customers are mainly on credit, except for new customers where payment in advance is normally required. The credit period is generally ranging from 45 to 120 days (2021: 45 to 120 days). Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are regularly reviewed by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An aged analysis of the trade receivables as at the end of each reporting period, based on the invoice date and net of impairment loss recognised, is as follows:

	2022	2021
	HK$'000	*HK$'000*
Within 90 days	**4,619**	13,140
91 to 180 days	**3**	1,015
181 to 360 days	**5,581**	–
	10,203	14,155

Movements the impairment loss recognised on trade receivables are as follows:

	2022	2021
	HK$'000	*HK$'000*
At beginning of the year	**2,363**	2,333
(Reversal of)/provision for impairment losses recognised *(note 4)*	**(320)**	30
At end of the year	**2,043**	2,363

An aged analysis of the trade receivables that are not considered to be impaired is as follows:

	2022	2021
	HK$'000	*HK$'000*
Neither past due nor impaired	**3,487**	6,736
Less than one month past due	**1,095**	6,021
One to three months past due	**5,621**	1,398
	10,203	14,155

Receivables that were neither past due nor impaired relate to a large number of diversified customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the Directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

12. LOAN AND INTEREST RECEIVABLES

	2022	2021
	HK$'000	*HK$'000*
Unsecured loan and interest receivables, gross amount	**–**	–
Less: impairment losses recognised	**–**	–
	–	–

Movements in the impairment loss of loan receivables are as follows:

	2022	2021
	HK$'000	*HK$'000*
At beginning of the year	**–**	11,129
Loans written off during the year	**–**	(11,129)
At end of the year	**–**	–

The loan and interest receivables amounting to HK$21,249,000 together with accumulated impairment losses of HK$10,120,000 related to a number of different borrowers and remained outstanding for a long period of time. For the prior year ended 31 March 2021, having taken various actions, including litigation procedures, for repayment against these borrowers, management of the Group considered that the recoverability of these loans is remote, accordingly, such loan and interest receivables, net of accumulated impairment loss recognised, amounted to HK$11,129,000 was written off and charged to profit and loss for that year ended 31 March 2021. However, continuous actions, where appropriate, will be taken by the Group for such loans repayments.

13. TRADE PAYABLES

An aged analysis of the trade payables as at the end of each reporting period, based on the payment due date, is as follows:

	2022	2021
	HK$'000	*HK$'000*
Within 90 days	**7,223**	3,181
91 to 180 days	**27**	20
181 to 360 days	**1**	25
Over 360 days	**411**	377
	7,662	3,603

Trade payables are non-interest-bearing and are normally settled on 90-day (2021: 90-day) terms.

14. SHARE CAPITAL

	2022	2021
	HK$'000	*HK$'000*
Authorised:		
10,000,000,000 shares of HK$0.01 each (2021: 10,000,000,000 shares of HK$0.01 each)	**100,000**	100,000
Issued and fully paid:		
872,863,684 shares of HK$0.01 each (2021: 872,863,684 shares of HK$0.01 each)	**8,728**	8,728

Movements in the Company's issued share capital are as follows:

	Number of shares in issue	**Issued share capital**
		HK$'000
At 1 April 2020	606,553,684	60,655
Issue of new shares by placing arrangement *(note a)*	121,310,000	12,131
Capital reorganisation *(note b)*	–	(65,508)
Issue of new shares by placing arrangement *(note c)*	100,000,000	1,000
Issue of new shares under subscription agreement *(note d)*	45,000,000	450
At 31 March 2021 and 2022	**872,863,684**	**8,728**

Notes:

(a) On 29 July 2020, the Company entered into a placing agreement with the placing agent, pursuant to which the placing agent completed the placing of 121,310,000 placing shares (at par value of HK$0.1) to not less than six independent placees at the placing price of HK$0.1 per placing share. The net cash proceeds from the placing, after deducting the related placing commission, professional fees and other related expenses, amounted to approximately HK$11,630,000 (at HK$0.096 per placing share), which was intended by the Company to utilise for general working capital of the Group and any possible investments in the future when opportunities arise. Those placing shares issued by the Company rank pari passu in all respects with the ordinary shares of the Company on the date of issue. Details regarding the share placements are set out in the announcements of the Company dated 15 July 2020 and 29 July 2020.

(b) Pursuant to a special resolution passed at the Annual General Meeting by the Company's shareholders on 30 September 2020, the Company has implemented the capital reorganisation which comprises the following: (i) the par value of each of the existing shares of HK$0.1 each of the Company (the "**Existing Shares**") in issue be and is hereby reduced from HK$0.1 each to HK$0.01 each ("**New Shares**") by cancelling the capital paid-up thereon to the extent of HK$0.09 on each of the issued Existing Shares, such that the par value of each issued Existing Share be reduced from HK$0.1 to HK$0.01 (the"**Capital Reduction**"); (ii) each of the authorised but unissued Existing Shares of HK$0.1 each be and is hereby sub-divided into ten (10) New Shares of HK$0.01 each (the "**Share Subdivision**"); (iii) the credits arising from the Capital Reduction be transferred to the contributed surplus account of the Company within the meaning of the Companies Act 1981 of Bermuda (the "**Contributed Surplus Account**") (items (i) to (iii) collectively referred to as the "**Capital Reorganisation**"); The Capital Reorganisation was effective on 6 October 2020. Details regarding the Capital Reorganisation are set out in the announcements of the Company dated 28 August 2020 and 30 September 2020.

(c) On 3 February 2021, the Company completed the placing of 100,000,000 shares (at par value of HK$0.01) to not less than six independent placees at the placing price of HK$0.381 per shares. The Company intended to apply the net proceeds from the placing for general working capital of the Group and any possible investments and potential business enhancement strategies in favour of the Company in the future, including but not limited to investment in debts and securities and other potential business development, when such opportunities arise. Those placing shares rank pari passu in all respects with the issued ordinary shares of the Company on the date of issue. Details regarding the share placements are set out in the announcements of the Company dated 20 January 2021, 28 January 2021 and 8 February 2021.

(d) On 8 February 2021, the Company entered into the subscription agreement with a third party (the "**Subscriber**"), pursuant to which the Subscriber has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue a total of 45,000,000 shares (at par value of HK$0.01) at the subscription price of HK$0.381 per share. The Company intended to apply the net proceeds from the subscription for general working capital of the Group and any possible investments and potential business enhancement strategies in favour of the Company in the future, including but not limited to investment in debts and securities and other potential business development, when such opportunities arise. Those subscription shares issued by the Company rank pari passu in all respects with the issued ordinary shares of the Company on the date of issue. Details regarding the share subscription are set out in the announcements of the Company dated 20 January 2021, 28 January 2021 and 8 February 2021.

DIVIDEND

The Board of the Company does not recommend the payment of any dividend for the year ended 31 March 2022 ("**Year**") (2021: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

For the Year, the Group recorded a loss before tax of approximately HK$182.2 million. The loss attributable to the owners of the Company for the Year was approximately HK$177.1 million (2021: approximately HK$15.3 million).

Total revenue for the Year was approximately HK$56.8 million which was relatively stable compared to approximately HK$53.9 million recorded for the year ended 31 March 2021. The Group's operations comprised of 5 segments, namely, (i) manufacturing and trading of optical frames and sunglasses, (ii) property investment, (iii) debts and securities investment, (iv) film investment and distribution and (v) energy business.

The largest part of total revenue came from the sales of optical frames and sunglasses. This decreased by approximately 16.5% or approximately HK$40.9 million (2021: HK$49.0 million). The decrease in revenue was mainly attributable to the outbreak of COVID-19 pandemic (the "**Pandemic**"), which has adversely affected the export sales of the Group's optical frames and sunglasses.

For property investment, rental income remained stable at approximately HK1.9 million. For debts and securities investment segment, the Group did not record any revenue for both years. The fair value of the Group's securities investment amounted to approximately HK$3.5 million as at 31 March 2022. The management will continue to adopt prudent approach under the volatile financial market. For film investment and distribution segment, the Group has recorded a segment loss of approximately HK$91.1 million, which was mainly attributable to Investments in film production and impairment loss on investment in an associate of approximately HK$42,764,000 and approximately HK$46,122,000 respectively as the corresponding assets are included in segment assets of film investment and distribution.

For the energy business, the management has focused to capture appropriate business and investment opportunities by diversifying the Group's business and income streams. Since 2021 onwards, the Group has implemented strategic initiatives to strengthen our platform in developing the energy businesses, including an acquisition of a company engaged in developing new energy related business and trading of petroleum chemical products as well as a proposed subscription of 50% shareholding in H. Sterling LNG Terminal Holdings Limited ("**H. Sterling**") who holds 21% shareholding of Yantai LNG Terminal Project Company ("**Yantai LNG**"). These strategic initiatives will provide business opportunities for the Group to develop the new energy and related business market segment.

PROSPECT

For the manufacturing and trading of optical frames and sunglasses business, there was a decrease in revenue due to the Pandemic. The Group will continue to optimise its cost effectiveness so as to mitigate any uncertainty and influence brought by the Pandemic, and may consider amendments and streamlining of its business model of this business segment in this regard.

For the film investment and distribution business, the film market in China has shown a rapid recovery from the Pandemic as China has been the world's largest box office market for the second consecutive years since 2020. Although the customers' habits and tastes are ever-changing, the Group remains cautiously optimistic about the PRC film market and expects its continuing growth in long run.

The Group will try best endeavour to diversify the Group's business and income streams. The Group started to do the layout for the energy industry as stated above. The Group is reviewing its existing resources, including the experience, expertise and network of the Company's directors and management, with the aim of exploring and developing its energy business. Along with the integration of new trading platform for new energy related business and petroleum chemical products through acquisitions, the Group is capable of developing sale and trading of new energy including liquefied natural gas products. On 20 October 2021, the Group has signed a subscription agreement with Kingdom Investment Corporation Limited (the "**Subscriber**") to subscribe 174 million new shares for a total proceed of HK$161.8 million approximately. Subscriber, being one of strategic investors of the Group, has expressed that one of its visions is to have impact and create business opportunities in the oil and gas sector with special focus in Africa especially in the Somali peninsula and the nearby countries including Ethiopia and Djibouti, under China's initiative of "Belt and Road". The Group believes that the introduction of Subscriber as strategic investor will create a positive value and synergistic effect on the Group's business growth in new energy business along with strong support from Subscriber's financial capabilities and global network.

CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

At the end of the reporting period, the Group did not have any material capital commitment and contingent liabilities except as follows:

(a) As at 31 March 2022, the Company had capital commitments of approximately HK$247.0 million, which were contracted but not provided for, in respect of acquisition of 50% shareholding of H. Sterling (2021: Nil).

(b) The Company entered into an agreement on 20 October 2021 under which the Company agreed to issue a total of 174,000,000 new shares to Kingdom Investment Corporation Limited at the supbscription price of HK$0.93 per share. Up to the date of this announcement, the share issue is yet to complete.

MATERIAL ACQUISITION AND DISPOSAL

On 9 August 2021, Green Source Global Limited, an indirect wholly-owned subsidiary of the Company, entered into subscription agreement with H. Sterling (the "**Subscription Agreement**") to subscribe 50% of the enlarged issued share capital of H. Sterling at a total consideration of RMB223 million. H. Sterling indirectly owns 21% equity interest in the Yantai LNG. Yantai

LNG is principally engaged in the gas operation, import and export of goods and technology and import and export agency services, and is a project company established to implement the Terminal Project. As at the 31 March 2022, the conditions precedent as set out in the Subscription Agreement are not fully fulfilled or waived. For details, please refer to announcement of the Company titled "DISCLOSEABLE TRANSACTION SUBSCRIPTION OF 50% OF THE ENLARGED ISSUED SHARE CAPITAL OF THE TARGET COMPANY" dated 9 August 2021.

EQUITY FUND RAISING ACTIVITIES AND USE OF PROCEEDS

On 20 October 2021 (after trading hours), the Company entered into the subscription agreement with the Kingdom Investment Corporation Limited (the "**Subscriber**") pursuant to which the Subscriber has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue a total of 174,000,000 subscription shares at the subscription price of HK$0.93 per subscription share (the "**Subscription**"). The gross proceeds from the Subscription will be approximately HK$161.8 million. As at the date of this announcement, the Subscription is yet to complete. Further details regarding the Subscription are set out in the announcements of the Company dated 21 October 2021, 29 October 2021, 19 November 2021, 23 November 2021, 24 November 2021, 29 November 2021, 1 December 2021, 12 December 2021, 20 December 2021, 10 January 2022, 20 February 2022 and 21 June 2022.

LIQUIDITY AND FINANCIAL RESOURCES

At 31 March 2022, the Group had with cash and cash equivalents of approximately HK$18.8 million (2021: HK$40.1 million), short-term borrowings of approximately HK$14.6 million (2021: HK$23.4 million) and the Group's debt to equity ratio (expressed as a percentage of non-current liabilities over equity attributable to owners of the Company) is approximately 13.2% as at 31 March 2022 (2021: 7.4%). The non-current liabilities of the Company mainly comprised of deferred tax liabilities, deposit received and lease liabilities amounting to approximately HK$2.1 million, HK$0.5 million and HK$19.0 million respectively (2021: HK$2.0 million, HK$0.1 million and HK$18.9 million) which came up a total amount of approximately HK$21.6 million as at 31 March 2022 (2021: HK$21.0 million). The Group's equity attributable to owners of the Company as at 31 March 2022 amounted to approximately HK$163.2 million (2021: HK$283.4 million).

CORPORATE GOVERNANCE

Corporate Governance Code

The Board is committed to ensuring and maintaining high standard of corporate governance practices and procedures in fulfilling its responsibilities. It is the belief of the Board that shareholders can maximize their benefits from good corporate governance. The Company has always recognized the importance of transparency and accountability. The Group has adopted the code provisions as set out in the Corporate Governance Code (the "**Code**") contained in Appendix 14 to the Rules Governing the Listing of Securities (the "**Listing Rules**") on the Stock Exchange as its own code of corporate governance practices. The Directors consider that the Company has complied with the Code throughout the Year, except for the following deviations:

Code provision A.4.1

Code provision A.4.1 stipulates that non-executive Directors should be appointed for a specific term, subject to re-election. Other than Mr. Hui Man Ho, Ivan who has been appointed for an initial term of two years which is renewed automatically for successive terms of one year, the other existing independent non-executive Directors of the Company do not have any specific term of appointment. All of them are subject to retirement by rotation and re-election at the annual general meetings pursuant to the Bye-laws of the Company. The Bye-laws require that every Director will retire from office no later than the third annual general meeting of the Company after he was last elected or re-elected. Further, any person appointed by the Board to fill a casual vacancy or as an additional director (including non-executive Director) will hold office only until the next general meeting and will then be eligible for re-election. As such, the Board considers that such requirements are sufficient to meet the underlying objectives of the relevant code provision.

Code provision C.2.5

Code provision C.2.5 stipulates that a listed company should have an internal audit function. Prior to the year ended 31 March 2020, the Company has outsourced the internal audit function on analysis and independent appraisal of the adequacy and effectiveness of its risk management and internal control systems to independent professional firm(s).

For the Year, the Audit Committee has performed such function itself by carrying out walk through tests on the Company's risk management and internal control systems with reference to the policy and procedures manuals of the Company, interviewed and discussed with the management on their effectiveness and followed up on the rectifications of any findings from their work. The Board considers that compliance with Code provision C.2.5 has been fulfilled by the Audit Committee for the Year.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers under Appendix 10 of the Listing Rules. Having made specific enquiry to all Directors of the Company, all of them confirmed that they have complied with the required standard of dealings as set out in the Model Code throughout the Year.

REVIEW OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR

The audit committee of the Company (the "**Audit Committee**"), which comprises the three independent non-executive Directors of the Company, had reviewed the Group's audited consolidated financial statements for the Year in conjunction with the Group's auditors, CCTH CPA Limited ("**CCTH**"). Based on this review and discussion with the management of the Company, the Audit Committee was satisfied that the audited consolidated financial statements were prepared in accordance with applicable accounting standards and fairly presented the Group's financial position as at 31 March 2022 and results for the Year.

SCOPE OF WORK OF CCTH CPA LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income and the related notes thereto as set out in this preliminary announcement have been agreed by the Group's auditor, CCTH, to the amounts set out in the Group's consolidated financial statements for the financial year. The work performed by CCTH in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by CCTH on the preliminary announcement.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SHARES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed shares during the Year.

PUBLICATION OF ANNUAL REPORT

The 2021-2022 annual report of the Company and the notice of the annual general meeting will be despatched to the shareholders of the Company and published on the websites of the Stock Exchange at https://www.hkexnews.hk and the Company at http://www.irasia.com/listco/hk/eleganceoptical in due course.

On behalf of the Board
Elegance Optical International Holdings Limited
Yu Baodong
Chairman and Executive Director

Hong Kong, 30 June 2022

As at the date of this announcement, the executive Directors are Mr. Yu Baodong, Mr. Chung Yuk Lun and Mr. Wong Chong Fai; and the independent non-executive Directors are Mr. Man Wai Lun, Mr. Cheng Chun Man and Mr. Hui Man Ho, Ivan.