		Six months ended 30 June Ú 6 Ü30 Ú ß ¬ H Ü		
		2022 *HK$'m* *õ ¬ ¥ ©*	2021 *HK$'m* *õ ¬ ¥ ©*	Change *%* *õ ± â*
Loss for the Period Attributable to Owners of the Company	I ® ! ¹ Þ [Ð & , « f &	(146)	(251)	(41.8%)
Net Assets	*	5,382	7,060	(23.8%)
Total Assets	* < =	11,653	10,867	7.2%
Equity Attributable to Owners of the Company	I ® ! ¹ Þ [Ð & p Æ	4,918	6,325	(22.2%)
Cash and bank balances	$ – ¿ Õ q	113	144	(21.5%)

				Change
Key Performance and Liquidity Indicators:	ô 6 Œ $ ¿ Ì K 1 8 z j	*HK$ ¥ ©*	*HK$ ¥ ©*	*%* *õ ± â*
Basic Loss Per Share (in HK cents)*(Note 1)*	Ê p ? I f & € ø ¥ • j • *€ • W1 •*		(10.90)	(41.7%)
Net Assets Per Share*(Note 1)*	Ê p * = *€ • W1 •*		2.74	(22.3%)
P/E Ratio *(Note 1)*	9 ® *€ • W1 •*		(5.5x)	14.5%
Return on Capital Employed*(Note 2)*	p I « *€ • W2 •*		(3.97%)	(25.2%)
Return on Total Assets*(Note 3)*	< * « *€ • W3 •*		1.9x1 (2.31%)	(45.9%)
Gearing Ratio*(Note 4)*	> r â *€ • W4 •*		49.22%	125.4%
Adjusted Gearing Ratio*(Note 5)*	¾ Æ > r â *€ • W5 •*		46.95%	131.4%
Current Ratio *(Note 6)*	t â *€ • W6 •*		4.3x	(55.8%)
Interest Coverage*(Note 7)*	; ¹ µ ù â *€ • W7 •*		(0.5x)	180.0%

Notes:

1. Based on 2,304,849,611 ordinary shares issued and fully paid of the Company (the "Shares", each a "Share") as at 30 June 2022 (as at 30 June 2021: 2,304,849,611 Shares) and the market closing price as at 30 June 2022 of HK$0.4 per Share (as at 30 June 2021: HK$0.6 per Share). Basic loss per share and net assets per share is calculated as loss for the period and net assets attributable to owners of the Company respectively over number of shares issued and fully paid.

2. Calculated as loss for the period attributable to owners of the Company over equity attributable to owners of the Company.

3. Calculated as loss for the period attributable to owners of the Company over total assets.

4. Calculated as total borrowings, senior note and convertible bonds issued by the Company over equity attributable to owners of the Company.

5. Calculated as net borrowings (borrowings, senior note and convertible bonds issued by the Company net of pledged bank deposits and cash and bank balances) over equity attributable to owners of the Company.

6. Calculated as current assets over current liabilities.

7. Calculated as loss for the period attributable to owners of the Company before finance costs and taxation over finance costs.

BOARD OF DIRECTORS

The composition of the board (the “Board”) of directors (the “Directors”) of Silver Grant International Holdings Group Limited (the “Company”, together with its subsidiaries, the “Group”) during the six months ended 30 June 2022 (the “Period 2022”) and as atc H9ns1757 Tm [(hL ier)-im financial

CORPORATE INFORMATION 企業資料

COMPANY SECRETARY	® ! d ã
Ng Hoi Leung Leo	N
COMPANY LAWYERS	® ! ª
LCH Lawyers LLP	P M s ª Þ " , ª , ¥ «
AUDITOR	è p ª
Ernst & Young Certified Public Accountants Registered Public Interest Entity Auditor	Ä Q 6 ª + Ô B 8 6 ª W ® : ; B ¼ è p ª
PRINCIPAL BANKERS	ô » 8 Õ
Bank of China (Hong Kong) Limited Industrial and Commercial Bank of China (Asia) Limited	• 7 Õ € 0 ¥ Þ " ® ! • 7 ˆ Õ € - r Þ " ® !
SHARE REGISTRAR AND TRANSFER OFFICE	p … î ¾ ¿ @ Ò ˆ
Tricor Secretaries Limited 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (Tel: 2980 1888 Fax: 2861 0285)	Y 3 d ã Þ " ® ! 0 ¥ €&ƒ 816 î Ã – D • Ð17 } € e j2980 1888 Â F j2861 0285 •
REGISTERED OFFICE	W l + ˆ
Suite 4901, 49th Floor, Office Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong (Tel: 2802 3606 Fax: 2802 9506)	0 ¥ D ú ¥ D 81 î 6 • ? l ® } } 49 } 4901 € e j2802 3606 Â F j2802 9506 •
COMPANY WEBSITE	® ! c g
http://www.silvergrant.com.cn	http://www.silvergrant.com.cn
STOCK CODE	p … þ î
171	171

BUSINESS REVIEW *(Continued)*

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Investment

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During Period 2022, the expectation of interest rate hikes intitated by the Federal Reserve has triggered a decline in the prices of most of the global assets. Coupled with unfavourable investor sentiment, both the Group's progress in realising its non-performing asset investments with real estate being the underlying assets and the yield generated from these investments were significantly under expectation. After due consideration, the Group has adjusted its business strategy in a timely manner and decided to speed up the disposal of its existing investments.

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On the other hand, the Group has redirected its focus to equity investments in Period 2022, targeting the new energy industry and its sub-sectors. Driven by the vision of "carbon neutrality", the world is entering into an important historical period of high-carbon to low-carbon transition. Against such backdrop, it is expected that there will be technological competition centred around carbon neutrality, leading to long-term development of the new energy industry. The Group believes that the new energy industry will enter into a long-term growth period in the next two decades due to the high demand brought about by the transformation of the energy structure, and engagement in relevant sub-sectors of the new energy industry will become an essential initiative for the Group to seek strategic transformation.

The Group has made investments in certain enterprises in the People's Republic of China ("PRC" or "China") which are classified by the Group as financial assets at fair value through profit or loss ("FVTPL"). As at 30 June 2022, the NT Trust Scheme (as defined below) was the most significant financial assets at FVTPL of the Group, the carrying value of which represented approximately 3.54% of the total assets of the Group. Further details of the NT Trust Scheme are set out below:

Investment *(Continued)*

The Group invested RMB505,000,000 (equivalent to approximately HK$590,643,000) in aggregate into a trust ("NT Trust Scheme") holding a portfolio of limited liability partnerships investing in property development investments in Zhuozhou and Shenyang in the PRC, which is managed by 7 O ¦ Ä Þ " ® ! (National Trust Co., Ltd.*). As at 30 June 2022, the value of the NT Trust Scheme accounted for approximately 3.54% of the total assets of the Group. The carrying value of the NT Trust Scheme as at 30 June 2022 was approximately HK$412,183,000, which was determined by reference to the net asset value of the NT Trust Scheme as set out in the unaudited financial statements of the NT Trust Scheme as at 30 June 2022, as compared to the carrying value of the NT Trust Scheme as at 31 December 2021 of approximately HK$460,235,000. The Group recorded a fair value loss of the NT Trust Scheme of approximately HK$28,948,000 for Period 2022, as compared to that of approximately HK$5,014,000 for Period 2021, which has contributed to the increase in the loss on the fair value of the financial assets at FVTPL from approximately HK$36,144,000 for Period 2021 to approximately HK$108,892,000 for Period 2022. The Group did not receive any distribution from the NT Trust Scheme or record any realised gain or loss in relation to this investment during Period 2022 (Period 2021: nil). Based on its current investment strategy, the Group will consider to dispose of Tm .(1t8 (efer)st (Tm .(1sider)0hispose) theose)e NT Teose h

BUSINESS REVIEW *(Continued)*

Investment *(Continued)*

The objective of the Group in relation to its investments in financial assets is to capture returns from the appreciation of the value of its investments and to receive income therefrom. The Board believes that the performance of the financial asset investments of the Group is dependent on the financial and operating performance of the investee companies and market sentiment, which are affected by factors such as interest rate movements, national policies and performance of the global and national economies. The Group will continue to adopt prudent investment principles, closely monitor the performance of its investment portfolio, and adjust its investment strategies in a timely manner. In response to the potential economic recession and market volatility, the Group has accelerated the realisation of its mature investments while reducing the proportion of its medium and long-term investments, so as to improve its liquidity position.

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BUSINESS REVIEW *(Continued)*

Property Leasing

The rental income from the Group's property leasing business amounted to approximately HK$58,934,000 for Period 2022, representing an increase of approximately 35.25% from that of approximately HK$43,574,000 for Period 2021. Revenue from the Group's property leasing business segment was derived from East Gate Plaza, an investment property of the Group located in Beijing, China, which comprises a residential section and a commercial section. The increase in the rental income for Period 2022 was caused by (i) the increase in the occupancy rate of East Gate Plaza from approximately 80% in Period 2021 to approximately 85% in Period 2022, as a result of the ongoing increased marketing efforts of the Group's property operation team to actively recruit new tenants for the vacant areas in East Gate Plaza and retain the existing tenants of the property; (ii) the improvement in the Group's property management service

PROSPECTS AND OUTLOOK

Looking forward to the second half of 2022, it is expected that the global economy will continue to face considerable uncertainties. Further tightening of monetary policies in major Western economies has exposed China to certain risks, such as slowdown in external demand, turbulence in the global financial markets and geopolitical conflicts. By adhering to its principle of "stability", the Chinese Central Government will continue to maintain reasonable and sufficient liquidity in the country, focus on stabilising employment and prices, actively expand domestic demand and maintain economic operations within a reasonable range, which will reduce the impacts of the global turmoil on China.

In view of the complex and severe external environment, the Group has also re-examined its own business, striving to seek strategic transformation. In respect of management, the Group will strengthen its budget management, consolidate its internal control system, and optimise its operation mechanism. In terms of business, the Group will realise its investments progressively, reduce the level of its inefficient investments, restructure its principal businesses and establish its unique investment system through investment opportunities in the new energy industry chain.

FINANCIAL REVIEW

The loss attributable to the owners of the Company decreased to approximately HK$146,349,000 for Period 2022 from that of approximately HK$251,333,000 for Period 2021, mainly due to the combined effect of the following:

(a) the turnaround in the result of Zhong Hai You Qi from a loss of approximately HK$307,119,000 for Period 2021 to a profit of approximately HK$58,214,000 for Period 2022, mainly attributable to (i) the additional sales tax and related tax surcharge and late fee of approximately RMB490,000,000 in total incurred by Zhong Hai You Qi during Period 2021, which were absent during Period 2022; (ii) the change of Zhong Hai You Qi's product mix to petrochemical products with higher profit margins in Period 2022; and (iii) the improvement of Zhong Hai You Qi's production process, which resulted in a reduction in its production costs in Period 2022;

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FINANCIAL REVIEW *(Continued)* Ì « ¥ € ƒ •

C. Change in fair value of financial assets at FVTPL

The increase in the loss in the fair value of the financial assets at FVTPL from approximately HK$36,144,000 for Period 2021 to approximately HK$108,892,000 for Period 2022 was mainly attributable to the amounts of fair value loss recognised by the Group on its major financial asset, NT Trust Scheme, and one of its non-performing loan portfolios of approximately HK$28,948,000 (Period 2021: HK$5,014,000) and approximately HK$68,572,000 (Period 2021: HK$33,076,000) respectively.

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2 ® ª =] & B Y – D * ˜ ® ª = f & # d 2021 Ë , œ Ò 36,144,000 ¥ © # 2022 Ë , œ Ò 108,892,000 ¥ © d ô _ õ l « 1 l ô – D * { NT Trust Scheme ¿ l • S \ " r › \ ¥ ½ © Y ® ª = f & – X ± 9 ‰ 28,948,000 ¥ € 2021 Ë , œ 5,014,000 ¥ © • ¿ Ò 68,572,000 ¥ € 2021 Ë , œ j 33,076,000 ¥ © •

D. Administrative expenses

The decrease in administrative expenses from approximately HK$93,717,000 for Period 2021 to approximately HK$46,479,000 for Period 2022 was mainly due to (i) the reduction in the staff costs of the Group following the corporate restructuring undertaken by the Group under its investment business segment during Period 2022; (ii) the consultant fee for loan arrangement, fund management fee and office re-location cost incurred by the Group during Period 2021, which were absent in Period 2022; and (iii) the provision of financial guarantee liabilities written back during Period 2022.

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E. Share of profit or loss of joint ventures

The turnaround in the share of profit or loss of joint ventures during Period 2022 was mainly due to the change in the Company's share of result of its joint venture, Zhong Hai You Qi, from a loss of approximately HK$307,119,000 for Period 2021 to a profit of approximately HK$58,214,000 for Period 2022, mainly attributable to the reasons as mentioned in paragraph (a) under the section headed "Financial Review" above.

EXCHANGE EXPOSURE

In Period 2022, the Group's principal assets, liabilities, revenue and payments were denominated in HK$, RMB and US$. In the opinion of the Board, RMB will remain as a regulated currency in the foreseeable future. Although the market is generally anticipating an increased volatility in the RMB exchange rate, the Board does not anticipate that it will have any material adverse effect on the financial position of the Group. However, the Board will closely monitor the future development of the RMB exchange rate and will take appropriate actions as necessary.

In addition, the Board does not anticipate that there will be any material exchange exposure to the Group in respect of other currencies.

At the end of Period 2022, the Group had no material liability denominated in any foreign currencies other than RMB. There was also no hedging transaction contracted for by the Group during Period 2022.

TREASURY POLICY

The Group adopts a conservative treasury policy under which the Group keeps its investment costs under control and manages the returns on its investments efficiently. The Group has guidelines in place to monitor and control its investment risk exposure and to manage its capital. The Group also strives to reduce its exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. The Board closely reviews the Group's liquidity position to ensure the Group has adequate liquidity to meet its funding requirements at all times.

WORKING CAPITAL AND BORROWINGS

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As at 30 June 2022, the Group's total short-term and long-term borrowings and convertible bonds amounted to approximately HK$5,455,668,000 in aggregate, the composition of which is summarised below:

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		(Unaudited) € J ¾ 2 è • 30 June 2022 2022 Ë 6 Ü 30 Ú *HK$'000* *w ¥ ©*	(Audited) € ¾ 2 è • 31 December 2021 2021 Ë 12 Ü 31 Ú *HK$'000* *w ¥ ©*
Short-term borrowings	õ , r ›		541,037
Long-term borrowings	— , r ›		3,193,628
Convertible bonds	l p À N		1,301,494
Total borrowings	r › < X		5,036,159
Less:	¯ j		
Cash and bank balances (including pledged bank deposits)	$ – ¿ Õ q€ < ê å Õ À › •		(141,205)
Net borrowings	r › X		4,894,954

Interests for all borrowings of the Group for Period 2022 were charged at fixed and floating rates ranging from 5.35% per annum to 12% per annum (Period 2021: 5.35% to 12% per annum).

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WORKING CAPITAL AND BORROWINGS *(Continued)* 6 – ¿ r › €ƒ •

(vi) a loan in the principal amount of approximately RMB141,000,000 (31 December 2021: RMB145,500,000) due in February 2024; (vii) a loan in the principal amount of approximately RMB290,000,000 (31 December 2021: RMB290,000,000) due in April 2024; (viii) convertible bonds in the aggregate principal amount of HK$1,150,000,000 (31 December 2021: HK$1,150,000,000) due in July 2022; (ix) loans in the aggregate principal amount of approximately RMB20,000,000 (31 December 2021: Nil) due in August 2022; (x) a loan in the principal amount of RMB71,875,000 due in November 2023; and (xi) a loan in the principal amount of HK$180,000,000 (31 December 2021: HK$180,000,000) due in December 2022, and the Group’s net current assets were approximately HK$2,158,237,000 (31 December 2021: HK$1,776,269,000). In addition, the Group had fully utilised its loan facilities as at 30 June 2022 (31 December 2021: unutilised loan facilities of RMB380,000,000). There is generally no material seasonality of the borrowing requirements of the Group. Based on the foregoing information, the Board is confident that the Group has adequate working capital to finance its operations and to meet its financial obligations as and when they fall due. Notwithstanding this, the Board will seek to dispose of the Group’s short and medium term investments to replenish the Group’s funds in order to further enhance the Group’s working capital to a stronger level.

(vi) õ2024 Ë2 Ü Q , Y r › I – – X Ò [O Æ141,000,000€ 2021 Ë12 Ü31 Ú j [O Æ145,500,000©• (vii) õ2024 Ë4 Ü Q , I – < X Ò [O Æ290,000,000€ 2021 Ë12 Ü31 Ú j [O Æ290,000,000 © •Y r › i (viii) õ2022 Ë7 Ü Q , I – < X Ò 1,150,000,000 ¥€ 2021 Ë12 Ü31 Ú j 1,150,000,000 ¥ © •˜ l p À N i (ix) õ2022 Ë8 Ü Q , Y r › I – < X Ò [O Æ 20,000,000€ 2021 Ë12 Ü31 Ú j Ì •i(x) õ2023 Ë11 Ü Q , Y r › I – – X [O 7Æ,875,000 © i ¿(xi) õ2022 Ë12 Ü Q , Y r › I – – X ‰180,000,000¥ € 2021 Ë12 Ü31 Ú j 180,000,000 ¥ © •d ¿ l « Y t * Ò2,158,237,000¥ € 2021 Ë12 Ü31 Ú j 1,776,269,000 ¥ © •f $. d l « õ 2022 Ë6 Ü30 Ú Õ D X Š „ p \ €2021 Ë12 Ü31 Ú j J \ r › D [O Æ 380,000,000 © •f l « r › Ë } ç j (Ì } ™ · Ì f ? õ ø j Ø d è + 6 Þ ¦ Ð l « ¹ Þ D Y 6 – a ù l 6 Ô ê ø ¿ 5 l Q , Y Ì ª , f = Í ½ ä d è + 6 Z = / l « ˜ õ , ¿ • , ³ 4 l « « Ð – d ø † S É d ÷ l « Y 6 – » v å ; f

WORKING CAPITAL AND BORROWINGS *(Continued)*

As at 30 June 2022, the gearing ratio (calculated as interest-bearing bank and other borrowings and the convertible bonds issued by the Company over equity attributable to owners of the Company) and the current ratio (calculated as current assets over current liabilities) of the Group were 111% (31 December 2021: 96%) and 1.9x (31 December 2021: 1.8x) respectively. These ratios are the key performance indicators used by the management of the Group to measure the Group's level of leverage to ensure the Group has the liquidity to meet its financial obligations at all times. The Group will strive to improve its liquidity by expediting its collection of outstanding loan receivables and disposal of financial asset investments (including equity investments and non-performing loans) which will bring a reasonable return to the Group.

As at 30 June 2022, despite the Group having net current assets of approximately HK$2,158,237,000, the Group's interest-bearing bank and other borrowings and convertible bonds in an aggregate amount of approximately HK$1,880,150,000 were due to be repaid within the next 12 months while its cash and bank balances amounted to approximately HK$90,077,000. Notwithstanding the aforesaid, the unaudited condensed consolidated financial statements of the Group for Period 2022 have been prepared on a going concern basis. The Directors have given careful consideration to the Group's future liquidity requirements, operating performance and available sources of financing in assessing the Group's ability to operate as going concern. To manage its working capital and improve its financial position, the Group has formulated the following plans and measures:

(i) the Group will continue to implement measures to speed up the collection of outstanding loan receivables;

(ii) the Group will continue to take measures to expedite the disposal of financial asset investments, including equity investments and non-performing assets; and

(iii) the Group has been actively negotiating with its creditors for refinancing the borrowings which are due within a year.

CONTINGENT LIABILITIES

As at 30 June 2022, the Group provided corporate guarantees of approximately HK$3,087,520,000 (31 December 2021: HK$3,841,990,000) in respect of the loans granted to a joint venture.

CAPITAL STRUCTURE

As at 30 June 2022, the shareholders' fund of the Company was approximately HK$4,917,761,000 (31 December 2021: HK$5,231,344,000), representing a decrease of approximately HK$313,583,000 or approximately 5.99% as compared to that as at 31 December 2021. The decrease was mainly contributed by (i) the depreciation of the RMB against the HK$ of approximately 4.33% during Period 2022 and therefore an exchange loss charged to the exchange translation reserve resulting from the translation of the books of the subsidiaries of the Company in the PRC; and (ii) the loss of the Group for Period 2022.

ISSUE OF CONVERTIBLE BONDS

Placing of Convertible Bonds to Independent Placee(s)

On 20 May 2019, the Company entered into a placing agreement ("Placing Agreement") with CMB International Capital Limited ("Placing Agent"), pursuant to which the Company conditionally agreed to place through the Placing Agent, on a best effort basis, 7% senior unsecured and guaranteed convertible bonds ("Convertible Bonds") of the Company due 2022 of an aggregate principal amount of up to HK$200,000,000, to placees who and whose subsidiaries or associates are independent third parties (within the meaning of the Listing Rules) of the Company, at the conversion price ("Conversion Price") of HK$2.33 per ordinary Share with no par value ("Conversion Share") of the Company ("Placing").

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ISSUE OF CONVERTIBLE BONDS *(Continued)*

Placing of Convertible Bonds to Independent Placee(s) *(Continued)*

On 22 May 2019, the Company entered into a subscription agreement ("JIC Subscription Agreement") with JIC (Hong Kong) Holding Limited ("JIC") (a placee procured by the Placing Agent, who and whose ultimate beneficial owner(s) are independent third parties (within the meaning of the Listing Rules) of the Company), in relation to JIC's subscription for the Convertible Bonds with a principal amount of up to HK$200,000,000 ("JIC Subscription").

Save for (a) the date of the agreement; (b) the identity of the subscriber; (c) the principal amount of the Convertible Bonds to be subscribed; and (d) the inclusion of two additional conditions precedent to the completion of the JIC Subscription Agreement (namely, (i) Mr. Chu Hing Tsung ("Mr. Chu"), the chairman of the Company ("Chairman"), a co-chief executive officer of the Company ("Co-Chief Executive Officer"), an executive Director and a substantial shareholder (within the meaning of the Listing Rules) of the Company, having executed and delivered to JIC the Guarantees (as defined below); and (ii) the Company shall have completed all of the obligations under 355.1757 Tm ().1969 472.17(as

ISSUE OF CONVERTIBLE BONDS *(Continued)*

Subscription of Convertible Bonds by the Connected Subscribers

On 20 May 2019, the Company also entered into a subscription agreement ("Connected Subscription Agreement", collectively the "Connected Subscription Agreements") with each of Regent Star International Limited ("Regent Star"), Mr. Gao Jian Min ("Mr. Gao"), Wonderful Sky Financial Group Holdings Limited ("Wonderfulsky"), Ms. Luk Ching Sanna ("Ms. Luk") and Excel Bright Capital Limited ("Excel Bright") (collectively the "Connected Subscribers", and each a "Connected Subscriber"), who were all connected persons (within the meaning of the Listing Rules) of the Company as at the date of the Connected

ISSUE OF CONVERTIBLE BONDS *(Continued)*

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Principal terms of the Convertible Bonds

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The issue price of the Convertible Bonds was 100% of the principal amount of the Convertible Bonds, which was HK$1,150,000,000 in aggregate (among which a principal amount of HK$200,000,000 was placed to JIC through the Placing; and the principal amounts of HK$450,000,000, HK$200,000,000, HK$100,000,000, HK$100,000,000 and HK$100,000,000 were subscribed for by Regent Star, Mr. Gao, Wonderfulsky, Ms. Luk and Excel Bright, respectively).

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On 6 July 2022, the Company (as issuer), the Connected Subscribers and JIC (collectively, the "Subscribers") (as subscribers), and Mr. Chu (as guarantor), entered into an amendment deed ("First Amendment Deed"), pursuant to which the parties conditionally agreed to, among others, amend certain terms and conditions of the Convertible Bonds ("Proposed Amendments"). On 15 July 2022, the Company (as issuer), the Subscribers (as subscribers), and Mr. Chu (as guarantor), entered into an amendment deed to the First Amendment Deed ("Second Amendment Deed", together with the First Amendment Deed, the "Amendment Deeds"), pursuant to which the parties agreed to, among others, amend certain terms and conditions of the First Amendment Deed.

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Pursuant to the Amendment Deeds, the Proposed Amendments consist of the following:

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(i) the maturity date of the Convertible Bonds ("Maturity Date") shall be extended from the date falling on the 36th month from the issue date of the Convertible Bonds (i.e. 4 July 2022) to 30 December 2022;

(i) l p À@\ ˜ Q , Ú€˜ Q , Ú ™•Z l p À@\ ˜ ï Ú , Î K 36 H Ü … Ú € C2022 Ë7 Ü4 Ú •· — 2022 Ë12 Ü 30 Ú i

(ii) the interest rate of the Convertible Bonds shall be adjusted from 7% per annum for the period from and including the issue date ("Issue Date") of the Convertible Bonds to 4 July 2022 ("Relevant Payment Date"), to (1) seven per cent. (7%) per annum for the period from and including the Issue Date to the Relevant Payment Date; and (2) twelve per cent. (12%) per annum for the period from the date immediately after the Relevant Payment Date to the Maturity Date;

(ii) l p À N ˜ ; Ð _ õ€ < • l p À N ˜ ï Ú ,€˜ ï Ú , ™•Î \ 2022 Ë7 Ü4 Ú€˜ ´ ë Õ ù Ú , ™•ß , œ Ê Ë 7% Æ (1) õ€ < •ï Ú , Î \ ´ ë Õ ù Ú ß , œ Ê Ë õ ± ˜ V (7%) i ¿ (ii) õ a Ÿ ´ ë Õ ù Ú … Ú Î \ Q , Ú ß , œ Ê Ë õ ± ˜ d Z (12%) i

ISSUE OF CONVERTIBLE BONDS *(Continued)*

Principal terms of the Convertible Bonds *(Continued)*

(iii) the amount payable by the Company to redeem all the Convertible Bonds on the Maturity Date ("Outstanding Bonds") in accordance with the instrument constituting the Convertible Bonds executed by the Company on 3 July 2019 ("Bond Instrument") shall be adjusted from 116.5% of the entire principal amount of the Outstanding Bonds as at the Maturity Date (inclusive of interests received up to the Maturity Date), to a sum equal to the aggregate of (1) 100% of the principal amount of the Outstanding Bonds; and (2) the interests on 100% of the principal amount of the Outstanding Bonds accrued at 12% per annum for the period from the date immediately after the Relevant Payment Date up to and including the Maturity Date;

(iv) the Convertible Bonds shall be secured by pledges over the receivables of the Group (mainly the loans granted by the Group to its joint venture, associates and independent third parties) and the equity interests in the subsidiaries and associates of the Company holding receivables of the Group, and the status of the Convertible Bonds set out in the Bond Instrument shall be adjusted from direct, guaranteed, unsecured, unsubordinated and unconditional obligations of the Company, which shall at all times rank *pari passu* and without any preference or priority among themselves and at least *pari passu* with all other present and future direct, unsecured, unsubordinated and unconditional obligations of the Company, to direct, guaranteed, secured, unsubordinated and unconditional obligations of the Company, which shall at all times rank *pari passu* and without any preference or priority among themselves and at least *pari passu* with all other present and future direct, secured, unsubordinated and unconditional obligations of the Company; and

(v)

ISSUE OF CONVERTIBLE BONDS *(Continued)*

Principal terms of the Convertible Bonds *(Continued)*

The Conversion Price of HK$2.33 per Conversion Share (which has not been amended by the Proposed Amendments) represents (i) a premium of approximately 39% to the

ISSUE OF CONVERTIBLE BONDS *(Continued)* ï l p À@\ €ƒ•

Dilutive impact of the conversion of the Convertible Bonds *(Continued)* 7 l l p À N Y Å [B ¤ €ƒ•

An analysis of the Company's share price at which it would be equally financially advantageous for the holders of the Convertible Bonds to convert or redeem the Convertible Bonds based on their implied internal rate of return at a range of dates in the future is set out below: ì ½ Ú ð • Ú , ˜ l p À N Y ¯ ^ « Å « d l p À N ˜ 5 Þ [7 l Ð Ù « l p À N Z H Þ • Ì ´ Ð ˜ ‹ 1 ˜ l ® ! p ± 1 • ½ h j

		Share price p *(HK$)* €¥©•
30 December 2022 (i.e. the Maturity Date, on which the Company will redeem all of the Convertible Bonds at such amount equal to the aggregate of (i) 100% of the principal amount of the Outstanding Bonds; and (ii) the interest on 100% of the principal amount of the Outstanding Bonds accrued at 12% per annum for the period from the date immediately after the Relevant Payment Date up to and including the Maturity Date, unless any of such Convertible Bonds have already been previously redeemed, converted, purchased or cancelled)	2022 Ë12 Ü30 Ú€ C Q , Ú d ð ¢ Š õ ‹ Ã Ù « e 7 l e ... o Ð W V d l ® ! Z 2 ´ ... õ h • ¢ ° < X ˜ Ù Ì Ù « J µ ù À@\ j (i) Ê p J µ ù À N p ... l – X ˜100% i ¿(ii) õ a ‡ ´ ë Õ ù Ú ˜ Ú , Î \ € < •Q , Ú ß , œ 2 Ë ; 12% Q ˜ Œ Å J µ ù À N l – X ˜ Ð ; ¹	Ê p2.4698 per Share

Details of the Placing, the JIC Subscription, the Connected Subscriptions, the Amendment Deeds and the Proposed Amendments are set out in the announcements of the Company dated 20 May 2019, 22 May 2019, 27 June 2019, 6 July 2022, 11 July 2022 and 15 July 2022, and the circulars of the Company dated 10 June 2019 and 5 August 2022. Þ ë ã / + ° e • 7 ³ © ... + ° e ë ¹ ©

CHAIRMAN'S STATEMENTSô © S

CHANGES IN BOARD MEMBERS

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With effect from 13 May 2022, Mr. Chu, the Chairman and an executive Director, has been re-designated from the Chief Executive Officer to a Co-Chief Executive Officer.

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APPRECIATION

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The Board would like to express its appreciation and gratitude to the Shareholders for their support and all the Group's employees for their hard work and dedication in carrying out their duties and in achieving the Group's business goals.

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On behalf of the Board
Silver Grant International Holdings Group Limited
Chu Hing Tsung
Chairman, Co-Chief Executive Officer and Executive Director

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á EB*

Hong Kong, 30 August 2022

0 ¥ d2022 Ë 8 Ü30 Ú

CORPORATE GOVERNANCE

The Company is committed to maintaining high standards of corporate governance in the interests of its shareholders.

The Board acknowledges its responsibilities for preparing the condensed consolidated financial statements of the Group, which give a true and fair view of the state of affairs of the Company and of the Group on a going concern basis. In preparing the Group's unaudited condensed consolidated financial statements for the six months ended 30 June 2022, the Board has (i) selected suitable accounting policies and applied them consistently; (ii) adopted appropriate Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards; (iii) made adjustments and estimates that are prudent and reasonable; and (iv) prepared the unaudited interim condensed consolidated financial statements on the going concern basis.

As at 30 June 2022, despite the Group having net current assets of approximately HK$2,158,237,000, the Group's interest-bearing bank and other borrowings and convertible bonds in an aggregate amount of approximately HK$1,880,150,000 were due to be repaid within the next 12 months while its cash and bank balances amounted to approximately HK$90,077,000. Notwithstanding the aforesaid, the unaudited condensed consolidated financial statements of the Group for Period 2022 have been prepared on a going concern basis. The Directors have given careful consideration to the Group's future liquidity requirements, operating performance and available sources of financing in assessing the Group's ability to operate as going concern. To manage its working capital and improve its financial position, the Group has formulated the following plans and measures:

(i) the Group will continue to implement measures to speed up the collection of outstanding loan receivables;

(ii) the Group will continue to take measures to expedite the disposal of financial asset investments, including equity investments and non-performing assets; and

(iii) the Group has been actively negotiating with its creditors for refinancing the borrowings which are due within a year.

CORPORATE GOVERNANCE *(Continued)*

Having reviewed the Group's cash flow projections prepared by management, which cover a period of not less than twelve months from 30 June 2022, the Directors are of the opinion that, taking into account the abovementioned plans and measures, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due. Accordingly, the Directors are satisfied that it is appropriate to prepare the consolidated financial statements of the Group on a going concern basis.

Except for the deviations specified below, the Company has complied with all mandatory provisions set out in the Corporate Governance Code (the "Code") contained in Appendix 14 to the Listing Rules throughout Period 2022.

Provision C.2.1 of the Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. During the period under review, the Company did not have a separate chairman and chief executive officer (the "Chief Executive Officer"). Mr. Chu assumed the roles of the Chairman and the Chief Executive Officer during the period from 1 January 2022 to 12 May 2022 and those of the Chairman and a Co-Chief Executive Officer during the period from 13 May 2022 to 30 June 2022. The Board believes that vesting both the roles of chairman and chief executive officer/co-chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions efficiently.

Provision F.2.2 of the Code stipulates that the chairman of the board should attend the annual general meeting of the company. Mr. Chu, the Chairman, was out of town and was therefore unable to attend the annual general meeting of the Company held on 22 June 2022. The Chairman will endeavour to attend all future annual general meetings of the Company unless unexpected or special circumstances prevent him from doing so.

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ð h Ö Ô ˜ N + • . d l ® ! õ 2022 Ë , œ Š m Â j 9 • Æ • } 14 Ô 1 ˜ • † 8 M 7 Â Æ€ Â Æ ™˜ Ô Þ v S â Ö f

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The Company has adopted codes of conduct regarding securities transactions by Directors and by relevant employees (as defined in the Code) on terms no less exacting than the required standards set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 to the Listing Rules.

On specific enquiries made, all Directors confirmed that they have complied with the required standards set out in the Model Code and the Company's code of conduct regarding Directors' securities transactions during Period 2022.

The Group's unaudited condensed consolidated financial statements for Period 2022 and this report have been reviewed and accepted by the audit committee of the

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

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As at 30 June 2022, save as disclosed below, no other Directors or the chief executives of the Company had any interests or short positions in any Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code:

ð h Ö Ô Þ £ k . d õ 2022 Ë6 Ü30 Ú d ? Ì I ü è + Ð I ® ! ð ÷ A [p õ I ® ! Ð I , ´ L , € › È Ç N ¿ , ¬ â 7 €˜ Ç N ¿ , ¬ â 7 ™•K XV Å •Y p ... e ´ ë p ... Ð À Æ Ç • d ¹ Þ ì ½ Ç N ¿ , ¬ â 7 K352 â ² À Ä õ I ® ! Y î ¾ Ð ì ½ z _ Â Æ ² ø I ü Ù Ì] 6 I ® ! ¿ L t Ô Y Æ B Ð ñ Q j

Long position in the Shares

p ... ˜ » Q

Name of Director è + ¤ H	Capacity ...	Number of Shares interested Ô ¹ Þ Æ B ˜ p ... p f	Approximate percentage of issued Shares *(Note 1)* Ò & Š ï p ... õ ± â *€ • W1 •*
Mr. Chu á ‹ [	Interest of controlled corporations *(Note 2)* a › S , Æ B *€ • W2 •*	681,240,022	29.56%

Notes:

• W j

1. The total number of issued Shares as at 30 June 2022 (i.e. 2,304,849,611 Shares) has been used for the calculation of the approximate percentage of shareholdings in the Company.

1. I ® ! õ 2022 Ë6 Ü30 Ú ˜ Š ï p ... < p € C2,304,849,611 p •Š \ * Q I ® ! ˜ 5 p ? Ò õ ± â f

2. Mr. Chu directly holds 34.06% of the issued shares of Rong De Investments Limited ("Rong De"), which in turn holds 66.85% of the issued shares of Zhuguang Holdings, which in turn holds 100% of the issued shares of Splendid Reach Limited ("Splendid Reach"), the beneficial owner of such 681,240,022 Shares. Accordingly, Mr. Chu, Rong De and Zhuguang Holdings are deemed to be interested in the Shares held by Splendid Reach pursuant to Part XV of the SFO.

2. á ‹ [\ Ÿ 5 Þ D C ³ Þ " ® €˜ D C ™•€2,304,84MCID 2246 >

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES

ô p õ p ... ¿ ´ ë p ... ˜ Æ B ¿ ñ Q

As at 30 June 2022, the following persons (other than the Directors or chief executives of the Company) had interests or short positions in the Shares or underlying Shares, as recorded in the register required to be kept by the Company under Section 336 of the SFO:

õ 2022 Ë6 Ü30 Ú d ø h [₣ € ð è + Ð I ® ! ð ÷ A [p ø . • õ I ® ! ì ½ Ç N ¿ , ¬ â 7 K 336 â • › ² š À Ä Y î ¾ ¾ } Ô j d ¹ Þ p ... Ð ´ ë p ... ˜ Æ B Ð ñ Qj

Long position in the Shares

p ... ˜ » Q

Name of substantial Shareholders ô p ¤ H	Capacity ...	Number of Shares interested Ô ¹ Þ Æ B ˜ p ... p f	Approximate percentage of issued Shares *(Note 1)* Ò & Š ï p ... õ ± â *€ • W1 •*
China Cinda Asset Management Co., Ltd. ("China Cinda") • 7 ¦ : * M # p ... Þ " ® ₣ € • 7 ¦ : * M # ™ •	Interest of controlled corporations*(Note 2)* a › S , Æ B *€ • W2 •*	438,056,000	19.01%
China Cinda (HK) Holdings Company Limited ("Cinda HK") • 7 ¦ £ 0 ¥ • p Þ " ® ₣ € • 7 ¦ £ 0 ¥ • p ™ •	Interest of a controlled corporation*(Note 2)* a › S , Æ B *€ • W2 •*	438,056,000	19.01%
Regent Star K 4	Beneficial owner*(Note 2)* ¼ B ¹ Þ [*€ • W2 •*	438,056,000	19.01%
Mr. Liao Tengjia ("Mr. Liao") Ë \ 3 ‹ ₣ € Ë ‹ [™ •	Interest of controlled corporations*(Note 3)* a › S , Æ B *€ • W3 •*	681,240,022	29.56%
Rong De D C	Interest of controlled corporations*(Note 3)* a › S , Æ B *€ • W3 •*	681,240,022	29.56%
Zhuguang Holdings . ˆ › p	Interest of a controlled corporation*(Note 3)* a › S , Æ B *€ • W3 •*	681,240,022	29.56%
Splendid Reach " :	Beneficial owner*(Note 3)* ¼ B ¹ Þ [*€ • W3 •*	681,240,022	29.56%

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES *(Continued)*

Notes:

1. The total number of issued Shares as at 30 June 2022 (i.e. 2,304,849,611 Shares) has been used for the calculation of the approximate percentage of shareholdings in the Company.

2. China Cinda directly holds 100% of the issued shares of Cinda HK, which in turn holds 100% of the issued shares of Regent Star, the beneficial owner of such 438,056,000 Shares. Therefore, China Cinda and Cinda HK are deemed to be interested in the Shares held by Regent Star pursuant to Part XV of the SFO.

3. Mr. Liao directly holds 36% of the issued shares of Rong De, which in turn holds 66.85% of the issued shares of Zhuguang Holdings, which in turn holds 100% of the issued shares of Splendid Reach, the beneficial owner of such 681,240,022 Shares. Therefore, Mr. Liao, Rong De and Zhuguang Holdings are deemed to be interested in the Shares held by Splendid Reach pursuant to Part XV of the SFO.

Long position in the underlying Shares

Name of substantial Shareholders ô p ¤H	Capacity ...	Number of underlying Shares interested ¹Þ Æ B ˜ ´ ë p ... p f	Approximate percentage of issued Shares *(Note 1)* Š ï p ... ˜ ? Ò õ ± â *€ • W1 •*

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES *(Continued)*

Notes:

1. The total number of issued Shares as at 30 June 2022 (i.e. 2,304,849,611 Shares) has been used for the calculation of

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS 簡明綜合損益表

For the six months ended 30 June 2022
Ø022Ë 6Ü 30Ø

		(Unaudited)	(Unaudited)
		€ J ¾ 2 e •	£ J ¾ 2 e •
		Six months ended 30 June	
		Ù 6 Ù30 Ù ß = H Ù	
	Notes	2022	2021
	• W	HK$'000	HK$'000
		w ¥ ©	w ¥ ©
Rental income	a ÷ ×]	4 58,934	43,574
Direct operating expenses	\ Y ¾ § Ö	(3,584)	(5,882)
		55,350	37,692
Dividend income from listed and unlisted securities	] 9 ¿ ¢] 9 Ç N p ¹ ×]	4 136	—
Other income, gains and losses	l ù ×] e × B ¿ f &	4 277,560	155,684
Change in fair value of financial assets at FVTPL	ø ® ª = Ž ò l] & B Y – D ˚ ª ® ª =	(108,892)	(36,144)
Change in fair value of a derivative financial instrument	[– D ˆ H ˆ ® ª =	(22,279)	15,681
(Impairment)/reversal of impairment of financial assets, net	– D ˆ ₹ ˆ = d ˆ = a « X	15 (40,264)	18,868
Administrative expenses	Á Ù \	(46,479)	(93,717)
Change in fair value of investment properties	ª J 8 ˜ ® ª =	10 (33,831)	31,313
Finance costs	l ˆ l \ ˜	5 (277,064)	(166,760)
Share of profit/(loss) of:	± & h • ˆ P ; Ł l & ŗ		
— associates	— L ˆ ® l	4,721	1,077
— joint ventures	— ¥ ˆ † 8	58,214	(307,119)
Loss before taxation	ô u Á f &	7 (132,828)	(343,425)
Taxation	u ª	6 6,970	(7,528)
Loss for the period	; « f &	(125,858)	(350,953)

For the six months ended 30 June 2022
Ø022Ë 6Ü 30Ø

			(Unaudited)	(Unaudited)
			€ J ¾ 2 è •	€ J ¾ 2 è •
			Six months ended 30 June	
			Ú 6 Ü30 Ú ß ¬ H Ü	
			2022	2021
		Note	*HK$'000*	*HK$'000*
		• W	*w ¥ ©*	*w ¥ ©*
Loss attributable to:	Ð & f & j			
— owners of the Company	— I ® ! ¹ Þ [		(146,349)	(251,333)
— non-controlling interests	— ¢ › p Æ B		20,491	(99,620)
			(125,858)	(350,953)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	I ® ! w · Æ B 5 Þ [Ð & Ê p f &			
— Basic and diluted (HK cents per share)	— ? I ¿ Å [€ ø ¥ • j •	*8*	(6.35)	(10.90)

CONDENSED CONSOLIDATED STATEMENT OF OTHER CO

For the six months ended 30 June 2022

Ø022Ë 6Ü 30ßÜ

LOSS FOR THE PERIOD	
OTHER COMPREHENSIVE (LOSS)/INCO FOR THE PERIOD	
Other comprehensive (loss)/income th reclassified to profit or loss in sub periods:	

At 30 June 2022
õ 2022Ë 6Ü 30Ú



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION 簡明綜合財務狀況表

At 30 June 2022
õ 2022Ë 6Ü 30Ú

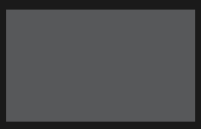
	Notes • W	(Unaudited) € J ¾ 2 è • As at 30 June õ 6 Ü 30 Ú 2022 *HK$'000* *w ¥ ©*	(Audited) € ¾ 2 è • As at 31 December õ 12 Ü 31 Ú 2021 *HK$'000* *w ¥ ©*
NET CURRENT ASSETS	t ¯ *	2,158,237	1,776,269
TOTAL ASSETS LESS CURRENT LIABILITIES	* < ≥ ¯ t Á	9,250,386	9,212,807
NON-CURRENT LIABILITIES	¢ t Á		
Interest-bearing bank and other			

For the six months ended 30 June 2022
Ø022Ë 6Ü 30Ø

		Attributable to owners of the Company l®!¹Þ[Ð&						
		Share capital	Asset revaluation reserve *	Translation reserve	Retained profits	Sub-total	Non-controlling interests	Total equity
		pl *HK$'000* *w¥©*	·ê *HK$'000* *w¥©*	Ò3·ê *HK$'000* *w¥©*	-5®; *HK$'000* *w¥©*	ƒ *HK$'000* *w¥©*	¢›SÆB *HK$'000* *w¥©*	pÆ<= *HK$'000* *w¥©*
At 1 January 2022 (audited)	õ2022Ë1Ü1Ú€¾2è•	3,626,781	252,319	449,711	902,533	5,231,344	486,889	5,718,233
Loss for the period	,«f&	–	–	–	(146,349)	(146,349)	20,491	(125,858)
Other comprehensive income for the period:	,«lüŒ&×Bj							
Exchange difference on translation of foreign operations	lQ.8*[˜Ò3¨X	–	–	(165,975)	–	(165,975)	(43,166)	(209,141)
Loss arising on property valuation, net of tax	J8*[˜f&Œðü•	–	(1,259)	–	–	(1,259)	–	(1,259)
Total comprehensive loss for the period	,«Œ&f&<X	–	(1,259)	(165,975)	(146,349)	(313,583)	(22,675)	(336,258)
At 30 June 2022 (unaudited)	õ2022Ë6Ü30ÚŒJ¾2è•	3,626,781	251,060	283,736	756,184	4,917,761	464,214	5,381,975
At 1 January 2021 (audited)	õ2021Ë1Ü1Ú€¾2è•	3,626,781	239,948	337,883	2,355,142	6,559,754	824,239	7,383,993
Loss for the period	,«f&	–	–	–	(251,333)	(251,333)	(99,620)	(350,953)
Other comprehensive income for the period:	,«lüŒ&×Bj							
Exchange difference on translation of foreign operations	lQ.8*[˜Ò3¨X	–	–	4,624	–	4,624	10,490	15,114
Gain arising on property valuation, net of tax	J8*[˜×BŒðü•	–	11,906	–	–	11,906	–	11,906
Total comprehensive income/(loss) for the period	,«Œ&×BJŒf&<X	–	11,906	4,624	(251,333)	(234,803)	(89,130)	(323,933)
At 30 June 2021 (unaudited)	õ2021Ë6Ü30ÚŒJ¾2è•	3,626,781	251,854	342,507	2,103,809	6,324,951	735,109	7,060,060

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS 簡明綜合現金流量表

For the six months ended 30 June 2022
Ø022Ë 6Ü 30Ø



1. BASIS OF PREPARATION

The unaudited interim condensed consolidated financial statements of the Group for the six months ended 30 June 2022 have been prepared in accordance with Hong Kong Accounting Standard 34 ("HKAS 34") "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") as well as with the applicable disclosure requirements of Appendix 16 to the Listing Rules.

The financial information relating to the year ended 31 December 2021 that is included in this unaudited condensed consolidated statement of financial position as comparative information does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to those statutory financial statements required to be disclosed in accordance with Section 436 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the "Companies Ordinance") is as follows:

The Company has delivered the financial statem0 0 9 87.874 o6 074 e ...½Ë d™ ˜ëÍ4r"í2#‡‡D˜ VÍîÜÚŽÚîó ¾0îÂ

2. PRINCIPAL ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these unaudited interim condensed consolidated financial statements for the six months ended 30 June 2022 are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2021, except for the adoption of the following new and revised Hong Kong Financial Reporting Standards ("HKFRSs") for the first time for the current period's financial statements.

Amendments to HKFRS 3	*Reference to the Conceptual Framework*
Amendments to HKAS 16	*Property, Plant and Equipment*

2. PRINCIPAL ACCOUNTING POLICIES *(Continued)*

(c) Amendments to HKAS 37 clarify that for the purpose of assessing whether a contract is onerous under HKAS 37, the cost of fulfilling the contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract include both the incremental costs of fulfilling that contract (e.g., direct labour and materials) and an allocation of other costs that relate directly to fulfilling that contract (e.g., an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract as well as contract management and supervision costs). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. The amendments did not have any impact on the financial position and performance of the Group.

(d) Annual Improvements to HKFRSs 2018-2020 sets out amendments to HKFRS 1, HKFRS 9, Illustrative Examples accompanying HKFRS 16, and HKAS 41. Details of the amendments that are expected to be applicable to the Group are as follows:

2. PRINCIPAL ACCOUNTING POLICIES *(Continued)*

- HKFRS 9 *Financial Instruments* clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. The amendment did not have any impact on the financial position of the Group.

- HKFRS 16 *Leases*: removes the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 accompanying HKFRS 16. This removes potential confusion regarding the treatment of lease incentives when applying HKFRS 16.

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3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and has the following reporting segments:

(a) the investments segment representing the investments in financial assets at FVTPL and loan receivables; and

(b) the property leasing segment representing the holding of properties for rental income and/or potential for capital appreciation.

Management of the Group 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 finance costs, share of results of associates and a joint venture and corporate expenses are excluded from such measurement.

No segment assets or liabilities are presented as the chief operating decision maker of the Company does not regularly review segment assets and liabilities.

3. OPERATING SEGMENT INFORMATION
(Continued)

Six months ended 30 June 2022 (Unaudited)



3. OPERATING SEGMENT INFORMATION *(Continued)*

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Six months ended 30 June 2021 (Unaudited) Ú 2021 Ë 6 Ü30 Ú ß ¬ H Œ Ì ¼ 2 è •

		Investments	Property leasing	Total
		HK$'000	*HK$'000*	*HK$'000*
		w ¥ ©	w ¥ ©	w ¥ ©
Revenue	× B	—	43,574	43,574
Segment profit	± Å P ¡	143,469	52,987	196,456
Other unallocated income, gains and losses	Ì ú J ± ã ×] e × B ¿ Ì &			2,170
Corporate expenses	† 8 $ Ó			(69,249)
Finance costs	Ì Ì \			(166,760)
Share of profit/(loss) of:	± & ñ • ¢ Ù ¯ P ¡ Æ Ì & ƒ			
— an associate	— S • L ® I			1,077
— a joint venture	— S • ¥ ¯] ã			(307,119)
Loss before taxation	ð ú Ã Ì &			(343,425)
Taxation	u °			(7,528)
Loss for the period	¸ « Ì &			(350,953)

3. OPERATING SEGMENT INFORMATION *(Continued)*

Geographical information

4. REVENUE AND OTHER INCOME, GAINS AND LOSSES

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An analysis of the revenue is as follows:

× B ± ½ h j

	Six months ended 30 June Ú 6 Ü30 Ú ß ¬ H Ü	
	2022 *HK$'000* *w ¥ ©* (Unaudited) € J ¾ 2 è •	2021 *HK$'000* *w ¥ ©* (Unaudited) € J ¾ 2 è •
Revenue from other sources	*l ü 8 Ü × B*	
Gross rental income	< a ÷ ×]	43,574
Dividend income from listed and unlisted securities	] 9 ¿ ¢] 9 Ç N p ³ ×]	—
		43,574

An analysis of other income, gains and losses is as follows:

l ü ×] e × B ¿ f & ± ± ½ h j

	Six months ended 30 June Ú 6 Ü30 Ú ß ¬ H Ü	
	2022 *HK$'000* *w ¥ ©* (Unaudited) € J ¾ 2 è •	2021 *HK$'000* *w ¥ ©* (Unaudited) € J ¾ 2 è •
Interest income	; ×]	
— amount due from an associate	— Đ × S • L ® l ›	11,874
— amount due from a joint venture	— Đ × S • ¥ † 8 ›	40,389
— loan receivables	— Đ × r ×	101,168
— bank deposits	— Ô Á ›	1,418
Net foreign exchange loss	Ô 3 f & X	(1,573)
Government grants	A ' þ h	—
Others	l u	2,408
		155,684

5. FINANCE COSTS

5. Ì I \

An analysis of finance costs is as follows:

Ì I \ ± ½ h j

		Six months ended 30 June Ú 6 Ü30 Ú ß ¬ H Ü	
		2022 *HK$'000* *w ¥ ©* (Unaudited) € J ¾ 2 è •	2021 *HK$'000* *w ¥ ©* (Unaudited) € J ¾ 2 è •
Interest on bank loans	Õ r › ; ¹		5,770
Interest on other loans	I ü r › ; ¹		77,604
Interest on convertible bonds	I p À N ; ¹		73,743
Interest on senior note	´ ‹ C ½ ; ¹		7,285
Interest on lease liability	a # À ; ¹		2,358
			166,760

6. TAXATION

No provision for Hong Kong profits tax has been made as the Company and its subsidiaries in Hong Kong incurred tax losses for both reporting periods.

The taxation charge of the PRC Corporate Income Tax ("CIT") for the reporting periods has been made based on the Group's estimated assessable profits calculated in accordance with the relevant income tax laws applicable to the Company's subsidiaries in the PRC. Under the Law of the PRC on Corporate Income Tax (the "CIT Law") and the Implementation Regulation of the CIT Law, the tax rate of the Company's subsidiaries in the PRC was 25% for both reporting periods.

7. LOSS BEFORE TAXATION

The Group's loss before taxation was arrived at after charging/(crediting):

	Six months ended 30 June Ú 6 Ü30 Ú ß ¬ H Ü	
	2022 *HK$'000* *w ¥ ©* (Unaudited) € J ¾ 2 è •	2021 *HK$'000* *w ¥ ©* (Unaudited) € J ¾ 2 è •
Depreciation of property, plant and equipment (J 8 e @ Ò ¿ £ ê ˜ ±)		5,417
Depreciation of right-of-use assets (4 \ Æ * ˜ ±)		1,981
Change in fair value of financial assets at FVTPL (ø ® ª = Ž ò I] & B ˜ – D * ˜ ® ª =)		

8. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculations of the basic and diluted loss per share attributable to the ordinary equity holders of the Company are based on the following data:

	Six months ended 30 June Ú 6 Ü30 Ú ß ¬ H Ü	
	2022 *HK$'000*	2021 *HK$'000*

9. DIVIDEND

The Board has resolved not to declare any interim dividend for the six months ended 30 June 2022 (six months ended 30 June 2021: nil).

10. MOVEMENTS IN INVESTMENT PROPERTIES

During the six months ended 30 June 2022, the Group did not make any material additions or disposals of investment properties.

The fair values of the investment properties of the Group as at 30 June 2022 were arrived at on the basis of the respective valuations as at such dates carried out by Greater China Appraisal Limited ("GCA") (31 December 2021: Vigers Appraisal & Consulting Limited ("Vigers")), an independent qualified professional valuer not connected with the Group.

The fair values of the investment properties of the Group were determined by reference to comparable sales transactions available in the relevant market or by the investment approach, where the market rentals of all lettable units of the properties are assessed and discounted at the market yield expected by investors for these types of proper ties. The market rentals are assessed by reference to the rentals received in the lettable units of the properties as well as other lettings of similar properties in the neighbourhood. The capitalisation rate adopted is made by reference to the yields derived from analysing the sales transactions of similar commercial properties and adjusted to take into account the market expectation from property investors to reflect factors specific to the Group's investment properties.

In estimating the fair values of the properties, the highest and best use of the properties is their current use.

10. MOVEMENTS IN INVESTMENT PROPERTIES *(Continued)*

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The decrease in the fair value of investment properties for the six months ended 30 June 2022 of approximately HK$33,831,000 (six months ended 30 June 2021: increase of approximately HK$31,313,000) has been recognised directly in these unaudited condensed consolidated statement of profit or loss of the Group.

³ J 8 ˜ ® ª = ˜ Ç p X o Ú 2022 Ë 6 Ü30 Ú ß ¬ H Ü Ò33,831,000 ¥ ©€ Ú 2021 Ë 6 Ü30 Ú ß ¬ H Ü j # Ò 31,313,000 ¥ © •Š \ Ý ó Ì « J ¾ 2 ë u] ¥ & B Œ ½ © f

All the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

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11. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

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During the current interim period, the Group paid approximately HK$14,000 (six months ended 30 June 2021: HK$18,925,000) for the acquisition of property, plant and equipment. During the current interim period, the Group did not have disposal of property, plant and equipment (six months ended 30 June 2021: Nil).

ò Ì • , , œ d Ì « ‰ × , J 8 ë @ Ò ¿ £ ê Ô ù Ò 14,000 ¥ €€ Ú 2021 Ë 6 Ü30 Ú ß ¬ H Ü 18,925,000 ¥ © ¶ ò Ì • , , œ d Ì « (Ì / J 8 ë @ Ò ¿ £ ê€ Ú 2021 Ë 6 Ü30 Ú ß ¬ H Ü j Ì ¶

The fair values of the Group's leasehold land and buildings as at 30 June 2022 have been arrived at on the basis of the respective valuations carried out by GCA (31 December 2021: Vigers). The valuations were arrived at using the direct comparison method by reference to sales evidence as available on the market. The revaluation deficit on revaluation of the leasehold land and buildings amounting to approximately HK$839,000 (six months ended 30 June 2021: revaluation surplus of HK$12,976,000 charged to asset revaluation reserve) was debited to the asset revaluation reserve.

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12. AMOUNTS DUE FROM AN ASSOCIATE/ JOINT VENTURES

The amount due from an associate as at 30 June 2022 was unsecured, non-trade in nature, bearing interest of 4% per annum and repayable within one year. As at 30 June 2022, the amount due from an associate was assessed individually and impairment of approximately HK$2,096,000 (six months ended 30 June 2021: reversal of impairment of approximately HK$4,147,000) was made for the current interim period as a result of the change in the credit risk of the associate of the Group.

As at 30 June 2022, amounts due from joint ventures consisted of (i) an amount of approximately HK$994,990,000 which was unsecured, non-trade in nature, bearing interest at 4.35% p(5%)0.5 (p(5%)00ue(i)0.5 (n)0.n (t)0.5 (u)0.m(5%)00uen (t)0.d)1t

13. TRADE RECEIVABLES

The Group allows a credit period of 30 to 60 days for its trade customers.

The following is an aging analysis of the trade receivables presented based on the invoice dates at the end of the reporting periods, which approximated the respective revenue recognition dates:

	As at 30 June õ6 Ü30 Ú 2022 *HK$'000* *w ¥ ©* (Unaudited) € J ¾ 2 è •	As at 31 December õ12 Ü31 Ú 2021 *HK$'000* *w ¥ ©* (Audited) € ¾ 2 è •
0 to 30 days	0 30 Ü	4,377

14. LOAN RECEIVABLES

As at 30 June 2022, the loan receivables were unsecured and bore interest between 4.75% to 20% per annum. As at 30 June 2022, the Company assessed the loss allowance of these loan receivables individually and impairment of approximately HK$35,100,000 (six months ended 30 June 2021: reversal of impairment of approximately HK$12,369,000) was made for the current interim period as a result of the change in the credit risk of the debtors in respect of these loan receivables, who were independent third parties of the Group.

As at 30 June 2022, loan receivables of approximately HK$163,020,000 (31 December 2021: HK$163,020,000)

15. IMPAIRMENT ASSESSMENT ON FINANCIAL ASSETS AND OTHER ITEMS SUBJECT TO EXPECTED CREDIT LOSS MODEL

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		Six months ended 30 June Ú 6 Ü30 Ú ß ¬ H Ü	
		2022 *HK$'000* w ¥ © (Unaudited) € J ¾ 2 è •	2021 *HK$'000* w ¥ © (Unaudited) € J ¾ 2 è •
Impairment loss/(reversal) of impairment recognised in respect of:	1 ø h ° f Š ½ © ˜ ¯ = f & J ¯ =€ a « þ		
Loan receivables	Ð × r ›	35,100	(12,369)
Amounts due from an associate and joint ventures	Ð × S • L ® ! ¿ ¥ † 8 ›	5,164	(6,499)
		40,264	(18,868)

The basis of determining the inputs and assumptions and the estimation techniques used in these unaudited condensed consolidated financial statements for the six months ended 30 June 2022 are the same as those used in the preparation of the Group's audited consolidated financial statements for the year ended 31 December 2021.

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During the current interim period, the Group provided for impairment of approximately HK$40,264,000 (six months ended 30 June 2021: reversal of impairment loss of approximately HK$18,868,000).

õ I • , , œ d I « d ¯ = Ò 40,264,000 ¥ ©€ Ú 2021 Ë6 Ü30 Ú ß ¬ H Ü j ¯ = a « Ò18,868,000 ¥ ©•

16. PLEDGE OF ASSETS

As at 30 June 2022, the Group pledged certain investment properties and leasehold land and buildings with an aggregate carrying value at the end of the reporting period of approximately HK$2,522,649,000 (31 December 2021: HK$2,650,502,000) and approximately HK$195,700,000 (31 December 2021: HK$198,500,000) respectively to secure general banking facilities granted to the Group, other loans and

18. INTEREST-BEARING BANK AND OTHER BORROWINGS



18. INTEREST-BEARING BANK AND OTHER BORROWINGS *(Continued)*

	As at 30 June 2022 (Unaudited) õ 2022 Ë 6 Ü30 Ú € J ¾ 2 è • *HK$'000* *w ¥ ©*	As at 31 December 2021 (Audited) õ 2021 12 Ü31 Ú € ¾ 2 è • *HK$'000* *w ¥ ©*

19. DEFERRED TAX LIABILITIES

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The followings are the major deferred tax assets and liabilities recognised and movements thereon during the current interim period:

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		Accelerated tax depreciation º ü ± *HK$'000* w ¥ ©	Revaluation of properties J 8 *HK$'000* w ¥ ©	Revaluation of financial assets – D * *HK$'000* w ¥ ©	Tax losses ü f & *HK$'000* w ¥ ©	Total < X *HK$'000* w ¥ ©
At 31 December 2021 (audited)	õ 2021 Ë 12 Ü 31 Ú € ¾ 2 è •	(55)	(245,169)	(5,126)	1,808	(248,542)
Credited to profit or loss for the period *(Note 6)*	õ , «] & B *€ • W6 •*	—	7,400	—	—	7,400
Credited to other comprehensive loss for the period	õ , «] l ü Œ & f &	—	151	—	—	151
Exchange realignment	Ò 3 Æ	—	157	—	—	157
At 30 June 2022 (unaudited)	õ 2022 Ë 6 Ü 30 Ú € J ¾ 2 è •	(55)	(237,461)	(5,126)	1,808	(240,834)

20. COMMITMENTS

20. Õ Ä

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

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		As at 30 June õ 6 Ü 30 Ú 2022 *HK$'000* w ¥ © (Unaudited) € J ¾ 2 è •	As at 31 December õ 12 Ü 31 Ú 2021 *HK$'000* w ¥ © (Audited) € ¾ 2 è •
Contracted, but not provided for:	Š Ò (J d j		
Unlisted equity securities	¢ j 9 p l Ç N		183,374

21. RELATED PARTY TRANSACTIONS

In addition to the transactions detailed elsewhere in these unaudited condensed consolidated financial statements, the Group had the following transactions with related parties during the reporting periods:

	Six months ended 30 June Ú 6 Ü30 Ú ß ¬ H Ü	
	2022 *HK$'000* *w ¥ ©* (Unaudited) € J ¾ 2 è •	2021 *HK$'000* *w ¥ ©* (Unaudited) € J ¾ 2 è •
Interest income from an associate	S • L @ I Y ; ¹ ×]	11,874
Interest expense to non-controlling shareholders of subsidiaries	• n @ I ¯ ¢ › S p Y ; ¹ Ó	2,546
Interest income from a joint venture	S • ¥ † 8 ¯ ; ¹ ×]	40,389
Interest expense to a substantial shareholder	S ¤ ó p ¯ ; ¹ Ó	28,856
Rental payment to a substantial shareholder	Ó ú S ¤ ó p ¯ a	781
Management fee to an entity controlled by a close family member of Mr. Chu Hing Tsung	Ó ú á EB* ‹ [S ¤ • K › S ¼ ¯ M # I	533

22. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

As at 30 June 2022, the carrying amounts of the Group's financial instruments reasonably approximated to their fair values.

Management has assessed that the fair values of trade receivables, financial assets included in deposits, prepayments and other receivables, amounts due from a joint venture and an associate, loan receivables, pledged bank deposits, cash and bank balances, financial liabilities included in accrued charges, rental deposits and other payables and the current portion of interest-bearing bank and other borrowings approximated to their carrying amounts as at 30 June 2022 largely due to the short term maturities of these instruments.

The Group's finance department headed by the directors of the Company is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance department reports directly to the directors and the audit committee of the Company. At each reporting date, the finance department of the Group analyses the movements in the values of the financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the directors of the Company. The valuation process and results are discussed with the audit committee of the Company twice a year for interim and annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instruments could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

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22. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS *(Continued)*

The following methods and assumptions were used to estimate the fair values:

The fair values of loan receivables and interest-bearing bank and other borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The fair value of the liability component of the convertible bonds is estimated by discounting the expected future cash flows using an equivalent market interest rate for a similar convertible bond with consideration given to the Group's own non-performance risk. The changes in fair value as a result of the Group's own non-performance risk for borrowings as at 30 June 2022 and 31 December 2021 were assessed to be insignificant.

The fair values of the listed equity investments are based on their quoted market prices. The fair values of certain club debentures have been valued based on historical transaction price from the relevant institutions, which are classified as Level 2. The fair values of unlisted securities and unlisted funds are based on adjusted net assets approach by adjusting the book value of assets and liabilities of the investees to their fair value, or estimated by using a discounted cash flow valuation model based on the contractual disposal price of an unlisted security.

The fair value of the non-performing asset portfolio is estimated by discounting the expected future cash flows using rates for instruments with similar terms, credit risk and the aggregate of the values of the underlying collateral securing the respective outstanding receivables owned by the creditors. The Group's own non-performance risk for the non-performing asset portfolio as at 30 June 2022 and 31 December 2021 was assessed to be insignificant.

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22. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS *(Continued)*

The directors of the Company believe that the estimated fair values resulting from the valuation technique, which were recorded in the unaudited condensed consolidated statement of financial position as at 30 June 2021 of the Group, and the related changes in fair values, which were recorded in the unaudited condensed consolidated statement of profit or loss for the six months ended 30 June 2022 of the Group, were reasonable, and that they were the most appropriate values at the end of the reporting period.

Set out below is a summary of the significant unobservable inputs used in the valuations of the unlisted equity securities, unlisted funds and non-performing asset portfolio:

	Valuation techniques =Ù,	Significant unobservable inputs }" HÀi]p½	30 June 2022 2022 Ë6 Ü30 Ú (Unaudited) €J¾2è•	31 December 2021 2021 Ë12 Ü31 Ú (Audited) €¾2è•
Unlisted equity securities and unlisted funds	Adjusted net asset approach	Book value of assets and liabilities of the investees adjusted to their fair value (HK$ million)		532
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Non-performing asset portfolio	Discounted cash flow approach	Aggregate of the valuation of the individual underlying collateral secured to the respective outstanding receivables owned by the creditors (HK$ million)		565
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As at 30 June 2022, a 1% increase/decrease in the fair values of assets and liabilities of the investees would result in an increase/a decrease in the fair value of the unlisted equity securities and unlisted funds of approximately HK$5,030,000 (31 December 2021: HK$5,320,000).

22. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS *(Continued)*

As at 30 June 2022, a 1% increase/decrease in the collaterals for the respective non-performing assets would result in an increase/a decrease in the fair value of the non-performing asset portfolio of approximately HK$2,930,000 (31 December 2021: HK$5,650,000).

The following table illustrates the fair value measurement hierarchy of the Group's financial instruments:

Fair value hierarchy

		Fair value measurement using 4 \ h • ¢ ° ° @ ª ≈ Ž			
	Quoted prices in active markets ô z ° 9 ~	Significant observable inputs] H Á ì] p ½	Significant unobservable inputs] ° H Á ì] p ½		
HK$'000	(Level 1) ¥ ¥ ©	(Level 2) € K1 t •	(Level 3) € K2 t •	(Level 3) € K3 t •	Total <
Assets measured at fair value: ô 2022 Ë 6 Ü30 Ú 2					
as at 30 June 2022: ª ≈ Ž ~ ì					
Derivative financial instrument [– D ° H	—	—	—	—	—
Financial assets at FVTPL 2 ª ≈ Ž o ì					
] & B ° – D °	167,177	6,627	837,776		1,011,580

22. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS *(Continued)*

Fair value hierarchy *(Continued)*

The movements in fair value measurements in Level 3 during the six months ended 30 June 2022 and the year ended 31 December 2021 are as follows:

		Financial assets – D * *HK$'000* w ¥ ©
At 1 January 2021	õ 2021 Ë 1 Ü 1 Ú	908,562
Additions of financial assets at FVTPL measured at fair value in Level 3	õ K3 t « ô Ä ø ® ª = Ž ò I] & B Y – D *	335,862
Disposal of financial assets at FVTPL measured at fair value in Level 3	õ K3 t « / ø ® ª = Ž ò ò] k & B Y] & B J – Ð * D Ø	(154,853)
Total loss recognised in profit or loss	õ & B ½ © ˜ f & < X	(145,929)
Exchange realignment	Ò 3 0 M	26,234
At 31 December 2021	õ 2021 Ë 12 Ü 31 Ú	969,876

Addition of financial assets at FVTPL measured at fair value in