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CSC HOLDINGS LIMITED
中策資本控股有限公司

(Incorporated in Hong Kong with limited liability)
(Stock Code: 235)

FINAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022

The Board of Directors (the “**Board**”) of CSC Holdings Limited (the “**Company**”) hereby announces the audited consolidated results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 December 2022 together with comparative figures as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2022

	<i>Notes</i>	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Revenue	3	323,579	423,994
Trading income		188,301	222,394
Dividend income		540	987
Interest income		130,669	194,015
Commission, handling income and others		4,069	6,598
Purchases and related expenses		(188,070)	(222,142)
Other income	5	9,010	2,719
Other gain and loss, net	6	237	(648)
Staff costs		(29,512)	(30,537)
Other expenses		(32,212)	(65,063)
Net loss on financial assets at fair value through profit or loss	7	(8,086)	(3,674,811)
Loss on disposal of debt instruments at fair value through other comprehensive income		–	(78,780)
Provision for impairment losses under expected credit loss model, net of reversal	10	(216,698)	(273,695)
Finance costs	8	(13,098)	(111,713)

	<i>Notes</i>	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Loss before tax		(154,850)	(4,030,676)
Income tax (expense) credit	9	(34,399)	447,379
Loss for the year attributable to owners of the Company	10	(189,249)	(3,583,297)
Other comprehensive (expense) income			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Deferred tax on net fair value changes of debt instruments at fair value through other comprehensive income		–	(15,482)
Net fair value loss on debt instruments at fair value through other comprehensive income		(41,883)	(268,398)
Provision for impairment loss on debt instruments at fair value through other comprehensive income included in profit or loss	10	7,301	253,348
Release on disposal of debt instruments at fair value through other comprehensive income		–	78,780
Other comprehensive (expense) income for the year		(34,582)	48,248
Total comprehensive expense for the year attributable to owners of the Company		(223,831)	(3,535,049)
Loss per share attributable to owners of the Company			
– Basic	12	HK(0.93) cent	HK(17.58) cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2022

	<i>Notes</i>	2022 HK\$'000	2021 HK\$'000
Non-current assets			
Property, plant and equipment		10,346	14,745
Right-of-use assets		10,769	19,095
Goodwill		4,000	4,000
Club debentures		1,928	1,928
Debt instruments at fair value through other comprehensive income	<i>13</i>	22,077	63,960
Deferred tax assets		1,315	29,856
		<hr/>	<hr/>
Total non-current assets		50,435	133,584
Current assets			
Loan receivables	<i>14</i>	1,020,598	1,234,675
Trade and other receivables	<i>15</i>	140,638	234,712
Income tax recoverable		5,798	570
Financial assets at fair value through profit or loss	<i>16</i>	17,033	26,632
Pledged bank deposits		–	3,096
Cash and cash equivalents		1,005,561	1,526,693
		<hr/>	<hr/>
Total current assets		2,189,628	3,026,378
Current liabilities			
Trade and other payables	<i>17</i>	37,899	26,539
Income tax payable		2,200	9,973
Notes payable	<i>18</i>	–	692,107
Lease liabilities		7,940	9,371
		<hr/>	<hr/>
Total current liabilities		48,039	737,990
Net current assets		2,141,589	2,288,388
		<hr/>	<hr/>
Total assets less current liabilities		2,192,024	2,421,972
Non-current liability			
Lease liabilities		887	7,892
		<hr/>	<hr/>
Net assets		2,191,137	2,414,080
		<hr/> <hr/>	<hr/> <hr/>
Capital and reserves			
Share capital		3,216,110	3,216,110
Reserves		(1,024,973)	(802,030)
		<hr/>	<hr/>
Total equity		2,191,137	2,414,080
		<hr/> <hr/>	<hr/> <hr/>

Notes:

1. Basis of preparation of consolidated financial statements and significant accounting policies

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (the “**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”). For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) and by the Hong Kong Companies Ordinance (the “**Companies Ordinance**”).

The directors of the Company have, at the time of approving the consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

The consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments that are measured at fair values at the end of each reporting period.

The consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), which is also the functional currency of the Company and all values are rounded to the nearest thousand (HK\$’000) except otherwise indicated.

The financial information relating to the years ended 31 December 2022 and 2021 included in this preliminary final results announcement for the year ended 31 December 2022 does not constitute the Company’s statutory annual consolidated financial statements for those years but is derived from those financial statements. Further information relating to these statutory financial statements disclosed in accordance with section 436 of the Companies Ordinance is as follows:

The Company has delivered the financial statements for the year ended 31 December 2021 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance and will deliver the financial statements for the year ended 31 December 2022 in due course.

The Company’s auditor has reported on the financial statements of the Group for both years. The auditor’s reports are unqualified; do not include a reference to any matters to which the auditor draws attention by way of emphasis without qualifying its reports; and do not contain a statement under sections 406(2), 407(2) or (3) of the Companies Ordinance.

2. Application of amendments to 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 HKICPA for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2022 for the preparation of the consolidated financial statements:

Amendments to HKFRS 3	Reference to the conceptual framework
Amendments to HKFRS 16	Covid-19-related rent concessions beyond 30 June 2021
Amendments to HKAS 16	Property, plant and equipment – proceeds before intended use
Amendments to HKAS 37	Onerous contracts – cost of fulfilling a contract
Amendments to HKFRSs	Annual improvements to HKFRSs 2018-2020

The application of the amendments to HKFRSs in the current year has 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 the consolidated financial statements.

3. Revenue

An analysis of the Group's revenue for the year is as follows:

	2022	2021
	<i>HK\$'000</i>	<i>HK\$'000</i>
Trading of coke products	188,301	222,394
Dividend income from financial assets at fair value through profit or loss (“FVTPL”)	540	987
Interest income from debt instruments at fair value through other comprehensive income (“FVTOCI”)	–	37,484
Interest income from securities margin financing business	7,146	6,626
Interest income from money lending business	123,523	149,905
Arrangement fee income from money lending business	200	425
Commission and handling income from securities brokerage business	3,869	6,173
	323,579	423,994

Disaggregation of revenue from contracts with customers and reconciliation of total revenue:

	Investment in securities <i>HK\$'000</i>	Trading <i>HK\$'000</i>	Money lending <i>HK\$'000</i>	Securities brokerage <i>HK\$'000</i>	Total <i>HK\$'000</i>
For the year ended 31 December 2022					
Types of goods and services					
Commission, handling income and others	-	-	200	3,869	4,069
Trading income	-	188,301	-	-	188,301
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Revenue from contracts with customers	-	188,301	200	3,869	192,370
Dividend income	540	-	-	-	540
Interest income	-	-	123,523	7,146	130,669
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total revenue	540	188,301	123,723	11,015	323,579
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
For the year ended 31 December 2021					
Types of goods and services					
Commission, handling income and others	-	-	425	6,173	6,598
Trading income	-	222,394	-	-	222,394
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Revenue from contracts with customers	-	222,394	425	6,173	228,992
Dividend income	987	-	-	-	987
Interest income	37,484	-	149,905	6,626	194,015
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total revenue	38,471	222,394	150,330	12,799	423,994
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

During the years ended 31 December 2022 and 2021, the revenue is recognised at a point in time except for dividend income and interest income which fall outside the scope of HKFRS 15.

The Group recognises revenue from trading of coke products. The Group acts as the principal for such transactions as it controls the specified goods before they are transferred to the customer and it is primarily responsible for fulfilment of the promise to provide the goods. Performance obligations are satisfied at a point in time once control of the goods has been transferred to the customers. For trading business, the Group normally allows credit period for trade customers ranging from 30 to 180 days (2021: 30 to 180 days).

Brokerage commission income is recognised on a trade date basis when the relevant transactions are executed. Other service income is recognised when the related services are rendered.

This is consistent with the revenue information disclosed for each operating segment.

4. Segment information

The following is an analysis of the Group's revenue and results by operating segments, based on information provided to the chief operating decision maker, for the purposes of allocating resources and assessment of segment performance. This is also the basis upon which the Group is arranged and organised.

The Group's operating segments under HKFRS 8 are as follows:

- (i) Investment in securities
- (ii) Trading of coke products ("**Trading**")
- (iii) Money lending
- (iv) Securities brokerage

Segment revenues and results

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

	Investment in securities <i>HK\$'000</i>	Trading <i>HK\$'000</i>	Money lending <i>HK\$'000</i>	Securities brokerage <i>HK\$'000</i>	Total <i>HK\$'000</i>
For the year ended 31 December 2022					
Segment Revenue					
External sales/sources	<u>540</u>	<u>188,301</u>	<u>123,723</u>	<u>11,015</u>	<u>323,579</u>
Results					
Segment results	<u>(15,164)</u>	<u>3,614</u>	<u>(92,210)</u>	<u>8,918</u>	<u>(94,842)</u>
Other income					2,860
Other gain and loss, net					217
Central administrative expenses					(49,987)
Finance costs					<u>(13,098)</u>
Loss before tax					(154,850)
Income tax expense					<u>(34,399)</u>
Loss for the year					<u><u>(189,249)</u></u>
For the year ended 31 December 2021					
Segment Revenue					
External sales/sources	<u>38,471</u>	<u>222,394</u>	<u>150,330</u>	<u>12,799</u>	<u>423,994</u>
Results					
Segment results	<u>(3,970,273)</u>	<u>180</u>	<u>123,434</u>	<u>9,084</u>	<u>(3,837,575)</u>
Other income					1,618
Other gain and loss, net					143
Central administrative expenses					(83,149)
Finance costs					<u>(111,713)</u>
Loss before tax					(4,030,676)
Income tax credit					<u>447,379</u>
Loss for the year					<u><u>(3,583,297)</u></u>

Segment (loss) profit represents the loss incurred/profit earned by each segment without allocation of certain other income, certain other gain and loss, net, central administrative expenses (including depreciation of property, plant and equipment and right-of-use assets), finance costs and income tax (expense) credit.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating segments:

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Segment assets		
Investment in securities	47,406	103,098
Trading	214,688	1,389
Money lending	1,213,184	1,439,280
Securities brokerage	290,062	486,245
	<hr/>	<hr/>
Total segment assets	1,765,340	2,030,012
Property, plant and equipment	10,346	14,745
Right-of-use assets	10,769	19,095
Cash and cash equivalents	442,624	1,089,566
Other unallocated assets	10,984	6,544
	<hr/>	<hr/>
Consolidated assets	2,240,063	3,159,962
	<hr/> <hr/>	<hr/> <hr/>
Segment liabilities		
Investment in securities	60	4,875
Trading	60	114
Money lending	13,398	1,315
Securities brokerage	17,941	21,209
	<hr/>	<hr/>
Total segment liabilities	31,459	27,513
Other payables	8,640	8,999
Notes payable	–	692,107
Lease liabilities	8,827	17,263
	<hr/>	<hr/>
Consolidated liabilities	48,926	745,882
	<hr/> <hr/>	<hr/> <hr/>

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to operating segments other than property, plant and equipment, right-of-use assets, certain cash and cash equivalents and certain other assets; and
- all liabilities are allocated to operating segments other than certain other payables, notes payable and lease liabilities.

5. Other income

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Bank interest income	8,076	1,919
Other interest income	–	800
Government grants (<i>Note</i>)	911	–
Others	23	–
	<u>9,010</u>	<u>2,719</u>

Note: During the year ended 31 December 2022, the Group recognised government grants of HK\$911,000 (2021: nil) in respect of COVID-19-related subsidies which related to the Employment Support Scheme provided by the Hong Kong government.

6. Other gain and loss, net

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Gain on disposal of property, plant and equipment	9	350
Gain on termination of a lease	213	–
Exchange gain (loss), net	15	(998)
	<u>237</u>	<u>(648)</u>

7. Net loss on financial assets at fair value through profit or loss

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Net unrealised loss on financial assets at FVTPL	6,973	4,885
Net realised loss on sales of financial assets at FVTPL	1,113	3,669,926
	<u>8,086</u>	<u>3,674,811</u>

8. Finance costs

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Interest on borrowings	39	17,605
Interest on notes payable (<i>Note 18</i>)	12,726	93,447
Interest on lease liabilities	333	661
	<u>13,098</u>	<u>111,713</u>

9. Income tax (expense) credit

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Tax charge comprises:		
Current tax		
– Hong Kong Profits Tax	(2,310)	(4,682)
Underprovision in prior years		
– Hong Kong Profits Tax	(3,548)	(1,603)
	<u>(5,858)</u>	<u>(6,285)</u>
Deferred tax	<u>(28,541)</u>	<u>453,664</u>
Income tax (expense) credit recognised in profit or loss	<u><u>(34,399)</u></u>	<u><u>447,379</u></u>

Under the two-tiered profits rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million.

10. Loss for the year

Loss for the year has been arrived at after charging the following items:

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Staff costs		
– directors' emoluments	8,373	9,174
– other staff salaries, wages and other benefits	20,398	20,518
– retirement benefit scheme contributions, excluding directors	741	845
Total staff costs	<u><u>29,512</u></u>	<u><u>30,537</u></u>
Provision for impairment loss on debt instruments at FVTOCI	7,301	253,348
Provision for impairment loss on loan receivables	<u>209,397</u>	<u>20,347</u>
Total impairment losses	<u><u>216,698</u></u>	<u><u>273,695</u></u>
Auditor's remuneration	1,880	2,050
Depreciation of property, plant and equipment	2,918	3,275
Depreciation of right-of-use assets	7,474	9,293
Cost of inventories recognised as expenses	<u><u>187,981</u></u>	<u><u>191,549</u></u>

11. Dividends

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

12. Loss per share

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

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Loss:		
Loss for the year attributable to owners of the Company for the purpose of calculating basic loss per share	<u>189,249</u>	<u>3,583,297</u>
	2022 '000	2021 '000
Number of shares:		
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	<u>20,385,254</u>	<u>20,385,254</u>

Diluted loss per share for the years ended 31 December 2022 and 2021 are not presented as there were no dilutive potential ordinary shares in issue during both years.

13. Debt instruments at fair value through other comprehensive income

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Listed investments, at fair value:		
– Debt securities listed overseas (2021: overseas) with fixed interest at 9.50% (2021: 9.50%) per annum and maturity date on 29 March 2024 (2021: 29 March 2024)	<u>22,077</u>	<u>63,960</u>
Analysed as:		
Non-current portion	<u>22,077</u>	<u>63,960</u>

At 31 December 2022 and 31 December 2021, debt instruments at FVTOCI were stated at fair values which were determined based on the quoted market closing prices.

The Group provided impairment allowance of HK\$7,301,000 (2021: HK\$253,348,000) on debt instruments at FVTOCI for the current year.

14. Loan receivables

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Fixed-rate loan receivables	1,527,714	1,491,216
Less: impairment allowance	<u>(507,116)</u>	<u>(256,541)</u>
	<u>1,020,598</u>	<u>1,234,675</u>
Analysed as:		
Current portion	<u>1,020,598</u>	<u>1,234,675</u>
Analysed as:		
Secured	1,010,076	1,223,824
Unsecured	<u>10,522</u>	<u>10,851</u>
	<u>1,020,598</u>	<u>1,234,675</u>

At 31 December 2022, the range of interest rates and maturity dates attributed to the Group's performing loan receivables were 9% to 13% (2021: 8.5% to 13%) per annum and from 31 January 2023 to 8 September 2023 (2021: 4 March 2022 to 27 December 2022) respectively.

An analysis of the Group's fixed-rate loan receivables by their respective contractual maturity dates is as follows:

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Fixed-rate loan receivables:		
Within one year or on demand	<u>1,020,598</u>	<u>1,234,675</u>

The Group provided impairment allowance of HK\$209,397,000 (2021: HK\$20,347,000) on loan receivables for the current year.

15. Trade and other receivables

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Trade receivables of securities brokerage business:		
– Cash clients (<i>Note (i)</i>)	1,924	4,169
– Margin clients (<i>Note (i)</i>)	116,484	119,633
– Hong Kong Securities Clearing Company Limited (“HKSCC”) (<i>Note (i)</i>)	–	86,822
	<u>118,408</u>	<u>210,624</u>
Other receivables (<i>Note (ii)</i>)	<u>22,230</u>	<u>24,088</u>
	<u><u>140,638</u></u>	<u><u>234,712</u></u>

Notes:

- (i) For securities brokerage business, the normal settlement terms of trade receivables from cash clients and HKSCC are two days after trade date. The trade receivables from cash and margin clients and HKSCC with carrying amounts totalling HK\$118,408,000 (2021: HK\$210,624,000) were not past due at the end of the reporting period.

Margin clients are required to pledge securities as collateral to the Group in order to obtain the credit facilities for securities trading. The amount of credit facilities granted to them individually is determined based on a discount on the market value of securities pledged to the Group. Any excess in the lending ratio will trigger a margin call for which the clients concerned have to make good the shortfall. At 31 December 2022, the market value of securities pledged by clients to the Group as collateral against margin client receivables amounted to HK\$630,152,000 (2021: HK\$1,501,969,000).

- (ii) Included in other receivables were unrestricted deposits of HK\$266,000 (2021: HK\$4,261,000) placed with securities brokers. The remaining balance of other receivables represented mainly interest receivables, prepayment and deposits for office use.

16. Financial assets at fair value through profit or loss

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Listed investments, at fair value:		
– Equity securities listed in Hong Kong (<i>Note (i)</i>)	17,033	26,332
Unlisted investments, at fair value:		
– Unlisted equity securities (<i>Note (ii)</i>)	–	300
	<u>17,033</u>	<u>26,632</u>
Analysed as:		
Current portion	<u>17,033</u>	<u>26,632</u>

Notes:

- (i) The fair values of the listed equity securities were determined based on the quoted market closing prices available on the Hong Kong Stock Exchange.
- (ii) The fair value was determined with reference to the net asset value of the unlisted equity, which mainly comprised bank balance.

17. Trade and other payables

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Trade payables of securities brokerage business:		
– Cash clients (<i>Note</i>)	17,090	20,059
– Margin clients (<i>Note</i>)	485	581
– HKSCC (<i>Note</i>)	275	–
	<u>17,850</u>	<u>20,640</u>
Accrued charges and other payables	20,049	4,715
Interest payables	–	1,184
	<u>37,899</u>	<u>26,539</u>

Note: For securities brokerage business, the normal settlement terms of trade payables to cash and margin clients and HKSCC are two days after trade date.

18. Notes payable

The movement of the unsecured notes payable for the year is as follows:

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
At the beginning of the year	692,107	1,648,877
Redemption of notes	(700,000)	(1,000,000)
Effective interest charged (<i>Note 8</i>)	12,726	93,447
Interest paid	(3,945)	(40,136)
Gain on non-substantial modification	(16,408)	(24,278)
Loss on early redemption	15,520	14,197
	<u> </u>	<u> </u>
At the end of the year	<u> </u> –	<u> </u> 692,107
Analysed as:		
Current portion	<u> </u> –	<u> </u> 692,107

During the year ended 31 December 2020, the Company issued a series of unsecured notes to a company controlled by a shareholder of the Company.

In July 2020, the Company issued 2-year unsecured notes with nominal value of HK\$500,000,000 denominated in Hong Kong dollars (the “**July 2020 Notes**”). The interest rate for the notes was 5.50% per annum, and the effective interest rate was determined as 8.56% per annum.

In August 2020, the Company issued 1-year unsecured notes with nominal value of HK\$500,000,000 denominated in Hong Kong dollars (the “**August 2020 Notes**”). The interest rate for the notes was 3.00% per annum, and the effective interest rate was determined as 6.98% per annum.

In September 2020, the Company issued 270-day unsecured notes with nominal value of HK\$500,000,000 denominated in Hong Kong dollars (the “**September 2020 Notes**”). The interest rate for the notes was 2.00% per annum, and the effective interest rate was determined as 6.56% per annum.

In October 2020, the Company issued 270-day unsecured notes with nominal value of HK\$200,000,000 denominated in Hong Kong dollars (the “**October 2020 Notes**”). The interest rate for the notes was 2.00% per annum, and the effective interest rate was determined as 7.48% per annum.

All four notes carried options for the Company to early redeem the notes, by giving not less than 15 days' notice to the noteholders, in whole or in part at 100% of the principal amount outstanding, together with interest accrued and unpaid at the date fixed for redemption. The early redemption options of the Company were regarded as embedded derivatives not closely related to the host contract. The directors of the Company considered that the fair values of the early redemption options were insignificant on their respective initial recognition dates and at the end of the reporting periods. The difference between the aggregate consideration received of HK\$1,700,000,000 and the aggregate fair value of the four notes of approximately HK\$1,628,553,000, amounting to HK\$71,447,000, was recognised as shareholder's contribution in the shareholder's contribution reserve in the consolidated statement of changes in equity.

In June 2021, the Company executed a supplemental deed poll to extend the maturity date of the September 2020 Notes to 15 March 2022. The interest rate for the extended notes was 2.00% per annum, and the effective interest rate was determined as 6.56% per annum. The extension of the September 2020 Notes was considered a non-substantial modification of financial liability and a modification gain amounting to HK\$16,409,000 was recognised as shareholder's contribution in the shareholder's contribution reserve in the consolidated statement of changes in equity.

In July 2021, the Company executed a supplemental deed poll to extend the maturity date of the October 2020 Notes to 22 April 2022. The interest rate for the extended notes was 2.00% per annum, and the effective interest rate was determined as 7.48% per annum. The extension of the October 2020 Notes was considered a non-substantial modification of financial liability and a modification gain amounting to HK\$7,869,000 was recognised as shareholder's contribution in the shareholder's contribution reserve in the consolidated statement of changes in equity.

During the year ended 31 December 2021, the July 2020 Notes and the August 2020 Notes were early redeemed. Accordingly, the loss on early redemption of the notes amounting to HK\$14,197,000 was recognised in the shareholder's contribution reserve in the consolidated statement of changes in equity.

In March 2022, the Company executed the second supplemental deed poll to extend the maturity date of the September 2020 Notes to 10 December 2022. The interest rate for the extended notes was 2.00% per annum, and the effective interest rate was determined as 6.56% per annum. The extension of the September 2020 Notes was considered a non-substantial modification of financial liability and a modification gain amounting to HK\$16,408,000 was recognised as shareholder's contribution in the shareholder's contribution reserve in the consolidated statement of changes in equity.

During the year ended 31 December 2022, the September 2020 Notes and the October 2020 Notes were early redeemed. Accordingly, a loss on early redemption of the notes amounting to HK\$15,520,000 was recognised in the shareholder's contribution reserve in the consolidated statement of changes in equity.

FINAL DIVIDEND

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

BUSINESS REVIEW

During the year ended 31 December 2022 (“FY2022”), the Group continued to principally engage in the business of investment in securities, trading of coke products, money lending as well as securities brokerage.

FY2022 was a challenging year filled with market uncertainties and complexities. During the year, the signs of returning to global normality had emerged following the full revival of economic activities of many countries resulting from the containment of the pandemic. Nevertheless, the pace of recovery was inevitably impeded by the energy crises and inflationary pressure arising from the Russian-Ukraine war, the aggressive rate hikes and hawkish stance of the US Federal Reserve, and the heightened political and economic tensions between China and the US. In the local context, economic activities in Hong Kong have started to gradually revive from the worst time following the containment of the virus impact and the gradual lifting of the anti-COVID measures, and it was against this backdrop that the management continued to adopt a cautious and disciplined approach in managing the Group’s businesses during the year. For FY2022, the Group recorded a decrease in revenue by 24% to HK\$323,579,000 (2021: HK\$423,994,000), mainly due to the decrease in sales of the trading operation and interest income from securities investments and the money lending operation, and a decrease in loss attributable to owners of the Company by 95% to HK\$189,249,000 (2021: HK\$3,583,297,000), which was mainly the combined effect of the decrease in net realised loss on sales of financial assets at fair value through profit or loss to HK\$1,113,000 (2021: HK\$3,669,926,000), and the increase in provision for impairment loss on loan receivables to HK\$209,397,000 (2021: HK\$20,347,000).

Investment in Securities

The Group generally acquires securities listed on the Hong Kong Stock Exchange or other recognised stock exchanges and over-the-counter markets with good liquidity that can facilitate swift execution of securities transactions, and sometimes directly from target companies. For making investment or divestment decision on securities of individual target company, references will usually be made to the latest financial information, news and announcements issued by the target company, investment analysis reports that the Company has access to, as well as industry or macro-economic news. When deciding on acquiring securities to be held for long-term purpose, particular emphasis will be placed on the past financial performance of the target company including its sales and profit growth, financial healthiness, dividend policy, business prospects, industry and macroeconomic outlook. When deciding on acquiring securities to be held other than for long-term purpose, in addition to the factors mentioned,

references will also be made to prevailing market sentiments on different sectors of the investment markets. In terms of return, for long-term securities investments, the Company mainly emphasises on return of investment in the form of capital appreciation and dividend/interest income. For securities investments other than for long-term holding, the Company mainly emphasises on return of investment in the form of trading gains.

At 31 December 2022, the Group's securities investments comprised (i) a financial asset at FVTPL portfolio comprising mainly equity securities listed in Hong Kong valued at HK\$17,033,000 (2021: HK\$26,632,000); and (ii) a debt instrument at FVTOCI portfolio comprising debt securities listed on overseas stock exchange valued at HK\$22,077,000 (2021: HK\$63,960,000). As a whole, the Group's securities investments recorded a revenue of HK\$540,000 (2021: HK\$38,471,000) and a loss of HK\$15,164,000 (2021: HK\$3,970,273,000).

Financial assets at FVTPL

At 31 December 2022, the Group held a financial asset at FVTPL portfolio amounting to HK\$17,033,000 measured at market/fair value. During FY2022, the portfolio generated a revenue of HK\$540,000 (2021: HK\$987,000) representing dividends from equity securities. The Group recognised a net loss on financial assets at FVTPL of HK\$8,086,000 (2021: HK\$3,674,811,000), which comprised net unrealised loss and net realised loss of HK\$6,973,000 (2021: HK\$4,885,000) and HK\$1,113,000 (2021: HK\$3,669,926,000) respectively. The net unrealised loss on financial assets at FVTPL represented the decrease in fair value of the listed equity securities held by the Group at the year end, whilst the net realised loss on financial assets at FVTPL represented the net loss on disposal of the Group's listed equity investments during the year. The net realised loss recorded in last year was mainly due to the disposal of the Group's investment in listed shares of China Evergrande New Energy Vehicle Group Limited.

The Group is committed to closely monitor the financial performance of its financial asset at FVTPL portfolio through making investment and divestment decisions on individual securities from time to time based on, amongst others, the internal assessments on prospects of the individual securities and publicly available information of the investee companies.

At 31 December 2022, the Group invested in different categories of companies and their weightings to the market/fair value of the Group's financial asset at FVTPL portfolio of HK\$17,033,000 are as below:

Category of companies	Approximate weighting to the market/fair value of the Group's financial asset at FVTPL portfolio %
Property	98.07
Others	1.93
	100.00

At 31 December 2022, the weightings of the Group's major and other investments to the market/fair value of the Group's financial asset at FVTPL portfolio of HK\$17,033,000 (together with other information) are as below:

Investee company's name and its principal activities [#]	Approximate weighting to the market/ fair value of the Group's financial asset at FVTPL portfolio %	Approximate weighting to the carrying amount of the Group's total assets at 31 December 2022 %	% of shareholding interest %	*Acquisition costs during the year/ carrying amount at 1 January 2022 HK\$'000 A	Market/ fair value at 31 December 2022 HK\$'000 B	Unrealised loss recognised during the year ended 31 December 2022 HK\$'000 C = B - A	Dividend income recognised during the year ended 31 December 2022 HK\$'000
Emperor International Holdings Limited (HKEX stock code: 163) Property investment and development and hospitality businesses	98.07	0.75	0.69	23,537	16,704	(6,833)	531
Others	1.93	0.01	N/A	469	329	(140)	9
	100.00	0.76		24,006	17,033	(6,973)	540

Extracted from published financial information of the investee company.

* The amount represents the costs of the securities acquired during the year ended 31 December 2022 and/or the carrying amount of the securities brought forward from the prior financial year after accounting for additional acquisition and/or disposal of the securities (if any) during the current financial year.

Debt instruments at FVTOCI

At 31 December 2022, the Group's debt instrument at FVTOCI portfolio of HK\$22,077,000 was measured at market/fair value. During FY2022, the Group's debt instrument at FVTOCI portfolio did not generate any revenue (2021: HK\$37,484,000, representing interest income from debt securities). According to the maturity profile of the debt securities, the debt instruments at FVTOCI were classified as non-current assets. During FY2022, the Group had not acquired any debt securities (2021: nil).

At the year end, primarily owing to a fall in market/fair value of the debt instruments, a net fair value loss on the debt instrument at FVTOCI portfolio of HK\$41,883,000 (2021: HK\$268,398,000) was recognised as other comprehensive expense.

During FY2022, the Group had not disposed of any debt securities (2021: received proceeds from disposal of debt securities amounting to HK\$69,455,000 and a loss on disposal of HK\$78,780,000 was released from the Group's investment revaluation reserve and recognised as a loss).

For FY2022, the Group recognised impairment loss of HK\$7,301,000 (2021: HK\$253,348,000) on debt instruments at FVTOCI as the credit risks of the debt instruments had further increased since initial recognition. During FY2022, the expected loss given default of the debt instruments, which were corporate bonds issued by a property company based in the Mainland, had significantly increased owing to defaults of the bond issuer in making interest and principal payments for its indebtedness. As the Group expected the deterioration of the financial position of this bond issuer would ultimately affect the collection of contractual cash flows from its bonds, a provision for impairment loss on debt instruments at FVTOCI of HK\$7,301,000 was recognised in profit or loss with a corresponding adjustment to other comprehensive income.

The Group had engaged an independent professional valuer to perform an impairment assessment on the debt instruments held under the expected credit loss (“ECL”) model. The measurement of ECL is a function of the probability of default and loss given default (i.e. the magnitude of the loss if there is a default), with the assessment of the probability of default and loss given default is based on historical data and forward-looking information. The estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights, and also with reference to the time value of money. In determining the ECL on the Group’s debt instruments for the year, the management had worked closely with the independent professional valuer and taken into account factors including the withdrawal and downgrading of credit rating of the debt instruments by the credit rating agencies, the defaults of the bond issuer in making payments of interest and principal for its indebtedness, and forward-looking information including the future macroeconomic conditions affecting the operations of the bond issuer. There was no change in the method used in determining the impairment loss on debt instruments at FVTOCI from the prior financial year.

At 31 December 2022, the Group invested in the debt securities of a Mainland based property company with details as below:

Category of company	Approximate weighting to the carrying amount of the Group’s total assets at 31 December 2022 %	Yield to maturity on acquisition %	Acquisition costs HK\$’000	Carrying amount at 1 January 2022 HK\$’000	Market/fair value at 31 December 2022 HK\$’000	Accumulated	Fair value loss
						fair value loss recognised up to 31 December 2022 HK\$’000	recognised during the year ended 31 December 2022 HK\$’000
			A	B	C	D = C - A	E = C - B
Property	0.99	9.50	312,000	63,960	22,077	(289,923)	(41,883)

Debt securities listed overseas

Property	0.99	9.50	312,000	63,960	22,077	(289,923)	(41,883)
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Trading

During FY2022, the Group’s trading operation continued to focus on the trading of coke products. The operation reported a decrease in revenue to HK\$188,301,000 (2021: HK\$222,394,000) and an increase in profit to HK\$3,614,000 (2021: HK\$180,000). The rise in profitability of the operation was primarily due to the general improvement of market conditions of the commodity market, which in turn owing to the recovery of the world economy following the easing of the COVID pandemic, as well as the interest income generated from the cash reserved for pledging as security for the bank credit facilities. The management will continue stepping up its effort to explore business opportunities in order to further improve the results of the operation.

Money Lending

The Group's money lending business is conducted through CS Credit Limited, U Credit (HK) Limited and Chap Yik Limited, all are wholly-owned subsidiaries of the Company, and are licensed to conduct money lending activities under the Money Lenders Ordinance. The Group aims to make loans that could be covered by sufficient collaterals, preferably commercial and residential properties in Hong Kong, and to borrowers with good credit history. The Group has a stable source of loan deals from its own business network and its marketing agents. For FY2022, the operation recorded a decrease in revenue of 18% to HK\$123,723,000 (2021: HK\$150,330,000) and a turnaround of its results by posting a loss of HK\$92,210,000 (2021: profit of HK\$123,434,000). The decrease in revenue was mainly due to the lower average amount of performing loans advanced to borrowers during FY2022 whilst the turnaround in operating results was mainly due to the increase in provision for impairment loss on loan receivables to HK\$209,397,000 (2021: HK\$20,347,000).

The Group performs impairment assessment on loan receivables under the ECL model. The measurement of ECL is a function of the probability of default, the loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default (i.e. the magnitude of the loss after accounting for value of the collateral if there is a default). The assessment of probability of default and loss given default is based on historical data and forward-looking information, whilst the valuation of the properties and assets pledged to the Group as collaterals are, where appropriate, performed by independent professional valuers engaged by the Group at each reporting date for the purpose of determining ECL. In accordance with the Group's loan impairment policy, the amount of ECL is updated at each reporting date to reflect the changes in credit risk on loan receivables since initial recognition. For FY2022, the net impairment loss recognised of HK\$209,397,000 primarily represented the credit risk involved in collectability of certain default and non-default loans determined under the Group's loan impairment policy, with reference to factors including the credit history and financial conditions of the borrowers, the ageing of the overdue balances, the realisation value of the collaterals pledged to the Group, and forward-looking information including the future macroeconomic conditions affecting the borrowers (the negative impact of the COVID epidemic on the state of the Hong Kong economy had also been considered).

The Group has a system in place to closely monitor the recoverability of its loan portfolio, its credit monitoring measures include regular collateral value review against market information and regular communication with the borrowers of their financial positions, through which the Group will be able to keep updated with the latest credit profile and risk associated with each individual borrower and could take appropriate actions for loan recovery at the earliest time. If circumstances require, the Group will commence legal actions against the borrowers for recovery of the overdue loans and take possession of the collaterals pledged. At 31 December 2022, the balance of impairment allowance increased by 98% or HK\$250,575,000 to HK\$507,116,000 (2021: HK\$256,541,000), of which a sum of HK\$214,575,000 was impairment allowance for the current year and a sum of HK\$5,178,000 was reversal of allowance owing to settlement of loans and improvement in credit quality of the borrowers. There was no change in the method used in determining the impairment allowance on loan receivables from the prior financial year.

The gross carrying amount of the Group's loan portfolio amounted to HK\$1,527,714,000 (2021: HK\$1,491,216,000) and largely remained in line with the level at prior year end as the management had been prudent in granting new loans in light of the economic conditions in Hong Kong. The net carrying value of the loan portfolio, after impairment allowance, amounted to HK\$1,020,598,000 (2021: HK\$1,234,675,000) at the year end with details as follows:

Category of borrowers	Approximate weighting to the carrying amount of the Group's loan portfolio %	Interest rate per annum %	Maturity
Individual	29.80	9.50 - 18.00	Within one year
Corporate	70.20	8.50 - 18.00	Within one year
	<u>100.00</u>		

At 31 December 2022, 99% (2021: 99%) of the carrying amount of the loan portfolio (after impairment allowance) was secured by collaterals including properties in Hong Kong, listed equity securities and debt securities, with the remaining 1% (2021: 1%) being unsecured. At the year end, the loans made to all borrowers were term loans that were within one year, and the loan made to the largest borrower and the five largest borrowers accounted for 32% (2021: 25%) and 73% (2021: 60%) respectively of the Group's loan portfolio (on a net of impairment allowance basis).

The Group has clear credit policies, guidelines, controls and procedures in place which cover every aspect of a lending process including (i) information verification; (ii) credit assessment; (iii) execution of loan documentations; (iv) continuous loan monitoring; and (v) collection, recovery and enforcement. Before granting loans to potential customers, the Group performs credit assessment process to assess the potential borrowers' credit quality individually and defines the credit limits granted to the borrowers. The credit assessment process encompasses detailed assessment on the credit history and financial background of the borrowers, as well as the value and characteristics of the collaterals to be pledged. The credit limit of loans successfully granted to the borrowers will be subject to regular credit review by the management as part of the ongoing loan monitoring process.

Securities Brokerage

The Group's securities brokerage business is conducted through CS Wealth Securities Limited, a wholly-owned subsidiary of the Company licensed by the Hong Kong Securities and Futures Commission to engage in dealing in securities activities (i.e. Type 1 regulated activity). For FY2022, the overall revenue and profit of the operation decreased by 14% to HK\$11,015,000 (2021: HK\$12,799,000) and 2% to HK\$8,918,000 (2021: HK\$9,084,000) respectively. The decrease in revenue of the operation was the combined effect of the decrease in its brokerage commission income, which dropped by 37% to HK\$3,869,000 (2021: HK\$6,173,000), largely due to the weaker investor sentiment and general decline in turnover of the Hong Kong securities market during the year, and the increase in its interest income from margin financing which rose by 8% to HK\$7,146,000 (2021: HK\$6,626,000), mainly due to the higher average amount of margin loans advanced to clients during the year.

In April 2022, the Group completed the acquisition of an asset management company which is licensed by the Hong Kong Securities and Futures Commission to engage in advising on securities and asset management activities (i.e. Type 4 and 9 regulated activities). It is the plan that this company will engage in fund management activities for equity, fixed income as well as alternative investments, which are activities expected to create synergies with the Group's securities brokerage operation.

Overall Results

For FY2022, the Group recorded a 95% decrease in loss attributable to owners of the Company to HK\$189,249,000 (2021: HK\$3,583,297,000) and a basic loss per share of HK0.93 cent (2021: HK17.58 cents). The Group reported a total comprehensive expense attributable to owners of the Company of HK\$223,831,000 (2021: HK\$3,535,049,000) which included a net fair value loss on debt securities of HK\$41,883,000 (2021: HK\$268,398,000). The loss results recorded by the Group were mainly due to the losses recognised by the Group's securities investments and money lending operation of HK\$15,164,000 (2021: HK\$3,970,273,000) and HK\$92,210,000 (2021: profit of HK\$123,434,000) respectively, though the losses were partly offset by the profitable results of the securities brokerage operation of HK\$8,918,000 (2021: HK\$9,084,000) and the trading operation of HK\$3,614,000 (2021: HK\$180,000).

FINANCIAL REVIEW

Liquidity, Financial Resources and Capital Structure

For FY2022, the Group financed its businesses mainly by funds generated from operations and credit facilities available from financial institutions. At the year end, the Group had current assets of HK\$2,189,628,000 (2021: HK\$3,026,378,000) and liquid assets comprising cash and cash equivalents as well as listed financial assets at FVTPL (excluding clients' money held relating to the Group's securities brokerage business and pledged bank deposits) totalling HK\$1,005,961,000 (2021: HK\$1,535,484,000). The Group's current ratio, calculated based on current assets over current liabilities of HK\$48,039,000 (2021: HK\$737,990,000), was at a ratio of about 45.6 (2021: 4.1).

At 31 December 2022, the Group's trade and other receivables amounted to HK\$140,638,000 (2021: HK\$234,712,000), which mainly comprised trade receivables from margin clients of the securities brokerage business of HK\$116,484,000 (2021: HK\$119,633,000). Since the market value of the securities pledged by the clients to the Group as collaterals amounted to HK\$630,152,000 (2021: HK\$1,501,969,000) and far exceeded the margin client receivables on an individual basis, no impairment allowance was provided on these receivables accordingly. At the year end, the Group had deferred tax assets amounting to HK\$1,315,000 (2021: HK\$29,856,000), which were principally related to the allowance for ECL of loan receivables at the year end.

At 31 December 2022, the equity attributable to owners of the Company amounted to HK\$2,191,137,000 (2021: HK\$2,414,080,000) and was equivalent to an amount of approximately HK10.75 cents (2021: HK11.84 cents) per share of the Company. The decrease in equity attributable to owners of the Company of HK\$222,943,000 was mainly due to the loss recognised by the Group during the year.

During the second half of 2020, the Company issued four tranches of notes comprising (i) the 2-year unsecured notes with nominal value of HK\$500,000,000 bearing interest of 5.5% per annum in July 2020 (the "**July 2020 Notes**"); (ii) the 1-year unsecured notes with nominal value of HK\$500,000,000 bearing interest of 3.0% per annum in August 2020 (the "**August 2020 Notes**"); (iii) the 270-day unsecured notes with nominal value of HK\$500,000,000 bearing interest of 2.0% per annum in September 2020 (the "**September 2020 Notes**"); and (iv) the 270-day unsecured notes with nominal value of HK\$200,000,000 bearing interest of 2.0% per annum in October 2020 (the "**October 2020 Notes**"). All the four tranches of notes carried options for the Company to early redeem the notes, by giving not less than 15 days' notice to the noteholders, in whole or in part at 100% of the principal amount outstanding, together with the interest accrued and unpaid at the date fixed for redemption.

In June 2021, the Company executed a supplemental deed poll to extend the maturity date of the September 2020 Notes to 15 March 2022. In July 2021, the Company executed another supplemental deed poll to extend the maturity date of the October 2020 Notes to 22 April 2022. In August 2021, both the July 2020 Notes and the August 2020 Notes were early redeemed.

In January 2022, the October 2020 Notes were early redeemed. In March 2022, the Company executed the second supplemental deed poll to further extend the maturity date of the September 2020 Notes to 10 December 2022, such notes were subsequently early redeemed in May 2022.

At 31 December 2022, the Company had no outstanding interest bearing notes payable (2021: HK\$692,107,000).

The Group's gearing ratio, calculated on the basis of total liabilities of HK\$48,926,000 (2021: HK\$745,882,000) divided by the equity attributable to owners of the Company of HK\$2,191,137,000 (2021: HK\$2,414,080,000), was about 2% (2021: 31%). The decrease in the Group's gearing ratio was mainly due to the redemption of all outstanding notes payable during the year. The Group's finance costs decreased to HK\$13,098,000 (2021: HK\$111,713,000) was mainly a result of the decrease in the average amount of notes payable during the year.

With the amount of liquid assets on hand as well as the credit facilities granted by financial institutions, the management is of the view that the Group has sufficient financial resources to meet its ongoing operational requirements.

PROSPECTS

With the full relaxation of anti-COVID measures in many countries including Hong Kong and global economics activities are returning to their normality, the Group takes a more positive view about the prospects of its businesses in the medium to long term, albeit the Russia-Ukraine war and the fast rising inflation and interest rates in some major economies including the US are bringing uncertainties to the market. Looking into 2023, the management will continue to adopt a cautious and disciplined approach in managing the businesses of the Group, as well as in seeking new business and investment opportunities which are expected to bring long-term benefits to the Group.

The management continues to evaluate several investment opportunities in respect of target companies which are engaged in the financial industry including the one which is engaged in insurance business in Hong Kong, with the intent to enlarge the scale of the Group's operation and diversify its business and income base. Announcements will be made to inform shareholders as and when there is further material development of these investment opportunities.

CHANGE OF COMPANY NAME

Pursuant to a special resolution passed by the shareholders of the Company at the extraordinary general meeting of the Company held on 12 October 2022, the English name of the Company has been changed from “China Strategic Holdings Limited” to “CSC Holdings Limited” and the Chinese name of the Company has been changed from “中策集團有限公司” to “中策資本控股有限公司” (the “**Change of Company Name**”). The certificate of change of name of the Company was issued by the Registrar of Companies in Hong Kong on 1 November 2022 confirming that the Change of Company Name has become effective.

Details of the Change of Company Name were set out in the circular of the Company dated 16 September 2022 and the announcements of the Company dated 2 September 2022, 12 October 2022 and 10 November 2022.

CORPORATE GOVERNANCE

The Company had complied with all the applicable code provisions of the Corporate Governance Code set out in Appendix 14 to the Listing Rules for the year ended 31 December 2022.

AUDIT COMMITTEE

The audited consolidated financial statements of the Company for the year ended 31 December 2022 have been reviewed by the Audit Committee and duly approved by the Board under the recommendation of the Audit Committee.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2022 as set out in the above preliminary announcement have been agreed by the Group’s auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group’s audited consolidated financial statements for the year. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagement or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

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

During the year ended 31 December 2022, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

By Order of the Board
CSC Holdings Limited
Dr. Or Ching Fai
Chairman

Hong Kong, 28 March 2023

As at the date of this announcement, the Board comprises one Non-executive Director, namely Dr. Or Ching Fai (Chairman); three Executive Directors, namely Mr. Sue Ka Lok (Chief Executive Officer), Mr. Chow Kam Wah and Mr. Chow Man Wai, Tony; and four Independent Non-executive Directors, namely Ms. Ma Yin Fan, Mr. Chow Yu Chun, Alexander, Mr. Leung Hoi Ying and Mr. Lam Kin Fung, Jeffrey.