

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



SAMSON HOLDING LTD.

順誠控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 00531)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2021

The board of directors (the “Board”) of Samson Holding Ltd. (the “Company”) is pleased to announce the unaudited interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2021 (the “Period”) with the comparative figures for the corresponding period in 2020 as follows:

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2021

		For the six months ended 30 June	
	<i>Notes</i>	2021	2020
		US\$'000	US\$'000
		(Unaudited)	(Unaudited)
Revenue	4	237,342	172,143
Cost of sales		(171,326)	(132,896)
Gross profit		66,016	39,247
Other income, gains, losses and expenses		8,904	7,835
Distribution costs		(5,670)	(5,812)
Sales and marketing expenses		(31,078)	(28,475)
Administrative expenses		(20,603)	(28,969)
Share of profit/(loss) of an associate		133	(79)
Finance costs		(1,720)	(2,811)
Profit/(loss) before tax	5	15,982	(19,064)
Income tax (expense)/credit	6	(1,629)	2,472
Profit/(loss) for the period		14,353	(16,592)
Attributable to:			
Owners of the parent		14,353	(15,048)
Non-controlling interests		–	(1,544)
		14,353	(16,592)
Earnings/(loss) per share attributable to ordinary equity holders of the parent	8		
– Basic (in US cent)		0.462	(0.484)
– Diluted (in US cent)		0.462	(0.484)

* For identification purposes only

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME*For the six months ended 30 June 2021*

	For the six months ended 30 June	
	2021	2020
	US\$'000	US\$'000
	(Unaudited)	(Unaudited)
Profit/(loss) for the period	<u>14,353</u>	<u>(16,592)</u>
Other comprehensive income/(loss):		
<i>Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:</i>		
Exchange differences:		
Exchange differences on translation of foreign operations	<u>560</u>	<u>(2,143)</u>
Total comprehensive income/(loss) for the period	<u>14,913</u>	<u>(18,735)</u>
Attributable to:		
Owners of the parent	14,913	(17,199)
Non-controlling interests	<u>–</u>	<u>(1,536)</u>
	<u>14,913</u>	<u>(18,735)</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2021

		30 June 2021 <i>US\$'000</i> (Unaudited)	31 December 2020 <i>US\$'000</i> (Audited)
	<i>Notes</i>		
NON-CURRENT ASSETS			
Property, plant and equipment		85,850	85,062
Investment properties		14,076	7,234
Right-of-use assets		80,587	46,713
Goodwill		25,793	25,793
Other intangible assets		4,400	4,400
Investment in an associate		1,067	934
Deposits for acquisition of prepaid land lease		–	36,880
Deferred tax assets		3,434	4,299
		<hr/>	<hr/>
Total non-current assets		215,207	211,315
CURRENT ASSETS			
Inventories		147,100	124,593
Trade and other receivables	9	103,594	97,221
Held-for-trading investments	10	93,727	95,490
Tax recoverable		3,710	3,513
Pledged bank deposits		–	10,308
Short term bank deposits		2,003	–
Cash and cash equivalents		55,777	26,047
		<hr/>	<hr/>
Total current assets		405,911	357,172
CURRENT LIABILITIES			
Trade and other payables	11	91,832	77,756
Interest-bearing bank borrowings		134,302	109,609
Lease liabilities		8,488	7,510
Tax payable		12,727	11,171
		<hr/>	<hr/>
Total current liabilities		247,349	206,046
NET CURRENT ASSETS			
		<hr/>	<hr/>
		158,562	151,126
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<hr/>	<hr/>
		373,769	362,441

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2021

	30 June 2021 US\$'000 (Unaudited)	31 December 2020 US\$'000 (Audited)
NON-CURRENT LIABILITIES		
Lease liabilities	16,893	19,622
Interest-bearing bank borrowings	45,365	45,365
Deferred tax liabilities	1,593	2,449
	<hr/>	<hr/>
Total non-current liabilities	63,851	67,436
	<hr/>	<hr/>
Net assets	309,918	295,005
	<hr/>	<hr/>
EQUITY		
Issued capital	155,374	155,374
Reserves	154,544	139,631
	<hr/>	<hr/>
Total equity	309,918	295,005
	<hr/>	<hr/>

NOTES:

1. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2021 has been prepared in accordance with HKAS 34 *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2020.

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2020, except for the adoption of the following revised Hong Kong Financial Reporting Standards ("HKFRSs") for the first time for the current period's financial information.

Amendments to HKFRS 9, HKAS 39,
HKFRS 7, HKFRS 4 and HKFRS 16
Amendment to HKFRS 16

Interest Rate Benchmark Reform – Phase 2

*COVID-19-Related Rent Concessions
beyond 30 June 2021 (early adopted)*

The nature and impact of the revised HKFRSs are described below:

- (a) Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16 address issues not dealt with in the previous amendments which affect financial reporting when an existing interest rate benchmark is replaced with an alternative risk-free rate ("RFR"). The phase 2 amendments provide a practical expedient to allow the effective interest rate to be updated without adjusting the carrying amount of financial assets and liabilities when accounting for changes in the basis for determining the contractual cash flows of financial assets and liabilities, if the change is a direct consequence of the interest rate benchmark reform and the new basis for determining the contractual cash flows is economically equivalent to the previous basis immediately preceding the change. In addition, the amendments permit changes required by the interest rate benchmark reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued. Any gains or losses that could arise on transition are dealt with through the normal requirements of HKFRS 9 to measure and recognise hedge ineffectiveness. The amendments also provide a temporary relief to entities from having to meet the separately identifiable requirement when an RFR is designated as a risk component. The relief allows an entity, upon designation of the hedge, to assume that the separately identifiable requirement is met, provided the entity reasonably expects the RFR risk component to become separately identifiable within the next 24 months. Furthermore, the amendments require an entity to disclose additional information to enable users of financial statements to understand the effect of interest rate benchmark reform on an entity's financial instruments and risk management strategy.

The Group had certain interest-bearing bank borrowings denominated in United States dollars ("US\$") and Vietnamese Dong based on the London Interbank Offered Rate ("LIBOR") as at 30 June 2021. Since the interest rates of these borrowings were not replaced by RFRs during the period, the amendment did not have any impact on the financial position and performance of the Group. If the interest rates of these borrowings are replaced by RFRs in a future period, the Group will apply this practical expedient upon the modification of these borrowings provided that the "economically equivalent" criterion is met.

- (b) Amendment to HKFRS 16 issued in April 2021 extends the availability of the practical expedient for lessees to elect not to apply lease modification accounting for rent concessions arising as a direct consequence of the COVID-19 pandemic by 12 months. Accordingly, the practical expedient applies to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022, provided the other conditions for applying the practical expedient are met. The amendment is effective retrospectively for annual periods beginning on or after 1 April 2021 with any cumulative effect of initially applying the amendment recognised as an adjustment to the opening balance of retained profits at the beginning of the current accounting period. Earlier application is permitted. The Group has early adopted the amendment on 1 January 2021 and the amendments did not have any impact on the Group's financial position and performance.

3. OPERATING SEGMENT INFORMATION

For the purposes of resources allocation and performance assessment, the Group's executive directors review the operating results and financial information on a brand by brand basis. They focus on the operating results of each brand. Each brand constitutes an operating segment of the Group. As each brand shares similar economic characteristics, has similar products, is produced under similar production processes and has a similar target group of customers, the Group's operating segments are aggregated into a single reportable segment and accordingly no separate segment information is prepared.

Segment profit before tax of US\$28,603,000 (six months ended 30 June 2020: US\$4,287,000) represents the profit/(loss) before tax earned by the single reportable segment excluding administrative expenses, other income, gains, losses and expenses, non-lease-related finance costs and share of profit/(loss) of an associate.

4. REVENUE

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2021	2020
	US\$'000	US\$'000
	(Unaudited)	(Unaudited)
<i>Revenue from contracts with customers</i>		
Sale of furniture	237,187	171,987
<i>Revenue from other sources</i>		
Service fee income	155	156
	<u>237,342</u>	<u>172,143</u>

Revenue from contracts with customers

(i) Disaggregated revenue information

Segment – Furniture

	For the six months ended 30 June	
	2021	2020
	US\$'000	US\$'000
	(Unaudited)	(Unaudited)
Types of goods		
Sale of furniture and total revenue from contracts with customers	<u>237,187</u>	<u>171,987</u>
Geographical markets		
The People's Republic of China ("PRC"), including Hong Kong	4,126	2,228
The United States of America (the "U.S.")	227,502	165,047
Others	<u>5,559</u>	<u>4,712</u>
Total revenue from contracts with customers	<u>237,187</u>	<u>171,987</u>
Timing of revenue recognition		
Goods transferred at a point in time and total revenue from contracts with customers	<u>237,187</u>	<u>171,987</u>

4. REVENUE (continued)

Revenue from contracts with customers (continued)

(i) Disaggregated revenue information (continued)

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information:

Segment – Furniture

	For the six months ended 30 June	
	2021	2020
	US\$'000	US\$'000
	(Unaudited)	(Unaudited)
Revenue from contracts with customers		
External customers and total revenue from contracts with customers	237,187	171,987

5. PROFIT/(LOSS) BEFORE TAX

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

	For the six months ended 30 June	
	2021	2020
	US\$'000	US\$'000
	(Unaudited)	(Unaudited)
Cost of inventories sold	173,949	131,749
Write-down of inventories to net realisable value	1,091	1,415
Reversal of write-down of inventories	(3,714)	(268)
Reversal of impairment of property, plant and equipment	(4,556)	–
Depreciation of investment properties	135	114
Depreciation of property, plant and equipment	4,653	4,557
Depreciation of right-of-use assets	3,586	4,181
Impairment of trade receivables	118	1,081
Net loss/(gain) on held-for-trading investments	150	(1,727)
(Gain)/loss on disposal of items of property, plant and equipment	(510)	37
Bank interest income	(102)	(233)
Exchange differences, net	156	1,211

6. INCOME TAX

For the Group's subsidiaries established in the U.S., income tax is calculated at the rate of 21% (six months ended 30 June 2020: 21%).

Taiwan Income tax is calculated at 20% (six months ended 30 June 2020: 20%) of certain subsidiaries' assessable profits.

Hong Kong profits tax has been provided at the rate of 16.5% (2020: 16.5%) on the estimated assessable profits arising in Hong Kong during the period, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 (2020: HK\$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/ jurisdictions in which the Group operates.

	For the six months ended 30 June	
	2021	2020
	US\$'000	US\$'000
	(Unaudited)	(Unaudited)
Current tax:		
U.S.	16	–
Taiwan	433	333
Hong Kong	53	271
Elsewhere	1,118	–
Overprovision in prior years in the U.S.	–	(417)
Deferred tax	9	(2,659)
Total tax charge/(credit) for the period	1,629	(2,472)

7. DIVIDENDS

For the Period, the Board resolved not to declare any interim dividend (six months ended 30 June 2020: Nil).

8. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic and diluted earnings/(loss) per share for the period are based on:

	For the six months ended 30 June	
	2021	2020
	US\$'000	US\$'000
	(Unaudited)	(Unaudited)
Profit/(loss) for the period and earnings/(loss) for the purpose of basic and diluted earnings/(loss) per share calculations	14,353	(15,048)
	For the six months ended 30 June	
	2021	2020
	Number of shares	Number of shares
Weighted average number of ordinary shares in issue during the period used in basic and diluted earnings/(loss) per share calculations	3,107,473,773	3,110,064,248

The computation of diluted earnings/(loss) per share does not assume the exercise of the Company's share options for the six months ended 30 June 2021 and 2020 because the exercise price of those share options was higher than the average market price of the Company's shares during the period.

9. TRADE AND OTHER RECEIVABLES

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	30 June	31 December
	2021	2020
	US\$'000	US\$'000
	(Unaudited)	(Audited)
Trade receivables:		
Within 1 month	41,230	27,130
1 to 2 months	13,329	19,399
Over 2 months	11,087	13,696
	65,646	60,225
Other receivables and prepayments	37,948	36,996
	103,594	97,221

10. HELD-FOR-TRADING INVESTMENTS

	30 June 2021 US\$'000 (Unaudited)	31 December 2020 US\$'000 (Audited)
Debt securities, at fair value:		
Listed in the U.S. with average yield rate of 2.99% to 4.93% and maturity in September 2021	1,366	1,228
Listed in Hong Kong with average yield rate of 3.16% to 3.18% and maturity from April 2021 to April 2077	4,610	5,032
Listed in Singapore with average yield rate of 2.74% to 2.89% and maturity from March 2021 to August 2030	4,545	5,050
Listed in other jurisdictions with average yield rate of 2.26% to 3.86% and maturity from March 2021 to September 2080	1,264	1,241
Investment fund portfolio A, at fair value (<i>Note</i>)	81,248	82,232
Investment fund portfolio B, at fair value (<i>Note</i>)	211	215
Investment fund portfolio C, at fair value (<i>Note</i>)	200	200
Investment fund portfolio D, at fair value (<i>Note</i>)	283	292
	<u>93,727</u>	<u>95,490</u>

The above investments as at 30 June 2021 and 31 December 2020 were classified as financial assets at fair value through profit or loss as they are held for trading.

Note: The investment fund portfolios A, B, C and D were mandatorily classified as financial assets at fair value through profit or loss, as their contractual cash flows were not solely payments of principal and interest. Investment fund portfolio A was a wealth management product issued by Union Bancaire Privée in Luxembourg. The Group acquired Investment fund portfolio A at an investment cost of US\$80,500,000. During the Period, the Group received dividends of US\$815,000 (six months ended 30 June 2020: US\$782,000) from investment fund portfolio A and the Group did not acquire or dispose of investment fund portfolio A during the Period. As at 30 June 2021, the Group holds 80,500 units (31 December 2020: 80,500 units) of fund portfolio A which accounted for approximately 13.1% (31 December 2020: 14.5%) of the total assets of the Group, and the unrealised loss of investment fund portfolio A amounted to US\$984,000 was charged to profit or loss during the Period (six months ended 30 June 2020: unrealised profit of US\$673,000). The Group holds the investment portfolio A for capital appreciation and has been closely monitoring the performance from time to time.

11. TRADE AND OTHER PAYABLES

The following is an ageing analysis of trade payables, presented based on the invoice date:

	30 June 2021 US\$'000 (Unaudited)	31 December 2020 US\$'000 (Audited)
Trade payables:		
Within 1 month	21,252	12,517
1 to 2 months	3,608	3,457
Over 2 months	5,580	5,879
	<u>30,440</u>	<u>21,853</u>
Other payables and accruals	61,392	55,903
	<u>91,832</u>	<u>77,756</u>

REVIEW AND OUTLOOK

BUSINESS REVIEW

Over the past decade, Samson has been devoted to transit from an OEM manufacturer to a brand-led business. Through its strategic acquisition of Baker in 2017, the Company has attained a diverse brand portfolio ranging from mid to high end, as well as mass merchant. In addition, the Group has extended its supply chain from China to other countries including Vietnam, Bangladesh, Indonesia and the U.S. Through diversified brand portfolio and globalized supply chain, Samson was able to get through the pandemic and delivered a turnaround in profits for the Period.

During the Period, as the effect of the COVID-19 was mitigated, the U.S. economy had been gradually recovering with employment rate continues to grow and consumer confidence index in June 2021 hit the highest point for the past 16 months. Under such positive market, Samson recorded an outstanding set of results. On demand front, the Federal Reserve Board (“FED”) continued to hold the interest rate to nearly zero, whilst mortgage rate started declining since mid-March 2021. These benefit the housing market, leading to an upward trend of strong orders for the furniture and home furnishing (“F&HF”) industry. Benefited from aforesaid, demand in both upholstery and casegoods business remain strong, the Group captured the opportunity for further market penetration and rode on the positive momentum via its diverse offerings and strategic distribution channels. On logistics front, given the global supply chain had been picking up slowly, shipment quantity is gradually increasing, but as demand still greatly exceed supply, Samson is partnering with several shipping service providers to ensure container availability.

The COVID-19 pandemic has accelerated the growth of non-traditional channels including e-commerce, and the Company has been striving to expand partnership with online retailers. For the traditional channel, participants in High Point Market, which was postponed to June 2021, had increased comparing to last year, and most of the large retailers had participated in the event. Moreover, our mass merchant channels had been performing well throughout the Period, and it is expected to continue in the second half of 2021.

Samson is gradually completing the strategic plan for its supply chain in Asia through owning additional factory in Vietnam to face the geopolitical problem and control costs. To deal with the overwhelming orders, Samson’s capacity in both Vietnam and Bangladesh has gradually resumed from the supply chain disruption due to the COVID-19 since the beginning of 2021 and Samson has maintained a strong relationship with manufacturing partners in Vietnam, ensuring the Group to have a strong grasp of its production progress. Moreover, Samson is going to invest in another factory in Vietnam in second half year which will have additional production capacity for both upholstery and casegoods products. As for the profits, the increase was mainly due to the rising demand, better cost control measures and strong management team. As Samson successfully transformed from a China-centric manufacturing process to a globally diver footprint, it is able to reduce labour cost. Through relocating the original experienced management team from China, factories in Vietnam and Bangladesh keep improving its manufacturing efficiencies with seamless transition, maintaining the outstanding standard of the Group’s production. In addition, the strategic reversal of the usage of Jiashan facility also expect to see the increase in profits.

FINANCIAL REVIEW

Net sales for the six-month period under review was US\$237.3 million as compared to US\$172.1 million for the corresponding period in last year, representing an increase of US\$65.2 million or 37.9%. The increase in net sales was driven by the strong demand compared to the prior period, which was impacted by the COVID-19.

Gross profit margin for the Period of 27.8% increased from 22.8% for the corresponding period in 2020. The increased margin was mainly attributable to the growth in sales and improving manufacturing efficiency.

Total operating expenses for the Period decreased to US\$57.4 million from US\$63.3 million for the corresponding period in 2020. The decrease in operating expenses was mainly attributable to a series of effective cost control measures.

Compared with a loss of US\$16.6 million for the corresponding period in 2020, the Group recorded a profit of US\$14.4 million for the Period, which was attributable to the growth sales, improving margin and lower operating expenses.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 30 June 2021, the Group's cash and cash equivalents increased by US\$29.8 million to US\$55.8 million from US\$26.0 million as at 31 December 2020. Interest-bearing bank borrowings increased by US\$24.7 million to US\$179.7 million from US\$155.0 million as at 31 December 2020. The gearing ratio (total bank borrowings/shareholders' equity) increased to 58.0% from 52.5% as at 31 December 2020. The Group possesses sufficient cash and available banking facilities to meet working capital requirements and to enable further potential acquisitions with confidence.

Cash and cash equivalents held by the Group are mainly denominated in U.S. dollars, Renminbi, U.K. Pound Sterling, Vietnamese Dong, New Taiwan dollars, Indonesian Rupiah and Hong Kong dollars. As at 30 June 2021, interest-bearing bank borrowings of US\$134.3 million (31 December 2020: US\$109.6 million) bore interest at floating rates or fixed rate ranging from 0.7% to 1.2% respectively and long term bank borrowings of US\$45.4 million bore interest at a floating rate (31 December 2020: US\$45.4 million).

Sources of liquidity include cash and cash equivalents, short term bank deposit, cash from operations and general banking facilities granted to the Samson, allowing the Group maintain strong and prudent liquidity for day-to-day operations and business development.

With an international operation, Samson is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Renminbi and Vietnamese Dong. Although the majority of the total revenue is denominated in U.S. dollars, a substantial portion of cost of sales is paid in Vietnamese Dong and Renminbi. The exchange rates of Vietnamese Dong and Renminbi to U.S. dollars have fluctuated substantially in recent years and may continue to fluctuate in the foreseeable future.

The Group's current assets increased by 13.6% to US\$405.9 million from US\$357.2 million as at 31 December 2020 and the Group's current liabilities increased by 20.0% to US\$247.3 million from US\$206.0 million as at 31 December 2020. The current ratio (current assets/current liabilities) is 1.6 times (31 December 2020: 1.7 times).

PLEDGE OF ASSETS

As at 30 June 2021, no assets (31 December 2020: US\$185.0 million) have been pledged to the banks to secure the general banking facilities granted to the Group.

CAPITAL EXPENDITURE

Capital expenditure for the Period amounted to US\$2.8 million as compared to US\$3.7 million for the corresponding period in 2020. Capital expenditure was mainly incurred for the purpose of upgrading and renovation of building, plant and machinery in the U.S. and the expansion of new production lines in Vietnam.

OUTLOOK

The market demand has been strong throughout the first half of 2021, and as interest rate in the U.S. will remain at the current low level for the rest of the year according to the FED, housing market demand in the U.S. is expected to remain healthy in the second half of this year. While the COVID-19 has changed the consumption model, e-commerce and outdoor furniture have become a new trend. Samson will continue to expand its e-commerce and outdoor furniture business in the future and will strive to raise brand awareness in the market as well.

The supply chain disruptions as a result of the pandemic have been gradually mitigated throughout the first half of 2021, with capacity in Vietnam and Bangladesh recovering. In view of the strong demand as well as the high-level backlogs as of 30 June 2021, Samson is also going to invest in another new factory in Vietnam and will continue to enhance its production capacity and manufacturing efficiency to meet consumer demand. In terms of logistic, Samson continues to strengthen its partnership with shipping service providers to mitigate the container shortage problem.

With global manufacturing base, experienced management team and improving efficiencies and core competitiveness, Samson is expected to keep increasing the capacity and profitability. Combining its supply chain improvement and diversified brands, Samson is poised to maintain its competitive edges and continue to expand market share in the U.S., bringing fruitful results for 2021.

DIVIDEND

The Board resolved not to declare any interim dividend for the Period (six months ended 30 June 2020: Nil).

CORPORATE GOVERNANCE

The Board is committed to maintaining high standard of corporate governance. The Company confirms that it has complied with all code provisions of the Corporate Governance Code contained in Appendix 14 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) during the Period, save as mentioned below.

Mr. Shan Huei KUO (“Mr. KUO”) is the Chairman of the Board and also the Chief Executive Officer of Lacquer Craft Mfg. Co., Ltd. (Zhejiang). The Group does not intend to separate these two functions as both the Board and senior management of the Group have significantly benefited from the leadership, support and experience of Mr. KUO in his management of the Board and the business of the Company.

CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted its own "Code for Securities Transactions by Directors and Employees" (the "Company's Code") on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules to govern the securities transactions of the directors and relevant employees.

Having made specific enquiry, all directors have confirmed that they have complied with the Model Code and the Company's Code throughout the Period.

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

During the Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

INDEPENDENT AUDITORS AND AUDIT COMMITTEE REVIEW

The unaudited interim results and interim report for the Period have been reviewed by Ernst & Young, of which the review report is included in the interim report to be despatched to the shareholders of the Company, and the Company's Audit Committee.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This announcement is posted on the websites of the Company (www.samsonholding.com) and Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk). The interim report will be despatched to the shareholders and posted on the aforementioned websites in due course.

For and on behalf of the Board
SAMSON HOLDING LTD.
Shan Huei KUO
Chairman

25 August 2021

As at the date of this announcement, Mr. Shan Huei KUO (Chairman), Ms. Yi-Mei LIU and Mr. Mohamad AMINOZZAKERI are the executive directors of the Company; Mr. Sheng Hsiung PAN is the non-executive director of the Company; and Mr. Ming-Jian KUO, Mr. Siu Ki LAU and Mr. Sui-Yu WU are the independent non-executive directors of the Company.