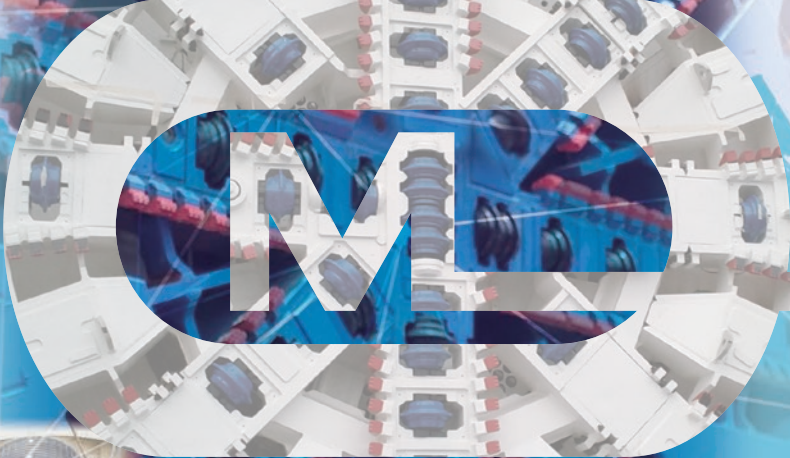




M&L HOLDINGS GROUP LIMITED 明樑控股集團有限公司

Incorporated in the Cayman Islands with limited liability
Stock Code: 8152



2021

FIRST QUARTERLY REPORT

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this report, 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 report.

This report, for which the directors (the “Directors”) of M&L Holdings Group Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.



First Quarterly Results

The board of Directors (the "Board") of M&L Holdings Group Limited (the "Company") is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively the "Group") for the three months ended 31 March 2021, together with the comparative figures for the corresponding period in 2020.

Condensed Consolidated Statement of Comprehensive Income

For the three months ended 31 March 2021

	Notes	Unaudited Three months ended 31 March	
		2021 HK\$'000	2020 HK\$'000
Revenue	3	22,136	9,334
Cost of sales		(16,529)	(6,215)
Gross profit		5,607	3,119
Other income		225	90
Selling expenses		(2,486)	(996)
Administrative expenses		(7,049)	(7,830)
Other gains and losses			
Exchange gain/(loss)		125	(4,217)
Provision for impairment of trade receivables		(282)	0
Others		21	21
Operating loss		(3,839)	(9,813)
Finance income		8	81
Finance costs		(471)	(506)
Loss before income tax		(4,302)	(10,238)
Income tax credit	4	45	963
Loss for the period		(4,257)	(9,275)
Other comprehensive income			
<i>Item that may be reclassified to profit or loss:</i>			
Currency translation differences		(184)	(533)
Total comprehensive income		(4,441)	(9,808)

Condensed Consolidated Statement of Comprehensive Income

For the three months ended 31 March 2021

	Note	Unaudited	
		Three months ended 31 March	
		2021	2020
		HK\$'000	HK\$'000
Loss for the period attributable to:			
Equity holders of the Company		(4,069)	(9,068)
Non-controlling interests		(188)	(207)
		(4,257)	(9,275)
Total comprehensive income attributable to:			
Equity holders of the Company		(4,250)	(9,595)
Non-controlling interests		(191)	(213)
		(4,441)	(9,808)
		HK cents	HK cents
Loss per share			
— Basic and diluted	5	(0.68)	(1.51)

Condensed Consolidated Statements of Changes in Equity

For the three months ended 31 March 2021

	Attributable to equity holders of the Company				Non- controlling interests	Total equity
	Share capital	Share premium	Other reserves	Total		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 January 2021 (audited)	6,000	63,332	37,076	106,408	1,342	107,750
Loss for the period	0	0	(4,069)	(4,069)	(188)	(4,257)
Other comprehensive income:						
Currency translation differences	0	0	(181)	(181)	(3)	(184)
Total comprehensive income for the period	0	0	(4,250)	(4,250)	(191)	(4,441)
At 31 March 2021 (unaudited)	6,000	63,332	32,826	102,158	1,151	103,309
At 1 January 2020 (audited)	6,000	63,332	41,850	111,182	1,450	112,632
Loss for the period	–	–	(9,068)	(9,068)	(207)	(9,275)
Other comprehensive income:						
Currency translation differences	–	–	(527)	(527)	(6)	(533)
Total comprehensive income for the period	–	–	(9,595)	(9,595)	(213)	(9,808)
At 31 March 2020 (unaudited)	6,000	63,332	32,255	101,587	1,237	102,824

Notes to the Condensed Consolidated Financial Information

1 GENERAL INFORMATION AND BASIS OF PRESENTATION

M&L Holdings Group Limited (the "Company") was incorporated in the Cayman Islands on 24 September 2015 as an exempted company with limited liability. The shares of the Company were listed on GEM of The Stock Exchange of Hong Kong Limited on 21 July 2017.

The address of its registered office is Windward 3, Regatta Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands. Its principal place of business is located at 21st Floor, Empress Plaza, 17-19 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong. The Group, comprising the Company and its subsidiaries, is principally engaged in trading and lease of construction machinery and spare parts.

The ultimate holding company of the Group is JAT United Company Limited, which is a company incorporated in the British Virgin Islands and wholly owned by Mr. Ng Lai Ming, an executive director.

The condensed consolidated financial information is presented in Hong Kong dollars ("HK\$"), which is the same as the functional currency of the Company. All values are rounded to the nearest thousand except when otherwise indicated.

The condensed consolidated financial information of the Group for the three months ended 31 March 2021 has not been audited but has been reviewed by the audit committee of the Company. The unaudited condensed consolidated financial information was approved for issue by the board of directors on 13 May 2021.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

This condensed consolidated financial information for the three months ended 31 March 2021 has been prepared in accordance with all applicable Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretation (hereinafter collectively referred to as the "HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the applicable disclosure requirements of the GEM Listing Rules. The condensed consolidated financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2020. It has been prepared under the historical cost basis except for other asset at fair value through profit or loss which is measured at fair value.

The accounting policies used in the preparation of this condensed consolidated financial information are consistent with those described in the annual financial statements for the year ended 31 December 2020, except for the adoption of new or revised HKFRSs which have become effective for accounting periods beginning on or after 1 January 2021.

Certain new or revised HKFRSs, potentially relevant to the Group's accounting policies, have been issued, but not yet effective and have not been early adopted by the Group.

Notes to the Condensed Consolidated Financial Information

3 REVENUE AND SEGMENT INFORMATION

	Unaudited	
	Three months ended 31 March	
	2021	2020
	HK\$'000	HK\$'000
Revenue from contracts with customers within the scope of HKFRS 15		
Timing of revenue recognition — At a point in time		
— Sales of goods	21,365	8,807
— Repair and maintenance services income	611	537
	21,976	9,344
Revenue from other sources		
— Machinery rental income	160	(10)
	22,136	9,334

The operating segments are reported in a manner consistent with the way in which information is reported internally to the Group's chief operating decision-maker for the purposes of resources allocation and assessment of segment performance. The executive directors considered the nature of the Group's business and determined that the Group has two reportable operating segments as follows:

- (i) Tunnelling — Supply of specialised cutting tools and parts for construction equipment
- (ii) Foundation — Supply of fabricated construction steel works and equipment

The executive directors assess the performance of the operating segments based on revenue and gross profit margin of each segment. The Group's resources are integrated and there are no discrete operating segment assets and liabilities for the tunnelling and foundation business segments reported to the chief operating decision maker, accordingly, no operating segment assets and liabilities are presented.

Segment revenue represents revenue generated from external customers. There were no inter-segment sales during the three months ended 31 March 2021 and 2020. The accounting policies of the reportable segments are the same as the Group's accounting policies.

Notes to the Condensed Consolidated Financial Information

3 REVENUE AND SEGMENT INFORMATION (CONTINUED)

- (a) The segment information provided to the executive directors for the reportable segments for the three months ended 31 March 2021 (unaudited) is as follows:

	Tunnelling HK\$'000	Foundation HK\$'000	Total HK\$'000
Segment revenue (all from external customers)	12,772	9,364	22,136
Cost of sales	(8,066)	(8,463)	(16,529)
Segment results	4,706	901	5,607
Gross profit %	36.85%	9.62%	25.33%
Other income			225
Selling expenses			(2,486)
Administrative expenses			(7,049)
Other gains and losses			
Exchange gain			125
Provision for impairment of trade receivables			(282)
Others			21
Operating loss			(3,839)
Finance income			8
Finance costs			(471)
Loss before income tax			(4,302)
Income tax credit			45
Loss for the period			(4,257)

Notes to the Condensed Consolidated Financial Information

3 REVENUE AND SEGMENT INFORMATION (CONTINUED)

- (b) The segment information provided to the executive directors for the reportable segments for the three months ended 31 March 2020 (unaudited) is as follows:

	Tunnelling HK\$'000	Foundation HK\$'000	Total HK\$'000
Segment revenue (all from external customers)	8,166	1,168	9,334
Cost of sales	(5,501)	(714)	(6,215)
Segment results	2,665	454	3,119
Gross profit %	32.64%	38.87%	33.42%
Other income			90
Selling expenses			(996)
Administrative expenses			(7,830)
Other gain and losses			
Exchange loss			(4,217)
Others			21
Operating loss			(9,813)
Finance income			81
Finance costs			(506)
Loss before income tax			(10,238)
Income tax credit			963
Loss for the period			(9,275)

- (c) Revenue from external customers by customer location are as follows:

	Unaudited Three months ended 31 March	
	2021 HK\$'000	2020 HK\$'000
Hong Kong	10,871	2,415
The PRC	2,917	4,725
Singapore and other Asia-Pacific countries	3,911	1,959
Others	4,437	235
	22,136	9,334

Notes to the Condensed Consolidated Financial Information

4 INCOME TAX CREDIT

	Unaudited	
	Three months ended 31 March	
	2021	2020
	HK\$'000	HK\$'000
Current taxation		
— Hong Kong profits tax	—	—
— Mainland China corporate income tax	—	—
— Singapore corporate income tax	—	—
— Australia corporate income tax	—	(2)
Deferred income tax	45	965
Income tax credit	45	963

The Group is not subject to taxation in the Cayman Islands and British Virgin Islands.

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for profits derived in Hong Kong.

Mainland China corporate income tax has been provided for at the rate of 25% on the estimated assessable profits for the Group's operations in Mainland China. Singapore corporate income tax has been provided for at the rate of 17% on the estimated assessable profit for the Group's operations in Singapore. Australia corporate income tax has been provided for at the rate of 27.5% on the estimated assessable profits for the Group's operations in Australia.

Notes to the Condensed Consolidated Financial Information

5 LOSS PER SHARE

(a) Basic

The basic loss per share is calculated on the loss attributable to equity holders of the Company divided by the weighted average number of ordinary shares in issue during the respective period.

	Unaudited	
	Three months ended 31 March	
	2021	2020
Loss attributable to equity holders of the Company <i>(HK\$'000)</i>	(4,069)	(9,068)
Weighted average number of ordinary shares in issue <i>(thousands)</i>	600,000	600,000
Basic loss per share <i>(expressed in HK cents)</i>	(0.68)	(1.51)

(b) Diluted

Diluted loss per share presented is the same as the basic loss per share as there were no potentially dilutive ordinary shares outstanding as at period end.

6 DIVIDENDS

No interim dividend was declared for the three months ended 31 March 2021 (2020: Nil).

Management Discussion and Analysis

BUSINESS REVIEW

Background, recent development and outlook

The Group is an integrated engineering solutions provider in connection with (i) the supply of specialised cutting tools and parts for construction equipment with particular focus on disc cutters which are widely used in conjunction with tunnel boring machines (“TBM”) and microtunnelling equipment; (ii) the supply of fabricated construction steel works and equipment; (iii) the supply of specialised construction equipment, and repair and maintenance services. Our business can broadly be categorized into two segments, namely tunnelling and foundation.

Hong Kong market

The business activities in Hong Kong have been restricted and running at low level since the outbreak of coronavirus disease 2019 (“COVID-19”) in early 2020, but have gradually picked up by the end of 2020 and early 2021 as local COVID-19 situation eased up and the Legislative Council resumed approving infrastructure projects. The Group has been awarded a contract in January 2021 for the supply and refurbishment of disc cutters for the tunnel works in relation to the HKT2 — trunk road T2 and infrastructure works for developments at the former south apron under the Kai Tak Development project. The Directors believe that the Hong Kong market is expected to regain its momentum.

We will closely monitor the development of new railway schemes which were recommended in the “Railway Development Strategy” published by the Transport and Housing Bureau of Hong Kong in 2014, as well as any potential business opportunity in Hong Kong.

PRC market

The Group’s business in the PRC market was related to the supply of specialised cutting tools and parts mainly for the tunnelling construction sites as well as the tunnelling equipment manufacturers. Despite our PRC operation have resumed for the most part of year 2020 after a series of precautionary and quarantine control measures had been implemented across the People’s Republic of China (the “PRC”) at the early stage of COVID-19 outbreak, we observed that certain projects of our customers have been delayed and their purchasing decisions become prudent due to COVID-19 and the accompanied economic uncertainties. We will keep an eye on the situation and make appropriate responses.

Management Discussion and Analysis

Singapore and other Asia-Pacific countries

The Group's operation setup in Singapore is a regional hub to serve and seek for business opportunities locally and also in Malaysia and other Southeast Asia countries. Moreover, the Group maintains a comprehensive sales, production and maintenance services centre in Melbourne, Australia targeting the southern pacific market. The impact of COVID-19 outbreak in Australia has been relatively mild and projects in Australia remained in progress and the market condition in this region remains positive.

Our operation in Singapore has resumed since the third quarter of 2020 after a series of pandemic prevention measures; however, the economic activity is yet to return to normal and the demand from our customers is still at a low level. The market prospect in this region is unclear and the management considers that more time would be needed for the markets to be recovered.

Other countries

We are also seeking actively for expansion opportunities in the global markets and have established a steady flow of revenue from our newly explored market e.g. countries in Europe and Americas. The COVID-19 outbreak in Europe and America is gradually coming under control, and economic and construction activities in these regions are showing sign of recovery and the Group will closely monitor potential business opportunities available in these markets.

FINANCIAL REVIEW

Revenue

Our revenue increased by approximately HK\$12.8 million, or 137.2%, from approximately HK\$9.3 million for the three months ended 31 March 2020 to approximately HK\$22.1 million for the three months ended 31 March 2021, out of which approximately HK\$12.8 million was from the tunnelling segment and HK\$9.4 million was from the foundation segment. There was an increase in revenue from the tunnelling segment and foundation segment by approximately HK\$4.6 million and HK\$8.2 million respectively for the three months ended 31 March 2021, as the COVID-19 situations eased up near the end of year 2020 and construction activities started resuming and sales to customers in both Hong Kong and overseas markets (including the Europe, North America and Asia Pacific) gradually picked up. From the perspective of geographic locations of our customers, revenue derived from customers based in Hong Kong, increased by approximately HK\$8.5 million to approximately HK\$10.9 million for the three months ended 31 March 2021, while revenue derived from customers based in the PRC and Singapore and other Asia-Pacific countries remained relatively stable at approximately HK\$6.8 million for the three months ended 31 March 2021, as compared to HK\$6.7 million for the corresponding period in 2020. Revenue from the Europe and North America market for the three months ended 31 March 2021 was approximately HK\$4.4 million, up from approximately HK\$0.2 million for the corresponding period in 2020 as such markets were at the time severely impacted by COVID-19 outbreak.

Management Discussion and Analysis

Cost of sales

Cost of sales represents costs and expenses directly attributable to our revenue generating activities. Our cost of inventories sold accounted for the largest part of our cost of sales. Our cost of sales increased by approximately HK\$10.3 million, or 165.9%, to approximately HK\$16.5 million for the three months ended 31 March 2021. Such movement was primarily attributable to the increase in cost of inventory sold associated with our increase in revenue.

Gross profit

Our gross profit increased by approximately HK\$2.5 million, or 79.8%, from approximately HK\$3.1 million for the three months ended 31 March 2020 to approximately HK\$5.6 million for the three months ended 31 March 2021. However, our gross profit margin decreased from approximately 33.4% for the three months ended 31 March 2020 to approximately 25.3% for the three months ended 31 March 2021. The decrease in gross profit margin was largely due to more competitive pricing offered by the Group in the foundation segment in view of potential competition amidst the global uncertain economic condition.

Other income

The other income, primarily consisted of inspection charges and government subsidies.

Exchange gain/(loss)

The Group recorded an exchange gain of approximately HK\$0.1 million for the three months ended 31 March 2021, there was no significant fluctuation in Renminbi and Euro exchange rates during the three months ended 31 March 2021, whereas an exchange loss of approximately HK\$4.2 million was recorded for the three months ended 31 March 2020 primarily as a result of depreciation of Renminbi and Australian dollars.

Management Discussion and Analysis

Selling expenses

Selling expenses mainly include freight charges and sales commission for our staff accounted for under the employee benefit expenses. Selling expenses increased from approximately HK\$1.0 million for the three months ended 31 March 2020 to HK\$2.5 million for the three months ended 31 March 2021, which was mainly attributable to the unexpected increase in freight rates which led to rise in freight charges for sales to overseas customers owing to the disorder in the shipping market since the latter part of year 2020.

Administrative expenses

Administrative expenses mainly include staff costs, Directors' remuneration and benefits (both accounted for under the employee benefit expenses), legal and professional fees, depreciation and amortisation, and other administrative expenses. Administrative expenses decreased by approximately HK\$0.8 million or 10% to approximately HK\$7.0 million for the three months ended 31 March 2021 mainly as a result of decrease in Director's remuneration associated with the reduction in the number of executive Directors.

Finance costs

Finance cost for the three months ended 31 March 2021 was approximately HK\$0.5 million, which was similar to the corresponding period in 2020. The finance costs were mainly related to the bank borrowings and the lease liabilities.

Income tax credit

The Group recorded a tax credit for both of the three months ended 31 March 2021 and 2020, which substantially comprised deferred tax credit for both periods.

Loss attributable to equity holders of our Company

We recorded a loss attributable to equity holders of our Company for the three months ended 31 March 2021 of approximately HK\$4.1 million, while it was a loss attributable to equity holders of our Company of approximately HK\$9.1 million for the three months ended 31 March 2020.

Management Discussion and Analysis

DIVIDENDS

The Board has resolved not to declare any dividend for the three months ended 31 March 2021.

CHARGES ON ASSETS

As at 31 March 2021, certain machinery and equipment under right-of-use assets and inventories with carrying value of approximately HK\$5,649,000 (31 December 2020: HK\$5,825,000) were pledged to secure for the finance of certain lease liabilities of approximately HK\$997,000 (31 December 2020: HK\$1,416,000). In addition, a life insurance policy of Mr. Ng Lai Ming with an insured sum of US\$1,582,862 has been assigned as security for certain banking facilities.

CAPITAL COMMITMENT

As at 31 March 2021, the Group had no capital commitment.

CONTINGENT LIABILITIES

As at 31 March 2021, the Group did not have any significant contingent liabilities.

Management Discussion and Analysis

CORPORATE GOVERNANCE AND COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to achieving high standards of corporate governance with a view to safeguarding the interests of our shareholders as a whole.

The Company has adopted the code provisions of the Corporate Governance Code (the “CG Code”) as set out in Appendix 15 of the GEM Listing Rules and had complied with the CG Code during the three months ended 31 March 2021 and up to the date of this report, except for the deviation stipulated below.

As required by code provision A.2.1 of the CG Code, the roles of chairman and the chief executive officer should be separate and should not be performed by the same individual. We do not have a separate chairman and chief executive officer and Mr. Ng Lai Ming currently performs these two roles concurrently. Our Board believes that vesting the roles of both the chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group for more effective and efficient overall strategic planning for the Group. Our Board considers that the balance of power and authority within the Group will not be impaired by the present arrangement and the current structure will enable the Company to make and implement decisions more promptly and effectively. Our Board will from time to time review and consider splitting the roles of chairman of the Board and the chief executive officer of the Company to ensure that appropriate and timely arrangements are in place to meet changing circumstances.

Management Discussion and Analysis

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND/OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 31 March 2021, the interests and short positions of the Directors in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong ("SFO")), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they were taken or deemed to have under such provisions of the SFO) or which were required pursuant to section 352 of the SFO to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, were as follows:

Long positions in shares of the Company

Director	Nature of interest	Number of shares	Percentage of the Company's issued shares capital
Mr. Ng Lai Ming (note 2)	Interest in a controlled corporation (note 1)	364,095,000	60.68%
Mr. Ng Lai Tong	Beneficial owner	29,025,000	4.84%
Mr. Ng Lai Po	Beneficial owner	4,500,000	0.75%

Notes:

- (1) The 364,095,000 shares are owned by JAT United Company Limited ("JAT United"), which is wholly owned by Mr. Ng Lai Ming. Mr. Ng Lai Ming is deemed to be interested in all the shares held by JAT United under the SFO.
- (2) Mr. Ng Lai Ming is the brother of Mr. Ng Lai Tong and Mr. Ng Lai Po.

Directors' interests in an associated corporation of the Company

Director	Associated corporation	Nature of interest	Number of shares/Position	Percentage of the shareholding
Mr. Ng Lai Ming	JAT United	Beneficial owner	1/Long position	100%

Management Discussion and Analysis

Save as disclosed above, as at 31 March 2021, none of the Directors or any chief executive of the Company had an interest or short position in any shares, underlying shares or debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they were taken or deemed to have under such provisions of the SFO) or which were required pursuant to section 352 of the SFO to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

So far as the Directors are aware, as at 31 March 2021, the following person(s), not being a Director or chief executive of our Company, had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were required pursuant to section 336 of the SFO to be entered in the register referred to therein or were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other member of our Group:

Long position in the shares of the Company

Shareholder	Capacity/Nature of interest	Number of shares	Percentage of the Company's issued shares capital
JAT United (note 1)	Beneficial owner	364,095,000	60.68%
Ms. Law So Lin (note 2)	Interest of spouse	364,095,000	60.68%

Notes:

- (1) JAT United is wholly owned by Mr. Ng Lai Ming. Mr. Ng Lai Ming is deemed to be interested in all the shares held by JAT United under the SFO.
- (2) Ms. Law So Lin is the spouse of Mr. Ng Lai Ming, therefore she is deemed to be interested in all the shares in which Mr. Ng Lai Ming is interested in.

Saved as disclosed above, as at 31 March 2021, no other person had any interests or short positions in the shares or underlying shares of the Company which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were required pursuant to section 336 of the SFO to be entered in the register referred to therein.

Management Discussion and Analysis

SHARE OPTION SCHEME

The Company adopted a share option scheme (the “Share Option Scheme”) on 19 June 2017 and no options have been granted, exercised or cancelled since then and up to the date of this report.

The Share Option Scheme shall be valid and effective for a period of 10 years from the adoption date, after which no further options may be issued.

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

Neither the Company, nor any of its subsidiaries, had purchased, sold or redeemed any of the Company’s listed securities during the three months ended 31 March 2021.

COMPETING INTERESTS

None of the Directors, substantial shareholders of the Company or their respective associates (as defined in the GEM Listing Rules) had any interest in a business which compete with the business of the Group during the three months ended 31 March 2021 and up to and including the date of this report.

AUDIT COMMITTEE

The members of the audit committee are Mr. Tai Wai Kwok, Ir Lo Kok Keung and Mr. Lau Chi Leung, all of whom are independent non-executive Directors. Mr. Tai Wai Kwok is the chairman of the audit committee. The audit committee has reviewed this report and has provided advice and comments thereon.

By order of the Board

M&L Holdings Group Limited

Ng Lai Ming

Chairman, Chief Executive Officer and Executive Director

Hong Kong, 13 May 2021

As at the date of this report, the executive Directors are Mr. Ng Lai Ming, Mr. Ng Lai Tong and Mr. Ng Lai Po and the independent non-executive Directors are Mr. Tai Wai Kwok, Ir Lo Kok Keung and Mr. Lau Chi Leung.