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Sheung Moon Holdings Limited

常滿控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8523)

THIRD QUARTERLY RESULTS ANNOUNCEMENT FOR THE NINE MONTHS ENDED 31 DECEMBER 2021

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.

*This announcement, for which the directors (the “**Directors**”) of Sheung Moon Holdings Limited (the “**Company**” or “**our**”) 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 and its subsidiaries (collectively refer to as the “**Group**”). The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement 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 announcement misleading.*

THIRD QUARTERLY RESULTS

The board of directors (the “**Board**”) of the Company hereby announces the unaudited condensed consolidated results of the Group for the nine months ended 31 December 2021, together with the comparative figures for the corresponding period in 2020 as follows:

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the nine months ended 31 December 2021

	NOTES	Three months Ended 31 December		Nine months Ended 31 December	
		2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Revenue	3	83,988	114,150	237,547	394,018
Direct costs		(78,637)	(112,589)	(228,511)	(370,194)
Gross profit		5,351	1,561	9,036	23,824
Other income	4	292	6,885	1,299	21,074
Other gains and losses	5	2,177	–	2,283	(343)
Impairment loss under expected credit loss model, net of reversal		(34)	(277)	(251)	(384)
Administrative expenses		(4,419)	(6,272)	(11,079)	(12,675)
Finance costs	6	(869)	(1,025)	(2,817)	(3,399)
Profit (Loss) before taxation	7	2,498	872	(1,529)	28,097
Taxation	8	(876)	121	(36)	(2,070)
Profit (Loss) and total comprehensive income (loss) for the period attributable to owners of the Company		1,622	993	(1,565)	26,027
Earnings per share	9				
– Basic (HK cents)		0.41	0.25	(0.39)	6.51

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine months ended 31 December 2021

	Share capital HK\$'000	Share premium HK\$'000	Other reserve HK\$'000 (Note a)	Property revaluation reserve HK\$'000 (Note b)	Retained profits HK\$'000	Total HK\$'000
At 1 April 2020 (audited)	4,000	63,701	10,262	2,695	83,160	163,818
Profit and total comprehensive income for the period (unaudited)	—	—	—	—	26,027	26,027
At 31 December 2020 (unaudited)	<u>4,000</u>	<u>63,701</u>	<u>10,262</u>	<u>2,695</u>	<u>109,187</u>	<u>189,845</u>
At 1 April 2021 (audited)	4,000	63,701	10,262	2,695	103,807	184,465
Loss and total comprehensive loss for the period (unaudited)	—	—	—	—	(1,565)	(1,565)
At 31 December 2021 (unaudited)	<u>4,000</u>	<u>63,701</u>	<u>10,262</u>	<u>2,695</u>	<u>102,242</u>	<u>182,900</u>

Notes:

- (a) The other reserve of the Group represents the difference between the nominal amount of the share capital of Sheung Moon Construction Limited, an indirect wholly-owned subsidiary of the Company, and the nominal amount of share capital of Attaway Developments Limited, a direct wholly-owned subsidiary of the Company, pursuant to the group reorganisation.
- (b) During the year ended 31 March 2017, the use of property of the Group had been changed from owner-occupation to leasing out for rental income. The leasehold land and building with net book value of HK\$10,505,000 were transferred from property, plant and equipment to investment property at the date of the end of owner-occupation. Upon the change of intended use, the difference of HK\$2,695,000 between the net book value and the fair value of the property of HK\$13,200,000 was recognised in other comprehensive income and accumulated in “property revaluation reserve”.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended 31 December 2021

1. GENERAL

Sheung Moon Holdings Limited (the “**Company**”) was incorporated and registered in the Cayman Islands as an exempted company with limited liability on 31 May 2017 under the Companies Law, Cap 22 (Law 3 of 1961, as amended, consolidated or supplemented from time to time) of the Cayman Islands and its shares are listed on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 12 February 2018. The addresses of the registered office and the principal place of business of the Company in Hong Kong are located at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands and Office D, 27/F, The Globe, No. 79 Wing Hong Street, Kowloon, Hong Kong, respectively. The immediate holding company of the Company is Chrysler Investments Limited, which is incorporated in the British Virgin Islands and owned by Mr. Tang Sze Wo.

The Company acts as an investment holding company and its subsidiaries are principally engaged in provision of civil engineering construction services.

The condensed consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), which is the functional currency of the Company.

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements of the Group have been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 – Interim Financial Reporting issued by the Hong Kong Institute of Certified Public Accountants as well as the applicable disclosures requirements of Chapter 18 of the GEM Listing Rules.

The condensed consolidated financial statements have been prepared on the historical cost basis except for investment property that are measured at fair values.

Other than additional accounting policies resulting from application of amendments to Hong Kong Financial Reporting Standards (“**HKFRSs**”) and the new principal accounting policies as set out below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the nine months ended 31 December 2021 are the same as those presented in the Group’s annual financial statements for the year ended 31 March 2021.

Application of amendments to HKFRSs

In the current period, the Group has applied the following amendments to HKFRSs issued by the HKICPA for the Group’s condensed consolidated financial statements:

- Amendment to HKFRS 16, Covid-19-Related Rent Concessions beyond 30 June 2021
- Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16, Interest rate benchmark reform – phase 2

The application of amendments to HKFRSs have had no material impact on the Group’s financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3. REVENUE AND SEGMENT INFORMATION

Revenue

Revenue represents the fair value of amounts received and receivable from the civil engineering construction services by the Group to external customers. The Group's revenue is solely derived from civil engineering construction services in Hong Kong during both periods.

(i) Revenue from contract with customers

Revenue from provision of civil engineering construction services during both periods are analysed as follows:

	Three months ended		Nine months ended	
	31 December		31 December	
	2021	2020	2021	2020
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Civil engineering construction contracts recognised over time	<u>83,988</u>	<u>114,150</u>	<u>237,547</u>	<u>394,018</u>

(ii) Performance obligations for contracts with customers

The Group provides construction services to customers. Such services are recognised as a performance obligation satisfied over time as the Group creates or enhances an asset that the customer controls as the asset is created or enhanced. Revenue is recognised for these construction services based on the stage of completion of the contract using input method.

The Group's construction contracts include payment schedules which require stage payments over the construction period once certain specified milestones are reached. When the Group receives a deposit before construction commences, this will give rise to contract liabilities at the start of a contract, until the revenue recognised on the specific contract exceeds the amount of the deposit.

A contract asset, net of contract liability related to the same contract, is recognised over the period in which the construction services are performed representing the Group's right to consideration for the services performed because the rights are conditioned on the Group's future performance in achieving specified milestones. The contract assets are transferred to trade receivables when the rights become unconditional.

Retention receivables, prior to expiration of defect liability period, are classified as contract assets, which ranges from one to two years from the date of the practical completion of the construction. The relevant amount of contract asset is reclassified to trade receivables when the defect liability period expires. The defect liability period serves as an assurance that the construction services performed comply with agreed upon specifications and such assurance cannot be purchased separately.

Segment information

The executive directors of the Company, being the chief operating decision maker, regularly review revenue analysis by nature of business. The executive directors of the Company considered the operating activities of civil engineering construction services as a single operating segment. The operating segment has been identified on the basis of internal management reports prepared in accordance with accounting policies conform to HKFRSs, and is regularly reviewed by the executive directors of the Company. The executive directors of the Company review the overall results, assets and liabilities of the Group as a whole to make decisions about resources allocation and performance evaluation. Accordingly, no further analysis of this single operating segment is presented.

4. OTHER INCOME

	Three Months Ended 31 December		Nine Months Ended 31 December	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Government subsidies (<i>Note</i>)	–	6,623	–	20,289
Bank interest income	3	3	5	27
Property rental income	99	96	296	290
Others	190	163	998	468
	<u>292</u>	<u>6,885</u>	<u>1,299</u>	<u>21,074</u>

Note: During the period in 2020, the Group received government grants of approximately HK\$20,289,000 in respect of COVID-19-related subsidies, of which approximately HK\$19,979,000 related to Employment Support Scheme provided by the Hong Kong Government and approximately HK\$310,000 related to one-off subsidy from Transportation Department.

5. OTHER GAINS AND LOSSES

	Three Months Ended 31 December		Nine Months Ended 31 December	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Gain (Loss) on disposal/written off of property, plant and equipment	<u>2,177</u>	<u>–</u>	<u>2,283</u>	<u>(343)</u>

6. FINANCE COSTS

	Three Months Ended		Nine Months Ended	
	31 December		31 December	
	2021	2020	2021	2020
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Interests on:				
Bank borrowings	609	815	2,238	2,682
Lease liabilities	260	210	579	717
	<u>869</u>	<u>1,025</u>	<u>2,817</u>	<u>3,399</u>

7. PROFIT (LOSS) BEFORE TAXATION

	Three Months Ended		Nine Months Ended	
	31 December		31 December	
	2021	2020	2021	2020
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Profit (Loss) before taxation has been arrived at after charging:				
Directors' remuneration	1,300	1,300	3,286	3,286
Staff costs (including direct labour cost)	36,746	39,130	108,846	116,614
Retirement benefit scheme contributions (including direct labour cost)	990	1,368	3,235	4,098
Total staff cost	<u>39,036</u>	<u>41,798</u>	<u>115,367</u>	<u>123,998</u>
Auditor's remuneration	425	175	825	825
Depreciation on property, plant and equipment	1,509	1,764	4,977	5,065
Depreciation on right-of-use assets	<u>1,056</u>	<u>995</u>	<u>2,704</u>	<u>2,931</u>

8. TAXATION

	Three Months Ended 31 December		Nine Months Ended 31 December	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Tax charge comprises:				
Hong Kong Profits Tax	–	(643)	–	1,448
Deferred taxation	<u>876</u>	<u>522</u>	<u>36</u>	<u>622</u>
	<u><u>876</u></u>	<u><u>(121)</u></u>	<u><u>36</u></u>	<u><u>2,070</u></u>

The Hong Kong Profits Tax of a subsidiary of the Group 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. The profits of group entities not qualifying for the two-tiered profits tax regime will be taxed at a flat rate of 16.5%.

9. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company for the period is based on the following data:

	Three Months Ended 31 December		Nine Months Ended 31 December	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Earning				
Profit (Loss) for the period attributable to owners of the Company for the purpose of basic earnings per share	<u>1,622</u>	<u>993</u>	<u>(1,565)</u>	<u>26,027</u>
	<u>'000</u> (unaudited)	<u>'000</u> (unaudited)	<u>'000</u> (unaudited)	<u>'000</u> (unaudited)
Number of shares				
Weighted average number of ordinary shares for the purpose of basic earnings per share	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>

No diluted earnings per share were presented as there were no potential ordinary shares in issue during both periods.

10. DIVIDENDS

No dividend was paid, declared or proposed for the nine months ended 31 December 2021 (2020: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is a local contractor in the civil engineering construction industry and is principally engaged in the provision of site formation works, road and drainage works as well as structural works in both public and private sectors in Hong Kong. The Group is an approved contractor of the government of Hong Kong Special Administrative Region (the “**Government**”), a registered general building contractor and a specialist contractor (site formation works) with the Hong Kong Buildings Department.

The following table sets out the number of contracts awarded to and completed by the Group and the aggregate contract sum during the period under review:

	Number of Contracts	Aggregate contract sum (Note) <i>HK\$' million</i>
As at 1 April 2021		
Existing contracts	47	1,110.7
During the nine months ended 31 December 2021		
Contracts completed	(3)	(9.4)
New contracts awarded	31	25.0
	<hr/>	<hr/>
As at 31 December 2021	75	1,126.3
	<hr/> <hr/>	<hr/> <hr/>

Note: The aggregate contract sum is based on a total of all contract sums stated in the initial agreements between the Group’s customers and the Group. It does not include additions and modifications due to subsequent variation orders. The final revenue recognised from a contract may differ from the contract sum initially agreed between the contracting parties.

During the period under review, the number of COVID-19 confirmed cases continued to decline. However, the prolonged outbreak of COVID-19 continues to bring uncertainties to the market and imposed negative impacts to the construction industry, including disruption to the supply chain, workforce shortages as a result of the illness and preventative quarantines, and suspension of construction works as a result of the measures imposed by the Government. In response, the management of the Group strengthened its preventive measures against COVID-19 to ensure all staff and workers were well protected against the infection of COVID-19 by providing a safe and healthy working environment. During the period under review, the Group’s construction projects were in good progress despite the margins of the projects were severely hit by the outbreak of COVID-19 with intense competition during the period under review.

FINANCIAL REVIEW

Revenue

The Group's revenue decreased by approximately HK\$156.5 million, or 39.7%, from approximately HK\$394.0 million for the nine months ended 31 December 2020 to approximately HK\$237.5 million for the nine months ended 31 December 2021. Such decrease was primarily due to (i) the decrease in contract works, particularly the decrease in amount of variation orders comparing with the corresponding period of last year; and (ii) an adjustment on the revenue of one of the contracts which amounted approximately to HK\$4.1 million resulting from the related costs exceeding management's estimation.

Direct Costs

Direct costs primarily comprised subcontracting fee, direct labour cost, construction materials, rental of site equipment, depreciation of site equipment, petrol consumption as well as transportation expenses. Direct cost decreased by approximately HK\$141.7 million, or 38.3%, from approximately HK\$370.2 million for the nine months ended 31 December 2020 to approximately HK\$228.5 million for the nine months ended 31 December 2021. Such decrease was mainly attributable to the decrease in the materials consumption and transportation expenses incurred in our projects as a result of the corresponding decrease in revenue.

Gross Profit and Gross Profit Margin

As a result of the decrease in revenue and direct costs which are stated as above, the Group's gross profit decreased by approximately HK\$14.8 million, or 62.1%, from approximately HK\$23.8 million for the nine months ended 31 December 2020 to approximately HK\$9.0 million for the nine months ended 31 December 2021. Gross profit margin dropped from 6.0% for the nine months ended 31 December 2020 to 3.8% for the nine months ended 31 December 2021. Such decrease was mainly due to (i) the adjustment on one of the contracts in the revenue as stated above; (ii) the increase in repair and maintenance costs in motor vehicles, and plant and machinery acquired for our construction projects in previous years; and (iii) increase in subcontracting fees in some of our projects.

Other Income

Other income decreased significantly by approximately HK\$19.8 million, or 93.8%, from approximately HK\$21.1 million for the nine months ended 31 December 2020 to approximately HK\$1.3 million for the nine months ended 31 December 2021. Such decrease was mainly due to the decrease in government subsidies received by the Company of approximately HK\$20.3 million for the nine months ended 31 December 2021, as compared with a package of one-off subsidies granted by the Government during the nine months ended 31 December 2020.

Other Gains and Losses

Other gains and losses increased by approximately HK\$2.6 million, or 765.6%, from a loss of approximately HK\$0.3 million for the nine months ended 31 December 2020 to a gain of approximately HK\$2.3 million for the nine months ended 31 December 2021. Such gains were due to the gain on disposal of the non-current assets during the period under review.

Administrative Expenses

Administrative expenses decreased by approximately HK\$1.6 million or 12.6% from approximately HK\$12.7 million for the nine months ended 31 December 2020 to approximately HK\$11.1 million for the nine months ended 31 December 2021. The decrease was mainly due to (i) the decrease in depreciation as a result of the disposal of non-current assets and some of the assets were fully depreciated during the period under review; and (ii) the decrease in the number of our staff during the period under review.

Finance Costs

Finance costs decreased slightly by approximately HK\$0.6 million or 17.1% from approximately HK\$3.4 million for the nine months ended 31 December 2020 to approximately HK\$2.8 million for the nine months ended 31 December 2021 was mainly attributed to the general decline of the Hong Kong Interbank Offered Rate during the period under review by comparing with that for the corresponding period in 2020.

Taxation

Taxation expenses decreased by approximately HK\$2.0 million or 98.3% from approximately HK\$2.1 million for the nine months ended 31 December 2020 to approximately HK\$0.4 million for the nine months ended 31 December 2021. Such decrease was attributed to the decrease in assessable profits for the nine months ended 31 December 2021 as comparing with the corresponding period of the last year.

As a result of the above, the Group recorded a loss approximately HK\$1.6 million for the nine months ended 31 December 2021 (nine months ended 31 December 2020: profit of approximately HK\$26.0 million).

PROSPECT

In view of the situation suddenly having become worse since the end of the 2021 which a fifth wave of the pandemic is looming, the first half of year 2022 would be an even much more challenging year for our Group. The Directors expect that the rapid spread of Delta and Omicron variants and the threat of new wave of infection continue to pose risks and uncertainties on the continual recovery of the construction industry and the business environment in which the Group operates will remain challenging. The Group faces intense competition and such competition puts downward pressure on the contract sums of our civil engineering construction services. Meanwhile, under the atmosphere of continuous cost increase of construction materials, profit margin is narrowing and the operating environment is becoming more difficult. In light of that, the Group continues to take measures to tighten cost control over various costs, particularly the costs of materials and petrol and the sub-contractor fees, with an aim to attain profitable and positive cash flow operations.

In the long run, the Directors stay confident that the Group's construction business will remain robust and get back on track to grow with potentials, including the development of the northern part of Hong Kong as proposed by the Chief Executive in the 2021 Policy Address. With a proven track record and strong foothold in the industry, the Group will endeavour to maintain a steady growth in its construction business so as to maximise the return of the Company's shareholders (the "**Shareholders**").

EVENTS AFTER THE REPORTING PERIOD

The Group had no significant events after the end of the reporting period and up to the date of this report.

OTHER INFORMATION

DIVIDENDS

The Board does not recommend the payment of an interim dividend for the nine months ended 31 December 2021 (for the nine months ended 31 December 2020: nil).

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the nine-month period ended 31 December 2021, the Company did not redeem any of its shares, and neither did the Company nor any of its subsidiaries purchase or sell any of the shares.

SHARE OPTION SCHEME

The share option scheme of the Company (the "**Share Option Scheme**") was adopted under the written resolutions of the Shareholders passed on 24 January 2018. No share option has been granted under the Shares Option Scheme since its adoption.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the “**Code of Conduct**”). Having made specific enquiry of all the Directors, all of them confirmed that they had fully complied with the required standard of dealings as set out in the Code of Conduct during the period from 1 April 2021 to 31 December 2021.

COMPETITION AND CONFLICT OF INTERESTS

As far as the Directors are aware of, none of the Directors nor the controlling shareholders nor any of their respective associates (as defined in the GEM Listing Rules) had any business or interests in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group or had any other conflict of interests with the Group during the nine months ended 31 December 2021.

AUDIT COMMITTEE

The Board has established an audit committee (the “**Audit Committee**”) on 24 January 2018, which operates under terms of reference approved by the Board. The Audit Committee currently comprises three independent non-executive Directors, namely Mr. Wong Choi Chak, Dr. Wong Kwok Yiu Chris and Mr. Leung Kim Hong. Mr. Wong Choi Chak is the chairman of the Audit Committee. The Audit Committee has reviewed the unaudited condensed consolidated financial results of the Group for the nine months ended 31 December 2021.

CORPORATE GOVERNANCE PRACTICES

The Directors consider that incorporating the core elements of good corporate governance in the management structure and internal control procedures of the Group would help to balance the interest of the Shareholders, customers and employees of the Company. The Board has adopted the principles and the code provision of the Corporate Governance Code contained in Appendix 15 of the GEM Listing Rules (the “**CG Code**”) to ensure that the Group’s business activities and decision making processes are regulated in a proper and prudent manner.

During the nine-month period ended 31 December 2021, the Company has complied with the code provisions of the CG Code.

PUBLICATION OF THIRD QUARTERLY RESULTS AND THIRD QUARTERLY REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This announcement is published on the websites of GEM (www.hkgem.com) and the Company (www.smcl.com.hk). The third quarterly report of the Company for the nine months ended 31 December 2021 containing all the information required by the GEM Listing Rules will be dispatched to the Shareholders and posted on the above websites in due course.

By order of the Board
Sheung Moon Holdings Limited
Tang Sze Wo
Executive Director and Chairman

Hong Kong, 8 February 2022

As at the date of this announcement, the Board comprises three executive Directors, namely, Mr. Tang Sze Wo, Mr. Lai Yung Sang and Mr. Tang Siu Tim; and three independent non-executive Directors, namely, Dr. Wong Kwok Yiu Chris, Mr. Wong Choi Chak and Mr. Leung Kim Hong.

This announcement will remain on the “Latest Listed Company Announcements” page on the GEM website at www.hkgem.com for at least 7 days from the day of its posting. This announcement will also be published on the Company’s website at www.smcl.com.hk.