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MI MING MART HOLDINGS LIMITED

彌明生活百貨控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8473)

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

CHARACTERISTICS OF THE 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 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 Mi Ming Mart Holdings 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 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.*

The board of Directors (the “**Board**”) is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (the “**Group**”) for the three months and nine months ended 31 December 2021 together with the unaudited comparative figures for the corresponding period in 2020 are set out as follows:

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

For the three months and nine months ended 31 December 2021

	<i>Notes</i>	For the three months ended 31 December		For the nine months ended 31 December	
		2021 <i>HK\$’000</i> (unaudited)	2020 <i>HK\$’000</i> (unaudited)	2021 <i>HK\$’000</i> (unaudited)	2020 <i>HK\$’000</i> (unaudited)
Revenue	3	40,155	38,157	114,248	105,933
Cost of sales and services		(14,451)	(13,782)	(40,336)	(36,695)
Gross profit		25,704	24,375	73,912	69,238
Other income, gains and losses		(10)	1,371	(696)	3,936
Selling and distribution expenses		(9,318)	(8,198)	(26,457)	(22,328)
Administrative and operating expenses		(7,935)	(6,855)	(26,875)	(23,026)
Interest expenses		(209)	(194)	(565)	(544)
Profit before taxation	4	8,232	10,499	19,319	27,276
Income tax expense	5	(1,311)	(1,966)	(3,360)	(5,292)
Profit and total comprehensive income for the period		6,921	8,533	15,959	21,984
Earnings per share (Hong Kong cents)					
– basic	7	0.62	0.76	1.42	1.96

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine months ended 31 December 2021

	Share capital <i>HK\$'000</i>	Share premium <i>HK\$'000</i>	Merger reserve <i>HK\$'000</i>	Retained profits <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 1 April 2020 (audited)	11,200	75,127	(37,316)	76,067	125,078
Profit and total comprehensive income for the period	—	—	—	21,984	21,984
At 31 December 2020 (unaudited)	<u>11,200</u>	<u>75,127</u>	<u>(37,316)</u>	<u>98,051</u>	<u>147,062</u>
At 1 April 2021 (audited)	11,200	75,127	(37,316)	103,204	152,215
Profit and total comprehensive income for the period	—	—	—	15,959	15,959
Dividend recognised as distribution (Note 6)	—	(26,880)	—	—	(26,880)
At 31 December 2021 (unaudited)	<u>11,200</u>	<u>48,247</u>	<u>(37,316)</u>	<u>119,163</u>	<u>141,294</u>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Company was incorporated on 4 November 2016 in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands. The Company's registered office address is Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman, KY1-1108, Cayman Islands and principal place of business in Hong Kong is 16th Floor, Guangdong Tours Centre, 18 Pennington Street, Hong Kong.

The Company is an investment holding company and the Group is principally engaged in the retail of multibrand beauty and health products in Hong Kong. The unaudited condensed consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), which is same as the functional currency of the Company. These condensed consolidated financial statements have not been audited.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants. In addition, the unaudited condensed consolidated financial statements include the applicable disclosures required by the GEM Listing Rules and by the Hong Kong Companies Ordinance.

The condensed consolidated financial statements are unaudited, but have been reviewed by the audit committee (“**Audit Committee**”) of the Company and were approved for issue by the Board.

The condensed consolidated financial statements have been prepared on the historical cost basis.

Other than changes in accounting policies resulting from application of amendments to HKFRSs, the accounting policies applied and methods of computation used in the condensed consolidated financial statements for the nine months ended 31 December 2021 are consistent with those of the annual financial statements for the year ended 31 March 2021.

Application of amendments to HKFRSs

The Group has applied following amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatory effective for the annual period beginning on or after 1 April 2021 for the preparation of the Group's condensed consolidated financial statements:

Amendment to HKFRS 16	Covid-19-Related Rent Concessions
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 in the current period has 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.

3. REVENUE

The revenue of the Group arose from sales of products, consignment commission and service income for the three months and nine months ended 31 December 2021. An analysis of the Group's revenue recognised at a point in time for the three months and nine months ended 31 December 2021 are as follows:

	For the three months ended 31 December		For the nine months ended 31 December	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Sales of goods				
Retail stores	31,220	31,781	95,938	89,536
Online shops	6,022	5,370	14,162	14,594
Consignment sales	1,453	861	2,348	1,144
Distributors	36	58	91	323
Subtotal	<u>38,731</u>	<u>38,070</u>	<u>112,539</u>	<u>105,597</u>
Consignment Commission				
Retail stores	107	47	195	167
Online shop	1	40	1	169
Subtotal	<u>108</u>	<u>87</u>	<u>196</u>	<u>336</u>
Service income	<u>1,316</u>	<u>–</u>	<u>1,513</u>	<u>–</u>
Total	<u><u>40,155</u></u>	<u><u>38,157</u></u>	<u><u>114,248</u></u>	<u><u>105,933</u></u>

4. PROFIT BEFORE TAXATION

	For the three months ended 31 December		For the nine months ended 31 December	
	2021 <i>HK\$'000</i> (unaudited)	2020 <i>HK\$'000</i> (unaudited)	2021 <i>HK\$'000</i> (unaudited)	2020 <i>HK\$'000</i> (unaudited)
Profit before taxation has been arrived at after charging (crediting):				
Directors' remuneration	1,423	1,235	3,943	3,311
Other staff salaries and allowances	6,381	3,719	18,419	12,645
Retirement benefit scheme contributions, excluding those of Directors	287	268	831	792
Total employee benefits expenses	8,091	5,222	23,193	16,748
Depreciation of property, plant and equipment	1,103	1,137	3,330	3,163
Depreciation of right-of-use assets	2,745	3,073	7,809	9,323
Cost of inventories recognised as expenses (included in cost of sales and services)	13,178	13,385	38,430	36,040
Impairment losses on receivables under expected credit loss model	99	–	435	–
Impairment losses on inventory and prepayment	82	–	82	–
Interest income	(1)	(18)	(20)	(514)
Exchange (gain) loss	(149)	(1,350)	506	(2,615)
Legal and professional fees for the application for the transfer of listing of the shares of the Company from GEM to Main Board of the Stock Exchange (“ Transfer Listing Application Expenses ”)	–	624	693	4,458

5. INCOME TAX EXPENSE

	For the three months ended 31 December		For the nine months ended 31 December	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Current tax:				
Hong Kong Profits Tax	<u>1,311</u>	<u>1,966</u>	<u>3,360</u>	<u>5,292</u>

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the “**Bill**”) which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of qualifying corporations in Hong Kong for the years of assessment commencing on or after 1 April 2018 will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of corporations not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

The two-tiered profits tax rates regime is applicable to the Group for both periods and only one subsidiary in the Group could elect for the two-tiered rates regime and the election, once made, is irrevocable.

The Directors of the Company are in the view that the impact of the two-tiered profits tax rates regime on the Group’s deferred tax position is not material.

6. DIVIDENDS

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

After taking into consideration the financial position and the cash flow of the Company, the Board has paid a special dividend of HK1.8 cents per ordinary share on Friday, 24 September 2021, in an aggregate amount of approximately HK\$20.2 million, to the shareholders of the Company (the “**Shareholders**”) whose names appear in the register of members of the Company at the close of business on Tuesday, 31 August 2021.

As disclosed in the annual report of the Company for the year ended 31 March 2021, a final dividend of HK0.6 cent per share, in an aggregate amount of approximately HK\$6.7 million (the “**2021 Final Dividend**”), has been recommended by the Board (2020: Nil) to the Shareholders whose names appear in the register of members of the Company at the close of business on Tuesday, 28 September 2021. The payment of the 2021 Final Dividend have been approved by the Shareholders in the annual general meeting held on Friday, 10 September 2021 (the “**2021 AGM**”). The 2021 Final Dividend have been paid on Wednesday, 20 October 2021.

7. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the following data:

	For the three months ended 31 December		For the nine months ended 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)
Earnings				
Profit for the periods attributable to owners of the Company for the purposes of calculation of basic earnings per share	<u>6,921</u>	<u>8,533</u>	<u>15,959</u>	<u>21,984</u>

	For the three months ended 31 December		For the nine months ended 31 December	
	2021	2020	2021	2020
	'000	'000	'000	'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Number of shares				
Weighted average number of ordinary shares for the purpose of calculation of basic earnings per share	<u>1,120,000</u>	<u>1,120,000</u>	<u>1,120,000</u>	<u>1,120,000</u>

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

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND PROSPECTS

The Group is primarily a multi-brand retailer, which operates eleven retail stores under the brand of “MI MING MART” (“彌明生活百貨”) (the “**Brand**”) in Hong Kong. The Group offers a wide range of beauty and health products, which can mainly be categorised into (i) skincare products; (ii) cosmetics products; and (iii) food and health supplements.

Driven by the Brand’s philosophy “defining clean beauty” (“擇善美麗”), the Group endeavours to select and offer products that do not contain any ingredients that, in its view, would adversely affect or impair the health of its customers. The Group targets to serve and offer its products to customers who are ingredient conscious and aspire to the betterment of their health.

The Group mainly sells products at its retail stores, with a portion through its online shop at www.mimingmart.com and other e-commerce platforms operated by independent third parties, consignment sales and distributors.

The Directors believe that the Group’s success is attributable to the image of the Brand, which emphasises its offer of quality beauty and health products selected by its senior management team, reinforcing its customers’ confidence in the Group’s products and building up its customers’ loyalty to the Group’s brand. The Group believes its marketing strategy, established network of retail stores and the quality products offered by the Group will continue to strengthen its Brand image and customer base.

The Group aims to expand its sales network, product portfolio and e-commerce business to enhance its competitiveness and maintain its leading position in the small and medium segment of the skincare and cosmetics multi-brand specialty retailers market in Hong Kong. With its comprehensive knowledge in both the skincare and cosmetics market and the health supplements market in Hong Kong, the Directors believe that the Group is well-positioned to capture the growth.

FINANCIAL REVIEW

Revenue

The Group's revenue increased by approximately HK\$8.3 million to approximately HK\$114.2 million for the nine months ended 31 December 2021 from approximately HK\$105.9 million for the corresponding period in 2020, representing an increase of approximately 7.8%. The Directors believe that the increase in revenue was primarily due to the (i) increase in the sales of the Group's products through its retail stores of approximately HK\$6.4 million mainly as a result of the increase in sales at its Tsim Sha Tsui and Sha Tin stores after their relocations to more suitable premises in late 2020 and the opening of the new Kwai Fong store in November 2021; (ii) increase in service income of approximately HK\$1.5 million since the launch of beauty service in September 2021; and (iii) increase in the sales of the Group's products through its consignees of approximately HK\$1.2 million.

Cost of sales and services

The Group's cost of sales and services primarily consists of cost of inventories sold, cost of service, commission expenses, and incoming shipping, freight and delivery charges. The cost of sales and services increased by approximately HK\$3.6 million to approximately HK\$40.3 million for the nine months ended 31 December 2021 from approximately HK\$36.7 million for the corresponding period in 2020, representing an increase of approximately 9.9%. In addition to the increase in the cost of sales and services along with the increase in sales during the period, the cost of products purchased in Australian dollar further increased mainly due to an increase in the effective exchange rate of Australian dollar to Hong Kong dollar as compared to that for the corresponding period in the previous year.

Gross profit and gross profit margin

The Group's gross profit increased by approximately HK\$4.7 million to approximately HK\$73.9 million for the nine months ended 31 December 2021 from approximately HK\$69.2 million for the corresponding period in 2020, representing an increase of approximately 6.8%, whilst the Group's gross profit margin decreased slightly from approximately 65.4% to approximately 64.7% for the respective periods. The decrease in the gross profit margin was mainly attributable to the increase in the cost of its products purchased in Australian dollar as a result of the increase in the effective exchange rate of Australian dollar to Hong Kong dollar as compared to that for the corresponding period in the previous year.

Other income, gains and losses

The Group recorded a loss of approximately HK\$0.7 million for the nine months ended 31 December 2021 which primarily consists of an exchange loss of approximately HK\$0.5 million upon the translation of the Group's bank deposits denominated in Australian dollar as a result of a slight depreciation of Australian dollar against Hong Kong dollar during the period; whilst the Group recorded a gain of approximately HK\$3.9 million for the corresponding period in 2020 primarily attributable to an exchange gain of approximately HK\$2.6 million and subsidy received from the Hong Kong Government under the Retail Sector Subsidy Scheme of approximately HK\$0.8 million.

Selling and distribution expenses

The Group's selling and distribution expenses increased by approximately HK\$4.2 million to approximately HK\$26.5 million for the nine months ended 31 December 2021 from approximately HK\$22.3 million for the corresponding period in 2020, representing an increase of approximately 18.5%. The increase was primarily due to (i) increase in marketing expenses of approximately HK\$1.6 million; and (ii) increase in staff costs for sales staff of approximately HK\$2.8 million as the staff costs for the sales staff in the corresponding period in 2020 was partially offset by the subsidy from the Hong Kong Government under the Employment Support Scheme.

Administrative and operating expenses

Administrative and operating expenses increased by approximately HK\$3.9 million to approximately HK\$26.9 million for the nine months ended 31 December 2021 from approximately HK\$23.0 million for the corresponding period in 2020, representing an increase of approximately 16.7%. Such increase was primarily due to the net effect of (i) increase in donation of approximately HK\$3.0 million; (ii) increase in salaries and allowances for administrative staff of approximately HK\$3.0 million as the relevant staff costs in the corresponding period in 2020 was partially offset by the subsidy from the Hong Kong Government under the Employment Support Scheme; (iii) increase in the Directors' remuneration of approximately HK\$0.6 million; (iv) increase in the travelling expenses of approximately HK\$0.4 million; and (v) decrease in the non-recurring Transfer Listing Application Expenses of approximately HK\$3.8 million.

Interest expenses

Interest expenses primarily consists of interest expenses on the lease liabilities and bank borrowing. The interest expenses remained relatively stable at approximately HK\$0.6 million for the nine months ended 31 December 2021 as compared to that for the corresponding period in 2020.

Income tax expense

For the nine months ended 31 December 2020 and 2021, the Group's income tax expense was approximately HK\$5.3 million and HK\$3.4 million respectively, representing an effective tax rate of approximately 19.4% and 17.4%, respectively. The lower effective tax rate for the nine months ended 31 December 2021 was mainly due to the lower non-recurring Transfer Listing Application Expenses incurred in the nine months ended 31 December 2021 which were not deductible for taxation purpose.

Net profit for the period

As a result of the foregoing, the Group's net profit decreased by approximately HK\$6.0 million or approximately 27.4% from approximately HK\$22.0 million for the nine months ended 31 December 2020 to approximately HK\$16.0 million for the nine months ended 31 December 2021, whilst the Group's net profit margin decreased from approximately 20.8% to approximately 14.0% for the respective periods. Excluding the (i) non-recurring Transfer Listing Application Expenses; (ii) subsidies received from the Hong Kong Government under the Retail Sector Subsidy Scheme and Employment Support Scheme; and (iii) charity donation of approximately HK\$3.0 million, the Group's profit attributable to owners of the Group for the nine months ended 31 December 2021 amounted to approximately HK\$19.6 million (nine months ended 31 December 2020: approximately HK\$21.2 million).

Basic earnings per share

The Company's basic earnings per share decreased to earnings per share of approximately HK1.42 cents for the nine months ended 31 December 2021 from earnings per share of approximately HK1.96 cent for the nine months ended 31 December 2020, representing a decrease of approximately HK0.54 cent. Such decrease is in line with the decrease in the profit for the period attributable to owners of the Company during the nine months ended 31 December 2021.

RESERVES

Movements in the reserves of the Group for the nine months ended 31 December 2021 are set out above in the unaudited condensed consolidated statement of changes in equity.

DIVIDEND

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

After taking into consideration the financial position and the cash flow of the Company, the Board has paid a special dividend of HK1.8 cents per ordinary share on Friday, 24 September 2021, in an aggregate amount of approximately HK\$20.2 million, to the Shareholders whose names appear in the register of members of the Company at the close of business on Tuesday, 31 August 2021.

As disclosed in the annual report of the Company for the year ended 31 March 2021, a final dividend of HK0.6 cent per share, in an aggregate amount of approximately HK\$6.7 million, has been recommended by the Board (2020: Nil) to the Shareholders whose names appear in the register of members of the Company at the close of business on Tuesday, 28 September 2021. The payment of the 2021 Final Dividend have been approved by the Shareholders in the 2021 AGM. The 2021 Final Dividend have been paid on Wednesday, 20 October 2021.

CAPITAL COMMITMENTS

As at 31 December 2021, the Group did not have any significant capital commitments.

MATERIAL ACQUISITIONS OR DISPOSALS OF INVESTMENTS

During the nine months ended 31 December 2021, the Group had no material acquisition and disposal of investments.

CONTINGENT LIABILITIES

The Group did not have material contingent liabilities as at 31 December 2021.

CORPORATE GOVERNANCE AND OTHER INFORMATION

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

As at 31 December 2021, the interests and short positions in the Shares of the Company (“Shares”), underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (the “SFO”) held by the Directors and chief executives of the Company which had 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 which were taken or deemed to have taken under such provisions of the SFO) or which as entered in the register required to be kept by the Company pursuant to Section 352 of the SFO, or otherwise required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules are set out as follows:

(a) Interests in the Shares of the Company

Name of Directors	Capacity/ nature of interest	Number of Shares interested <i>(Note 1)</i>	Percentage of shareholding in the Company
Ms. Yuen Mi Ming Erica (“Ms. Erica Yuen”) <i>(Note 2)</i>	Interest in controlled corporation	542,000,000 (L)	48.4%
Mr. Lam Yue Yeung Anthony (“Mr. Anthony Lam”) <i>(Note 3)</i>	Interest of spouse	542,000,000 (L)	48.4%
Ms. Yuen Mimi Mi Wahng (“Ms. Mimi Yuen”) <i>(Note 4)</i>	Interest in controlled corporation	47,000,000 (L)	4.2%
Mr. Cheung Siu Hon Ronald (“Mr. Ronald Cheung”) <i>(Note 5)</i>	Interest of spouse	47,000,000 (L)	4.2%

(b) **Interests in the Shares of the associated corporation of the Company**

Name of Director	Capacity/ nature of interest	Name of associated corporation	Number of share interested (Note 1)	Percentage of shareholding in the associated corporation
Ms. Erica Yuen	Beneficial owner	Prime Era Holdings Limited (“ Prime Era ”)	1 (L)	100%
Ms. Mimi Yuen	Beneficial owner	Webber Holdings Limited (“ Webber ”)	1 (L)	100%

Notes:

- (1) The letter “L” denotes long position in the relevant share interests.
- (2) Prime Era held direct interests of 542,000,000 Shares. Prime Era is wholly and beneficially owned by Ms. Erica Yuen. Therefore, Ms. Erica Yuen is deemed to be interested in all the Shares held by Prime Era under the SFO.
- (3) Mr. Anthony Lam is the spouse of Ms. Erica Yuen. Mr. Anthony Lam is deemed to be interested in the same number of Shares in which Ms. Erica Yuen is interested by virtue of the SFO.
- (4) Webber held direct interests of 47,000,000 Shares. Webber is wholly and beneficially owned by Ms. Mimi Yuen. Therefore, Ms. Mimi Yuen is deemed to be interested in all the Shares held by Webber under the SFO.
- (5) Mr. Ronald Cheung is the spouse of Ms. Mimi Yuen. Mr. Ronald Cheung is deemed to be interested in the same number of Shares in which Ms. Mimi Yuen is interested by virtue of the SFO.

Save as disclosed above, as at 31 December 2021, none of the Directors or chief executive of the Company has any interest or short position in the Shares, underlying Shares or debentures of the Company or any of its associated corporations which was 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 which were taken or deemed to have taken under 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, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by Directors to be notified to the Company and the Stock Exchange.

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

As at 31 December 2021, the following persons (not being a Director or chief executive of the Company) had or were deemed or taken to have an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which would be recorded in the register of the Company required to be kept under section 336 of the SFO who, are directly or indirectly interested in 5% or more of the Shares:

Name of shareholder	Capacity/ nature of interest	Number of Shares held (Note 1)	Percentage of shareholding in the Company
Prime Era (Note 2)	Beneficial owner	542,000,000 (L)	48.4%
Ms. Ying Ka Kwok Tania	Beneficial owner	244,530,000 (L)	21.8%

Notes:

- (1) The letter "L" denotes the long position in the share interest.
- (2) Prime Era is wholly and beneficially owned by Ms. Erica Yuen. She is deemed to be interested in all the Shares held by Prime Era under the SFO.

Save as disclosed above, as at 31 December 2021, none of the Directors is aware of any other person (other than the Directors or chief executive of the Company as disclosed in the section headed "Directors' and chief executives' interests and short positions in the shares, underlying shares and debentures of the Company and its associated corporations" above) who had any interest or short position in the Shares or underlying Shares which would have to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which would be recorded in the register of the Company required to be kept under section 336 of the SFO, who are directly or indirectly interested in 5% or more of the Shares.

SHARE OPTION SCHEME

The Company has a share option scheme (the “**Share Option Scheme**”) which was approved and adopted by the written resolutions of the then sole shareholder of the Company passed on 23 January 2018. No share option has been granted under the Share Option Scheme since its adoption.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules (“**Required Standard of Dealings**”) as the code for securities transactions by the Directors. Further, the Company had made specific enquiry with all Directors and each of them has confirmed his/her compliance with the Required Standard of Dealings during the nine months ended 31 December 2021.

DIRECTORS’ INTEREST IN COMPETING BUSINESS

During the nine months ended 31 December 2021, none of the Directors or the controlling shareholders or their respective associates (as defined in the GEM Listing Rules) of the Company had any interest in a business which competed with or might compete with the business of the Group.

CORPORATE GOVERNANCE PRACTICES

The Board of the Company is committed to achieving good corporate governance standards. The Board believes that good corporate governance standards are essential in providing a framework for the Group to safeguard the interests of shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company has applied the principles and practices as set out in the Corporate Governance Code (the “**CG Code**”) contained in Appendix 15 to the GEM Listing Rules and has adopted the CG Code as the code to govern the Company’s corporate governance practices.

During the nine months ended 31 December 2021, the Company has complied with the CG Code except for the following deviation:

Code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing.

Ms. Erica Yuen is the founder, Chairlady, Executive Director and the Chief Executive Officer of the Company. The Board believes that it is in the best interest of the Group to have Ms. Erica Yuen taking up both roles for effective management and business development of the Group. Therefore, the Directors consider that the deviation from the code provision C.2.1 of the CG Code is appropriate in such circumstance.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed the Company's listed securities during the nine months ended 31 December 2021.

CHANGE OF AUDITOR

On 27 January 2022, the Board of the Company and its Audit Committee received a letter from Deloitte Touche Tohmatsu (“**Deloitte**”) for its resignation as the auditor of the Company with immediate effect. On the same date, Grant Thornton Hong Kong Limited has been appointed as the auditor of the Company with effect from the same date to fill the casual vacancy following the resignation of Deloitte and to hold office until the conclusion of the next annual general meeting of the Company. For details, please refer to the announcement of the Company dated 27 January 2022.

AUDIT COMMITTEE

The Company established an Audit Committee with written terms of reference in compliance with Rule 5.28 of the GEM Listing Rules and code provision D.3.3 of the CG Code. The Audit Committee consists of three Independent Non-executive Directors, namely Ms. Tsang Wing Yee, Ms. Chan Sze Lai Celine and Ms. Hung Yuen Wa. Ms. Tsang Wing Yee possesses the appropriate professional accounting qualifications and related financial management expertise as required in Rule 5.05(2) of the GEM Listing Rules, and she serves as the chairlady of the Audit Committee.

The primary duties of the Audit Committee are to assist the Board in providing an independent review of the effectiveness of the Group's internal audit function, financial reporting process, internal control and risk management systems, and to oversee the audit process. The Audit Committee had reviewed the unaudited quarterly results for the nine months ended 31 December 2021.

By order of the Board
Mi Ming Mart Holdings Limited
Yuen Mi Ming Erica

Chairlady, Chief Executive Officer and Executive Director

Hong Kong, 11 February 2022

As at the date of this announcement, the Executive Directors are Ms. Yuen Mi Ming Erica and Ms. Yuen Mimi Mi Wahng; the Non-executive Directors are Mr. Cheung Siu Hon Ronald, Mr. Lam Yue Yeung Anthony and Mr. Wong Siu Ki; and the Independent Non-executive Directors are Ms. Chan Sze Lai Celine, Ms. Hung Yuen Wa and Ms. Tsang Wing Yee.

This announcement will remain on the “Latest Listed Company Information” page of the website of GEM (www.hkgem.com) for at least seven days from its date of publication. This announcement will also be published on the website of the Company at www.mimingmart.com.