



SING LEE SOFTWARE (GROUP) LIMITED

新利軟件(集團)股份有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 8076)

FIRST QUARTERLY RESULTS ANNOUNCEMENT FOR THE THREE MONTHS ENDED 31 MARCH 2023

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 high 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.

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This announcement, for which the directors of Sing Lee Software (Group) Limited (the “Company”) (the “Directors”) 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 of Hong Kong Limited 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.

* For identification purposes only

RESULTS

The board of directors (the “Board”) of Sing Lee Software (Group) Limited (the “Company”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the three months ended 31 March 2023, together with the unaudited comparative figures for the corresponding period in 2022, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		(Unaudited)	
		Three months ended	
		31 March	
	<i>Notes</i>	2023	2022
		RMB'000	RMB'000
Revenue	2	9,723	5,364
Cost of sales and services		(14,925)	(20,422)
Gross loss		(5,202)	(15,058)
Other income	3	418	169
Impairment losses under expected credit loss model, net of reversal on trade receivables and contract assets		46	–
Other gains and losses		298	444
Distribution and selling expenses		(1,251)	(2,001)
Administrative expenses		(3,650)	(4,376)
Finance costs		(315)	(285)
Loss before tax		(9,656)	(21,107)
Income tax expense	4	–	–
Loss and total comprehensive expense for the period		(9,656)	(21,107)
Loss per share			
– Basic (<i>RMB cents</i>)	5	(0.73)	(1.60)
– Diluted (<i>RMB cents</i>)	5	(0.73)	(1.60)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months ended 31 March 2023

	Share Capital RMB'000	Share premium RMB'000 <i>(Note a)</i>	Statutory reserve RMB'000 <i>(Note b)</i>	Shareholder's contribution RMB'000 <i>(Note c)</i>	Translation reserve RMB'000	Share based payments reserve RMB'000	Accumulated losses RMB'000	Total RMB'000
At 1 January 2023 (Audited)	12,538	179,132	3,613	6,641	5,217	6,311	(173,998)	39,454
Loss and total comprehensive expense for the period	-	-	-	-	-	-	(9,656)	(9,656)
At 31 March 2023 (Unaudited)	<u>12,538</u>	<u>179,132</u>	<u>3,613</u>	<u>6,641</u>	<u>5,217</u>	<u>6,311</u>	<u>(183,654)</u>	<u>29,798</u>
At 1 January 2022 (Audited)	12,538	179,132	3,613	786	5,217	6,631	(155,937)	51,980
Loss and total comprehensive expense for the period	-	-	-	-	-	-	(21,107)	(21,107)
At 31 March 2022 (Unaudited)	<u>12,538</u>	<u>179,132</u>	<u>3,613</u>	<u>786</u>	<u>5,217</u>	<u>6,631</u>	<u>(177,044)</u>	<u>30,873</u>

Notes:

- (a) Under the Companies Act 1981 of Bermuda (“Companies Act”), share premium is distributable to shareholders, subject to the condition that the Company cannot declare or pay a dividend, or make a distribution out of share premium and other reserves if (i) it is, or would after the payment be, unable to pay its liabilities as they become due, or (ii) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital account.
- (b) As stipulated by the relevant laws and regulations for foreign investment enterprises in the People’s Republic of China (the “PRC”), the Company’s PRC subsidiaries are required to maintain two statutory reserves, being an enterprise expansion fund and a statutory surplus reserve fund which are non-distributable. Appropriations to such reserves are made out of net profit after taxation reported in the statutory financial statements of the PRC subsidiaries while the amounts and allocation basis are decided by their respective boards of directors annually. The statutory surplus reserve fund can be used to make up their prior year losses, if any, and can be applied in conversion into capital by means of capitalisation issue. The enterprise expansion fund can be used for expanding the capital base of the PRC subsidiaries by means of capitalisation issue.
- (c) On 30 September 2017, Mr. Hung Yung Lai, being the chairman, executive director and controlling shareholder of the Company at that time, waived the balance due to him of approximately RMB786,000. The amount has been capitalised as shareholder’s contribution. On 6 July 2022, Goldcorp Industrial Limited, being an immediate holding company at that time, transferred certain Company’s shares to employees of the Group and such transfer was considered as a share-based payment transaction under IFRS 2 Share-based Payment.

NOTES TO THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

1. GENERAL

The unaudited consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board, the disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on GEM.

The unaudited consolidated financial statements are presented in Renminbi (“RMB”), which is the same as the functional currency of the Group.

All significant intra-group transactions and balances have been eliminated on consolidation.

The unaudited consolidated results for the three months ended 31 March 2023 have not been reviewed or audited by the external auditors of the Company but have been reviewed by the audit and risk management committee of the Company.

The accounting policies adopted are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2022 (the “2022 Consolidated Financial Statements”), except for the amendments and interpretations of IFRSs (the “New IFRSs”) issued by IASB which have become effective in this period as detailed in the notes of the 2022 Consolidated Financial Statements. The adoption of the New IFRSs has no material impact on the accounting policies in the Group’s condensed consolidated financial statements for the period.

2. REVENUE

Revenue represents income from sale of computer software and related hardware, and provision of technical support services. Revenue comprises the following:

	(Unaudited)	
	Three months ended	
	31 March	
	2023	2022
	RMB’000	RMB’000
Sales of software products	806	745
Sales of related hardware products	118	239
Provision of technical support services	8,799	4,380
	<hr/>	<hr/>
	9,723	5,364
	<hr/> <hr/>	<hr/> <hr/>

3. OTHER INCOME

	(Unaudited)	
	Three months ended	
	31 March	
	2023	2022
	RMB'000	RMB'000
Interest income	78	59
Others	340	110
	418	169

4. INCOME TAX EXPENSE

No provision for Hong Kong Profits Tax has been made as the Group had no estimated assessable profits arising from Hong Kong during the three months ended 31 March 2023 and 2022.

PRC enterprise income tax has not been provided as the Group had no estimated assessable profits arising from PRC for the three months ended 31 March 2023 (three months ended 31 March 2022: Nil).

5. LOSS PER SHARE

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

	(Unaudited)	
	Three months ended	
	31 March	
	2023	2022
	RMB'000	RMB'000
Loss for the period attributable to owners of the Company for the purposes of basic and diluted loss per share	(9,656)	(21,107)
	1,317,240	1,317,240

6. DIVIDEND

The Board does not recommend the payment of dividend for the three months ended 31 March 2023 (three months ended 31 March 2022: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW AND RESULTS OF OPERATIONS

For the three months ended 31 March 2023, the Group recorded a total revenue of approximately RMB9,723,000, increase of 81% as compared to the same period of last year (For the three months ended 31 March 2022: approximately RMB5,364,000). The increased in the turnover of the Group was mainly attributable to the increased in the revenue of the Group's provision of technical support service. Cost of sales and services for the three months ended 31 March 2023 decreased by 27% to approximately RMB14,925,000 (For the three months ended 31 March 2022: approximately RMB20,422,000). Decreased in cost of sales and services was mainly due to decrease in staff cost.

Administrative expenses for the three months ended 31 March 2023 is decreased by 17% to approximately RMB3,650,000 (For the three months ended 31 March 2022: approximately RMB4,376,000). Decreased in administrative expenses was mainly due to decrease in staff cost. For the distribution and selling expenses for the three months ended 31 March 2023 is decreased by 37% to approximately RMB1,251,000 (For the three months ended 31 March 2022: approximately RMB2,001,000), decreased in distribution and selling expenses was mainly due to our effective cost control measures. Other income mainly included interest income and tax refund; and other gains and losses mainly included exchange differences and fair value changes in financial assets at fair value through profit or loss.

Finance costs for three months ended 31 March 2023 was increased by 11% to approximately RMB315,000 (For the three months ended 31 March 2022: approximately RMB285,000), the increased in finance costs was mainly attributable to increase in borrowings.

The Group recorded a loss of approximately RMB9,656,000 for the three months ended 31 March 2023, decrease of 54% as compared to the same period of last year (For the three months ended 31 March 2022: approximately RMB21,107,000). Increase in revenue and decrease in staff cost are the main factor leading to the decrease in loss.

We will continue striving our best to increase sales and strengthen our cost control measures. With the products of our Group becoming more mature in the market and the effective cost control, we expect that financial results of the group would be improved in the coming quarter.

BUSINESS REVIEW

Overall Business of the Group for the First Quarter of 2023

As the pandemic subsided in the first quarter, the supportive economic policies implemented by China continued to kick in. With the revival in demand and faster recovery of the industry chain and supply chain, the industry welcomed a better backdrop, supporting the Group's optimistic outlook.

In response to the favourable environment and policies, the Group optimised its organisational structure by focusing on the marketing, operation and management centres. It also streamlined the decision-making flow, enhanced its market responsiveness and stepped up the marketing of innovative businesses. Meanwhile, the Group further demonstrated its commitment to the performance targets of 2023 by developing a detailed annual budget and target breakdown, and facilitating interdepartmental collaboration.

The Group's sales increased by 81% in the first quarter of 2023 compared to the same period last year, while the sales and service cost decreased by 27%. The seasonality of its revenue was noticeable, and the first quarter proved to be a low season. However, supported by the continued optimisation of operational structure, measures that would streamline the workforce and enhance the efficiency, and the concerted effort of the whole team, the Group recorded decent sales performance across different regions and a significant improvement in its operations compared to the same period last year.

In order to strengthen the core competitiveness of its product portfolio, the Group further consolidated its payment and outsourcing service products. The payment products made concrete progress in terms of lower cost, fast delivery and remote delivery, and their applications in digital middle office and different scenarios also picked up to form strategic control points. On the other hand, the Group further promoted its outsourcing service products through existing partnerships, and expanded the service scope, depth and customer base to create a location advantage that would contribute towards the core competitiveness of its operations.

OUTLOOK

The "Payment plus service" remains the core of the Group, which is recognised as a reliable partner with its good reputation and robust user base. Based on these products, the Group has been lowering the user cost and enhancing the customer experience actively. Aligned with the State's digitalisation strategy, it has also sped up product innovation by seizing the opportunities presented by digital currencies and economic recovery, creating value for customers continuously.

The Group will continue to implement stringent cost control, and strengthen the risk control over the overall operations and individual businesses in order to establish a virtuous cycle of identifying new sources of income and lowering the costs.

OTHER INFORMATION

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITION IN SHARES, UNDERLYING SHARES AND DEBENTURES

So far as is known to any directors or chief executives of the Company, as at 31 March 2023, shareholders (other than directors or chief executive of the Company) who had interests or short positions in the shares, underlying shares and debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote on all circumstances at general meeting of any other members of the Group or substantial shareholders as recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

(a) Ordinary shares of HK\$0.01 each of the Company

Name of shareholder	Capacity/ Nature of interest	Number of shares held		Percentage of shareholding
		Long position	Short position	
Goldcorp Industrial Limited	Beneficial owner	136,307,500 <i>(note 1)</i>	–	10.35%
Great Song Enterprises Limited	Interest of controlled corporation	136,307,500 <i>(notes 1 and 2)</i>	–	10.35%
Mr. Hung Yung Lai	Interest of controlled corporation	136,307,500 <i>(notes 2 and 4)</i>	–	10.35%
	Beneficial owner	38,532,500	–	2.92%
Ms. Li Kei Ling	Interest of controlled corporation	136,307,500 <i>(notes 2 and 3)</i>	–	10.35%
Mdm. Iu Pun	Interest of spouse	174,840,000 <i>(note 5)</i>	–	13.27%
Mr. Lin Xue Xin	Beneficial owner	118,560,000	–	9.00%
Ms. Zhou Cuilian	Interest of spouse	123,552,682 <i>(note 6)</i>	–	9.38%
Mr. Li Dong	Beneficial owner	65,860,000	–	5.00%
Ms. Lei Ying	Interest of spouse	71,775,500 <i>(note 7)</i>	–	5.45%

(b) *Share options*

Name of shareholder	Capacity/ Nature of interest	Number of Share options held
Mr. Lin Xue Xin	Beneficial owner	4,992,682
Mr. Li Dong	Beneficial owner	5,915,500

Notes:

1. Goldcorp Industrial Limited is a limited liability company incorporated in the British Virgin Islands equally owned by Mr. Hung Yung Lai and Great Song Enterprises Limited which in turn is wholly owned by Ms. Li Kei Ling.
2. The Shares were held by Goldcorp Industrial Limited.
3. Ms. Li Kei Ling controls more than one third of the voting power of Great Song Enterprises Limited which in turn holds more than one third of the voting power of Goldcorp Industrial Limited. Ms Li Kei Ling is deemed, by virtue of the SFO, to be interested in the same 136,307,500 shares held by Goldcorp Industrial Limited.
4. Mr. Hung Yung Lai controls more than one third of the voting power of Goldcorp Industrial Limited. Mr. Hung Yung Lai is deemed, by virtue of the SFO, to be interested in the same 136,307,500 shares held by Goldcorp Industrial Limited.
5. These shares are beneficially owned by Goldcorp Industrial Limited as mentioned in Note 4 of above. Mr. Hung Yung Lai is deemed to be interested in the same 136,307,500 shares held by Goldcorp Industrial Limited. Mdm Iu Pun is the wife of Mr. Hung Yung Lai and is deemed to be interested in these shares in which Mr. Hung Yung Lai is deemed or taken to be interested for the purpose of the SFO. She is also deemed to be interested in the 38,532,500 shares beneficially owned by Mr. Hung Yung Lai as mentioned in Note 4 above for the purpose of SFO.
6. Ms. Zhou Cuilian is the spouse of Mr. Lin Xue Xin. Accordingly, Ms. Zhou Cuilian is deemed or taken to be interested in the 4,992,682 share options and the 118,560,000 shares in which Mr. Lin Xue Xin is interested in under the SFO.
7. Ms. Lei Ying is the spouse of Mr. Li Dong. Accordingly, Ms. Lei Ying is deemed or taken to be interested in the 5,915,500 share options and the 65,860,000 shares in which Mr. Li Dong is interested in under the SFO.

Save as disclosed above, as at 31 March 2023, the directors or chief executives of the Company were not aware of any other person (other than directors or chief executives of the Company) who had an interest or short position in the shares, underlying shares and debentures of the Company which would fall to be disclosed to the Company under the provision of Divisions 2 and 3 of Part XV of the SFO, or who was interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of any other member of the Group or any other substantial shareholders as recorded in the register required to be kept by the Company under Section 336 of the SFO.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITION IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 March 2023, the interests or short positions of the directors and chief executives of the Company in the 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 Laws of Hong Kong (the "SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which he/she is taken or deemed to have under such provisions of the SFO); or which were required to be entered into the register required to be kept by the Company, pursuant to Section 352 of the SFO, or which were required, pursuant to Rules 5.48 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

Directors' interests in securities of the Company:

Name of Directors	Long/ Short Position	Capacity/Nature of interests	Interests in ordinary shares	Interest in underlying shares of share options	Aggregate interests	Percentage of aggregate interests to total issued share capital of the Company
Mr. Lin Xue Xin	Long Position	Beneficial owner	118,560,000	4,992,682	123,552,682	9.38%
Mr. Hung Ying	Long Position	Beneficial owner	14,547,500	3,862,822	18,410,322	1.40%
Mr. Cui Jian (resigned on 1 April 2023)	Long Position	Beneficial owner	32,755,000	–	32,755,000	2.49%
Mr. Pao Ping Wing	Long Position	Beneficial owner	–	307,606	307,606	0.02%
Mr. Thomas Tam (resigned on 1 April 2023)	Long Position	Beneficial owner	–	307,606	307,606	0.02%
Mr. Lo King Man	Long Position	Beneficial owner	–	307,606	307,606	0.02%

Save as disclosed above, as at 31 March 2023, none of the Directors and chief executives of the Company had any interests or short positions in any shares, underlying shares and debenture of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required, pursuant to Rules 5.48 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

SHARE OPTION SCHEME

The Company's share option scheme (the "Scheme") was adopted on 27 August 2001 for the primary purpose of providing incentives to directors and eligible employees, and has been expired on 27 August 2011. Under the Scheme, the Board of Directors of the Company may grant options to eligible employees, including directors of the Company and its subsidiaries, to subscribe for shares in the Company. The Scheme would be valid and effective for a period of ten years commencing on the adoption date and have come to its expiration. All other respects of the provisions of the Scheme shall remain in full force and holders of all options granted under the Scheme prior to such expiry shall be entitled to exercise the outstanding options pursuant to the terms of the Scheme until expiry of the said options. As a result, a new share option scheme which was approved on 28 February 2011 (the "New Scheme"), take effect immediately after the expiry of the Scheme. The principal terms of the New Scheme are same with the Scheme.

Pursuant to the ordinary resolution passed by the shareholders at the special general meeting of the Company held on 28 February 2011 (the "SGM"), the Scheme mandate limit was refreshed so that the Company was authorized to grant share options under the existing Scheme for subscription of up to a total of 81,184,000 shares, representing approximately 10% of the issued share capital of the Company as at the date of the SGM.

Pursuant to the ordinary resolution passed by the shareholders at the annual general meeting of the Company held on 11 May 2016 (the "AGM"), the scheme mandate limit under the share option scheme of the Company was refreshed again so that the Company was authorized to grant additional share options for subscription for a total of 86,443,000 shares under the refreshed mandate limit, representing approximately 10% of the issued share capital of the Company as at the date of the AGM.

Pursuant to the ordinary resolution passed by the shareholders at the annual general meeting of the Company held on 11 May 2018 (the "AGM"), the scheme mandate limit under the share option scheme of the Company was refreshed again so that the Company was authorised to grant additional share options for subscription for a total of 61,032,000 shares under the refreshed mandate limit, representing approximately 6.95% of the issued share capital of the Company as at the date of the AGM.

The total number of shares issued and to be issued upon the exercise of options granted and to be granted to each Participant (including both exercised and outstanding options) in any 12 months period up to the date of grant must not exceed 1% of the shares in issue at the date of grant.

The subscription shall be a price determined by the Board at its absolute discretion and shall not be less than the higher of the closing price of the share on the date of grant of the option and the average closing price of the shares for the five business days immediately preceding the date of grant of the option.

Options granted shall be deemed to be accepted upon receipt of the acceptance of offer letter from the grantee within 28 days from the offer date, together with a remittance in favour of the Company of HK\$1 by way of consideration for the grant.

An option may be exercised in accordance with the terms of the Scheme at any time during a period notified by the Board to each grantee but may not be exercised after the expiry of 10 years from the date of grant.

On 9 October 2007 the Company granted 47,550,000 options to subscribe for shares in the Company under the Scheme at an exercise price of HK\$0.368 per share to its employees of the Group. Shares of the Company were at closing price of HK\$0.36 immediately before the day on which options were granted. Options granted on 9 October 2007 were expired during year 2017.

On 19 January 2010 the Company granted 20,900,000 options to subscribe for shares in the Company under the Scheme at an exercise price of HK\$0.20 per share to its directors and employees of the Group. Shares of the Company were at closing price of HK\$0.20 immediately before the day on which options were granted. Options granted on 19 January 2010 were expired during year 2020.

On 16 August 2010 the Company granted 8,990,000 options to subscribe for shares in the Company under the Scheme at an exercise price of HK\$0.84 per share to its employees of the Group. Shares of the Company were at closing price of HK\$0.84 immediately before the day on which options were granted. Options granted on 16 August 2010 were expired during year 2020.

On 10 January 2011, the Company granted 65,000,000 share options to subscribe for shares in the company under the Share Option Scheme at an exercise price of HK\$0.730 per share to Mr. Hung Yung Lai, Chairman of the Group. Shares of the Company were at closing price of HK\$0.730 immediately before the day on which options were granted. The grant of share options to Mr. Hung Yung Lai and the specific mandate to allot, issue and deal with the shares of the Company upon conversion of the foregoing share options were approved by the SGM held on 28 February 2011. Options granted on 10 January 2011 were expired during year 2021.

On 13 January 2011, the Company granted 19,260,000 share options to subscribe for shares in the Company under the Share Option Scheme at an exercise price of HK\$0.714 per share to its employees of the Group. Shares of the Company were at closing price of HK\$0.690 immediately before the day on which options were granted. The grant of share options to its employees of the Company and the specific mandate to allot, issue and deal with the shares of the Company upon conversion of the foregoing share options were approved by the SGM held on 28 February 2011. Options granted on 13 January 2011 were expired during year 2021.

On 24 June 2013, the Company granted 59,780,000 share options to subscribe for shares in the Company under the Share Option Scheme at an exercise price of HK\$0.1122 per share to a Director and its employees of the Group. Shares of the Company were at closing price of HK\$0.101 immediately before the day on which options were granted.

On 15 May 2015, the Company granted 21,400,000 share options to subscribe for shares in the Company under the Share Option Scheme at an exercise price of HK\$0.43 per share to a Director and its employees of the Group. Shares of the Company were at closing price of HK\$0.43 immediately before the day on which options were granted.

On 7 April 2017, the Company granted 86,440,000 share options to subscribe for shares in the Company under the Share Option Scheme at an exercise price of HK\$0.182 per share to its directors, employees and consultants of the Group. Shares of the Company were at closing price of HK\$0.182 immediately before the day on which options were granted.

The summary details of options granted are as follows:

Name of directors, continuous contract employees and consultants	Exercise period	Adjusted exercise price HK\$	Number of share options outstanding as at 1 January 2023	Number of share options granted during the period	Number of share options exercised during the period	Number of share options lapsed during the period	Number of share options outstanding as at 31 March 2023
Hung Ying	24 June 2013 to 23 June 2023	0.0948	47,324	–	–	–	47,324
Continuous contract employees (other than directors)	24 June 2013 to 23 June 2023	0.0948	5,560,570	–	–	–	5,560,570
Hung Ying	15 May 2015 to 14 May 2025	0.3635	2,247,890	–	–	–	2,247,890
Lin Xue Xin	15 May 2015 to 14 May 2025	0.3635	3,549,300	–	–	–	3,549,300
Continuous contract employees (other than directors)	15 May 2015 to 14 May 2025	0.3635	8,636,630	–	–	–	8,636,630
Hung Ying	7 April 2017 to 6 April 2027	0.1538	1,567,608	–	–	–	1,567,608
Lin Xue Xin	7 April 2017 to 6 April 2027	0.1538	1,443,382	–	–	–	1,443,382
Pao Ping Wing	7 April 2017 to 6 April 2027	0.1538	307,606	–	–	–	307,606
Thomas Tam (resigned on 1 April 2023)	7 April 2017 to 6 April 2027	0.1538	307,606	–	–	–	307,606
Lo King Man	7 April 2017 to 6 April 2027	0.1538	307,606	–	–	–	307,606
Continuous contract employees (other than directors)	7 April 2017 to 6 April 2027	0.1538	14,930,722	–	–	–	14,930,722
Consultants	7 April 2017 to 6 April 2027	0.1538	32,422,855	–	–	–	32,422,855
			71,329,099	–	–	–	71,329,099

The exercise price for the options granted and number of shares in respect of options granted were adjusted to reflect the impact of the rights issue during the year ended 31 December 2019.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

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

COMPETITION AND CONFLICT OF INTERESTS

None of the Directors, management shareholders or substantial shareholders of the Company or any of their respective associates, as defined in GEM Listing Rules, has engaged in any business that competes or may compete, either directly or indirectly, with the business of the Group or has any other conflict or interests with the Group during the three months ended 31 March 2023.

CORPORATE GOVERNANCE PRACTICES

Up to the date of this announcement, the Company has complied with the applicable code provisions of the Corporate Governance Code (the "CG Code") contained in Appendix 15 of the GEM Listing Rules save for the deviation from code provision C.2.1 explained below.

Under the code provision C.2.1 of the CG Code, 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. Subsequent to the resignation of Mr. Lin Xue Xin on 1 November 2022, no replacement of the post of the chief executive officer has been fixed up to the date of this announcement. The Board will keep reviewing the current structure from time to time. If candidate with suitable knowledge, skills and experience is identified, the Company will make appointment to fill the post of chief executive officer as appropriate.

CHANGES IN THE INFORMATION OF DIRECTORS PURSUANT TO RULE 17.50A(1) OF THE GEM LISTING RULES

Pursuant to Rule 17.50A(1) of the GEM Listing Rules, changes in directors' information since the date of the Annual Report 2022 is set out below:

Name of Director	Changes in information
Mr. Cui Jian	Resigned as an executive Director with effect from 1 April 2023
Mr. Thomas Tam	Resigned as an independent non-executive Director with effect from 1 April 2023
Mr. Zang Jingjing	Appointed as executive Directors with effect from 1 April 2023
Mr. Li Dong	Appointed as executive Directors with effect from 1 April 2023
Ms. Cai Jin	Appointed as executive Directors with effect from 1 April 2023
Mr. Pao Ping Wing	Resigned from the position as the chairman of the audit and risk management committee and the remuneration committee, and re-designated as a member of the audit and risk management committee and the remuneration committee, with effect from 1 April 2023
Mr. Chan Tsang Mo	Appointed as an independent non-executive Director and the chairman of the audit and risk management committee and remuneration committee, and a member of the nomination committee, of the Board with effect from 1 April 2023

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the code of conduct regarding directors' securities transactions during the three months ended 31 March 2023 as set out in GEM Listing Rules 5.48 to 5.67. The Company has made specific enquiry of all the Directors and the Company was not aware of any non-compliance with the required standard of dealings regarding the securities transactions by Directors.

Specific employees who are likely to be possession of unpublished price-sensitive information of the Group are also subject to compliance with the same Code of Conduct. No incident of non-compliance was noted by the Company for the three months ended 31 March 2023.

REMUNERATION COMMITTEE

The Company established a remuneration committee in November 2005. The primary duties of the remuneration committee are to review and make recommendation for the remuneration policy of the directors and senior management. The chairman of the remuneration committee is Mr. Pao Ping Wing and other members include Mr. Lin Xue Xin, Mr. Thomas Tam and Mr. Lo King Man. With effect from 1 April 2023, (i) Mr. Pao Ping Wing has resigned from the position as the chairman of the remuneration committee, and re-designated as a member of the remuneration committee; (ii) Mr. Chan Tsang Mo has been appointed as the chairman of the remuneration committee; and (iii) following the resignation of Mr. Thomas Tam, he will cease to be a member of the remuneration committee.

NOMINATION COMMITTEE

The Company established a nomination committee in March 2012. The principal duties of the nomination committee are to formulate nomination policy and make recommendation to the Board on nomination and appointment of the directors and board succession; formulate and review the Board Diversity Policy. The chairman of the nomination committee is Mr. Lin Xue Xin and other members include Mr. Pao Ping Wing, Mr. Thomas Tam and Mr. Lo King Man. With effect from 1 April 2023, (i) Mr. Chan Tsang Mo has been appointed as a member of the nomination committee; and (ii) following the resignation of Mr. Thomas Tam, he will cease to be a member of the nomination committee.

AUDIT AND RISK MANAGEMENT COMMITTEE

The Company established an audit and risk management committee on 27 August 2001 with written terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules. The primary duties of the audit and risk management committee are to review and supervise the financial reporting process, internal control procedures and risk management system of the Group. The chairman of the audit and risk management committee is Mr. Pao Ping Wing and other members include Mr. Thomas Tam and Mr. Lo King Man, all of them are independent non-executive directors. With effect from 1 April 2023, (i) Mr. Pao Ping Wing has resigned from the position as the chairman of the audit and risk management committee, and re-designated as a member of the audit and risk management committee; (ii) Mr. Chan Tsang Mo has been appointed as the chairman of the audit and risk management committee; and (iii) following the resignation of Mr. Thomas Tam, he will cease to be a member of the audit and risk management committee.

The Group's unaudited results for the three months ended 31 March 2023 have been reviewed by the audit and risk management committee, which was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosures have been made.

By Order of the Board
Sing Lee Software (Group) Limited
Lin Xue Xin
Chairman

The Board comprises of:

Lin Xue Xin (*Executive Director*)
Hung Ying (*Executive Director*)
Zang Jingjing (*Executive Director*)
Li Dong (*Executive Director*)
Cai Jin (*Executive Director*)
Chan Tsang Mo (*Independent Non-Executive Director*)
Pao Ping Wing (*Independent Non-Executive Director*)
Lo King Man (*Independent Non-Executive Director*)

Hong Kong, 10 May 2023

The announcement will remain on the website of the Stock Exchange at <http://www.hkexnews.hk> on the "Latest Listed Company Information" page for at least 7 days from the date of its posting and will be published on the website of the Company (<http://www.singlee.com.cn>).