



Echo International Holdings Group Limited

毅高（國際）控股集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8218)

FIRST QUARTERLY RESULTS ANNOUNCEMENT FOR THE THREE MONTHS ENDED 30 JUNE 2023

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FINANCIAL HIGHLIGHTS

- Recorded an unaudited revenue of approximately HK\$16.12 million for the three months ended 30 June 2023, representing an increase of approximately 17.87% over the corresponding period of the previous year.
- Recorded an unaudited loss attributable to the owners of the Company of approximately HK\$0.85 million for the three months ended 30 June 2023 (the corresponding period in 2022: HK\$3.70 million).
- Basic and diluted loss per share for the three months ended 30 June 2023 were HK0.14 cents (the corresponding period in 2022: HK2.28 cents).
- The Board does not recommend the payment of dividend for the three months ended 30 June 2023 (the corresponding period in 2022: Nil).

UNAUDITED FIRST QUARTERLY RESULTS

The board of Directors (the “**Board**”) is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (collectively the “**Group**”) for the three months ended 30 June 2023 and the comparative unaudited figures for the corresponding period in 2022, as follows:

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

For the three months ended 30 June 2023

		Unaudited three months ended 30 June	
	Notes	2023 HK\$'000	2022 HK\$'000
Revenue	3	16,115	13,672
Cost of sales		<u>(12,589)</u>	<u>(11,879)</u>
Gross profit		3,526	1,793
Other revenue and gains	4	744	1,617
Selling and distribution expenses		(371)	(278)
Administrative and other expenses		(4,586)	(6,019)
(Allowance for)/reversal of allowance for expected credit loss recognised in respect of financial assets at amortised cost, net		(25)	29
Finance costs	5	(160)	(1,173)
Share of result of associates		<u>23</u>	<u>333</u>
Loss before taxation	5	(849)	(3,698)
Taxation	6	<u>—</u>	<u>—</u>
Loss for the period		(849)	(3,698)
Other comprehensive loss for the period, net of tax			
Items may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		<u>(776)</u>	<u>(2,019)</u>
Total comprehensive loss for the period		<u>(1,625)</u>	<u>(5,717)</u>
Loss for the period attributable to owners of the Company		<u>849</u>	<u>(3,698)</u>
Total comprehensive loss for the period attributable to owners of the Company		<u>(1,625)</u>	<u>(5,717)</u>
Loss per share			
— Basic and diluted (HK cents)	8	<u>(0.14) cents</u>	<u>(2.28) cents</u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months ended 30 June 2023 (Unaudited)

	Share capital	Share premium	Contribution reserve	Capital reserve	Share option reserve	Exchange reserve	Accumulated losses	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 April 2023, audited	29,743	135,590	4,836	(89)	5,794	952	(124,545)	52,281
Total comprehensive loss for the period	-	-	-	-	-	(776)	(849)	(1,625)
Share placing	3,578	4,293	-	-	-	-	-	7,871
Issuance cost of share placing	-	(60)	-	-	-	-	-	(60)
At 30 June 2023, unaudited	<u>33,321</u>	<u>139,823</u>	<u>4,836</u>	<u>(89)</u>	<u>5,794</u>	<u>176</u>	<u>(125,394)</u>	<u>58,467</u>

For the three months ended 30 June 2022 (Unaudited)

	Share capital	Share premium	Contribution reserve	Capital reserve	Share option reserve	Exchange reserve	Convertible bonds-equity component reserve	Accumulated losses	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 April 2022, audited	7,891	86,879	4,836	(89)	5,794	(2,609)	11,657	(110,081)	4,278
Total comprehensive loss for the period	-	-	-	-	-	(2,019)	-	(3,698)	(5,717)
Share placing	4,860	7,775	-	-	-	-	-	-	12,635
Issuance cost of share placing	-	(505)	-	-	-	-	-	-	(505)
Loan capitalisation shares	5,140	8,224	-	-	-	-	-	-	13,364
At 30 June 2022, unaudited	<u>17,891</u>	<u>102,373</u>	<u>4,836</u>	<u>(89)</u>	<u>5,794</u>	<u>(4,628)</u>	<u>11,657</u>	<u>(113,779)</u>	<u>24,055</u>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1 CORPORATE INFORMATION

The Company is incorporated in the Cayman Islands as an exempted company with limited liability. The Company's shares have been listed on GEM (the "**Listing**") since 11 October 2013 (the "**Listing Date**").

The unaudited consolidated financial statements are presented in Hong Kong Dollars ("**HK\$**"), which is the same as the functional currency of the Company. All values are rounded to nearest thousands (HK\$'000) unless otherwise stated.

The principal activities of the Group are engaged in manufacturing and trading of electronic products and accessories and provision of food catering services.

2 BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The unaudited consolidated first quarterly financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standards ("**HKFRSs**") issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the disclosure requirements set out in Chapter 18 of the GEM Listing Rules. The unaudited consolidated financial statements have been prepared under historical cost basis except for certain financial assets and financial liabilities, which are measured at fair values.

The accounting policies and method of computation used in preparing the unaudited consolidated results are consistent with those used in the audited financial statements for the year ended 31 March 2023 except in relation to the new and revised standards, amendments and interpretations ("**new and revised HKFRSs**") issued by the HKICPA that are adopted for the first time for the current period's financial statements. The adoption of these new and revised HKFRSs has had no material impact on the unaudited consolidated financial statements. The unaudited consolidated results have not been reviewed by the Company's auditors, but have been reviewed by the Company's audit committee.

The Group has not early adopted any new HKFRS that have been issued but are not yet effective.

3 SEGMENT INFORMATION

Information reported internally to the Directors of the Group (chief operating decision maker) for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided.

An analysis of the Group's revenue of each significant category for the period is as follows:

	Unaudited three months ended 30 June	
	2023	2022
	<i>HK\$'000</i>	<i>HK\$'000</i>
Sales of electronic products	7,594	7,887
Revenue from restaurant operations	8,521	5,785
	<u>16,115</u>	<u>13,672</u>

Specifically, the Group's reportable and operating segments under HKFRS 8 are as follows:

- indent trading of electronic products.
- manufacturing and trading of electronic products and accessories.
- provision of food catering services.

The Group's reportable segments are strategic business units that operate different activities. They are managed separately because each business has different market and requires different marketing strategies.

Segment revenues reported below represent revenue generated from external customers. There were no inter-segment sales for both period. Segment result represents the profit/(loss) generated by each segment without allocation of corporate income and central administration costs including directors' emoluments, share based payment, finance costs and income tax expense. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

Segment revenues and results

The following is an analysis of the Group's turnover and results from continuing operations by reportable and operating segments:

For the three months ended 30 June 2023 (Unaudited)

	Indent trading of electronic products <i>HK\$'000</i>	Manufacturing and trading of electronic products and accessories <i>HK\$'000</i>	Provision of food catering services <i>HK\$'000</i>	Total <i>HK\$'000</i>
Revenue	<u>1,017</u>	<u>6,577</u>	<u>8,521</u>	<u>16,115</u>
Segment results	<u>119</u>	<u>448</u>	<u>(362)</u>	205
Unallocated other revenue and gains				663
Unallocated finance costs				(17)
Unallocated administrative and other expenses				<u>(1,698)</u>
Loss from operations				(847)
Allowance for expected credit loss (“ECL”) recognised in respect of financial assets at amortised cost				(25)
Share of result of associates				<u>23</u>
Loss before taxation				(849)
Taxation				<u>-</u>
Loss for the period				<u>(849)</u>

For the three months ended 30 June 2022 (Unaudited)

	Indent trading of electronic products <i>HK\$'000</i>	Manufacturing and trading of electronic products and accessories <i>HK\$'000</i>	Provision of food catering services <i>HK\$'000</i>	Total <i>HK\$'000</i>
Revenue	407	7,480	5,785	13,672
Segment results	170	(1,723)	(342)	(1,895)
Unallocated other revenue and gains				302
Unallocated finance costs				(947)
Unallocated administrative and other expenses				(1,520)
Loss from operations				(4,060)
Reversal of expected credit loss (“ECL”) recognised in respect of financial assets at amortised cost				29
Share of result of associates				333
Loss before taxation				(3,698)
Taxation				–
Loss for the period				(3,698)

Geographical information

	Revenue from external customers Unaudited three months ended 30 June	
	2023	2022
	<i>HK\$'000</i>	<i>HK\$'000</i>
Hong Kong	9,549	6,027
Asian countries, other than Hong Kong (<i>Note 1</i>)	98	757
European countries (<i>Note 2</i>)	4,368	4,974
North and South American countries (<i>Note 3</i>)	1,796	1,417
Australia	253	423
Others	51	74
	16,115	13,672

Notes:

1. Asian countries include Korea, Malaysia, Taiwan and Thailand.
2. European countries include Belgium, Bulgaria, Denmark, Finland, Germany, Italy, Poland, Russia, and United Kingdom.
3. North and South American countries include Argentina, Brasil, Canada and the United States.

4 OTHER REVENUE AND GAINS

	Unaudited three months ended 30 June	
	2023	2022
	HK\$'000	HK\$'000
Bank interest income	5	1
Exchange difference	555	–
Government subsidies	–	1,144
Interest income on dividends receivable	87	89
Rent concession income	–	45
Sundry income	97	338
	<u>744</u>	<u>1,617</u>

5 LOSS BEFORE TAXATION

	Unaudited three months ended 30 June	
	2023	2022
	HK\$'000	HK\$'000
Loss before taxation is arrived after charging:		
Finance costs		
Interest on:		
Bank and other borrowings	–	376
Lease liabilities	143	204
Convertible bonds wholly repayable within five years	–	577
Bank overdrafts wholly repayable within five years	17	16
	<u>160</u>	<u>1,173</u>
Other items		
Depreciation of right-of-use assets	451	28
Depreciation of property, plant and equipments	1,282	12
Costs of inventories sold	6,418	15,952
	<u>6,418</u>	<u>15,952</u>

6 TAXATION

	Unaudited three months ended 30 June	
	2023	2022
	HK\$'000	HK\$'000
Current tax		
— Hong Kong	—	—
— PRC	—	—
	<u>—</u>	<u>—</u>
	<u>—</u>	<u>—</u>

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits arising in Hong Kong for the three months ended 30 June 2023 and 2022.

PRC subsidiary is subjected to PRC enterprise income tax at 25%.

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands and the British Virgin Islands for the three months ended 30 June 2023 and 2022.

7 DIVIDENDS

The Board does not recommend the payment of dividend for the three months ended 30 June 2023 (the corresponding period in 2022: Nil).

8 LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of basic loss per share is based on the loss for the period attributable to owners of the Company and the weighted average number of the Company's ordinary shares in issue during the period.

		Unaudited three months ended 30 June	
	<i>Note</i>	2023	2022
		HK\$'000	HK\$'000
Loss for the period attributable to owners of the Company		<u>(849)</u>	<u>(3,698)</u>
		Unaudited three months ended 30 June	
		2023	2022
		<i>No. of shares</i>	<i>No. of shares</i>
Weighted average number of ordinary shares and dilutive potential ordinary share in issue during the period <i>(a & b & c)</i>	0.05	<u>602,264,824</u>	<u>162,218,272</u>

Notes:

- (a) The diluted loss per share is the same as the basic loss per share for the three months ended 30 June 2023 and 2022, respectively, because the Company's share options, convertible bonds and warrants outstanding during those periods were either anti-dilutive or have no potential dilutive effects.
- (b) The weighted average number of ordinary shares for the purpose of calculating basic earnings/(loss) per share for the three months ended 30 June 2022 have been adjusted for the effect of the completion of the loan capitalisation whereby the Company issued 102,804,213 new shares at HK\$0.13 per loan capitalisation share and the placing of 97,188,000 new shares at HK\$0.30 per placing share under specific mandate on 28 June 2022. For further details, please refer to the announcements of the Company dated 25 March 2022 and 28 June 2022, respectively, and the circular of the Company dated 6 June 2022.
- (c) The weighted average number of ordinary shares for the purpose of calculating basic earnings/(loss) per share for the three months ended 30 June 2023 have been adjusted for the effect of (i) the completion of the debt capitalisation whereby the Company issued 237,045,071 new shares at HK\$0.15 per share under specific mandate on 3 November 2022; for further details, please refer to the announcements of the Company dated 29 August 2022, 30 August 2022 and 6 September 2022, respectively, and the circular of the Company dated 12 October 2022; and (ii) the completion of issue of new shares under general mandate whereby the Company issued 71,563,010 new shares at HK\$0.11 per share on 29 June 2023; for further details, please refer to the announcements of the Company dated 16 June 2023 and 29 June 2023, respectively.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review and Prospects

Revenue for the three months ended 30 June 2023 (“**Three-Month Period**”) was approximately HK\$16.12 million, representing an increase of approximately 17.87% when compared with the corresponding period in 2022. Loss attributable to owners of the Company for the Three-Month Period was approximately HK\$0.85 million whilst for the corresponding period in 2022, the loss attributable to owners of the Company was approximately HK\$3.70 million.

Given the slow pace of economic recovery along with the continued slackness in the U.S. and European markets, the sales of electronic products have become increasingly challenging. Notwithstanding the challenging market conditions during the Three-Month Period, the Group continues to provide electronics products and subcontracting services on PCB assemblies and manufacturing of electronic products to customers in its principal markets, i.e. the U.S.A. and the European countries including Bulgaria, Finland, Germany, Poland, Russia and United Kingdom. The Group also operates catering business in Hong Kong.

In view of the challenging market conditions as mentioned above, while the Group will continue to focus on its core business of the sales of electronic products, it will explore new business opportunities with an aim of broadening its source of income and maximizing profit and return for the Group and the shareholders of the Company in the long run. The Group will also endeavour to increase its market share and attract new customers to enlarge its client base through conducting more promotional and marketing activities and designing and developing new electronic products.

Sales of Electronic Products

Revenue from this segment during the Three-Month Period was approximately HK\$7.60 million, representing a decrease of approximately 3.71% when compared with the corresponding period in 2022. Decrease in sales of electronics products was mainly due to the decrease in manufacturing and trading of electronic products and accessories by approximately HK\$0.90 million respectively as compared with the corresponding period in 2022. Such decrease was mainly due to the decrease in sales of fishing indicator for the Three-Month Period by approximately HK\$1.42 million as compared with the corresponding period in 2022. Decrease in the sales of fishing indicator was a result of decrease in high end product sold, which mainly led to the decrease in the revenue from manufacturing and trading of electronic products and accessories for the Three-Month Period.

Food Catering Services

Revenue from this segment during the Three-Month Period was approximately HK\$8.52 million, representing an increase of approximately 47.29% when compared with the corresponding period in 2022.

Financial review

The Group's revenue for the Three-Month Period was approximately HK\$16.12 million, representing an increase of approximately 17.87% from approximately HK\$13.67 million of the corresponding period in 2022. Such increase was mainly due to the increase in revenue from restaurant operations by approximately HK\$2.74 million.

The overall gross profit margin of the Group increased from approximately 13.11% for the three months ended 30 June 2022 to 21.88% for the three months ended 30 June 2023. The increase in the Group's gross profit margin for the three months ended 30 June 2023 was primarily due to the increase of sales in the higher margin dishes of the Group's food catering business, namely abalone and shark fin.

Administrative and other expenses for the Three-Month Period were approximately HK\$4.59 million (approximately HK\$6.02 million for the three months ended 30 June 2022), representing an decrease of approximately 23.81%. Such decrease was mainly due to the decrease in the exchange difference and professional fee by approximately HK\$1.17 million and HK\$0.21 million respectively.

Loss attributable to the owners of the Company for the Three-Month Period amounted to approximately HK\$0.85 million (approximately HK\$3.70 million for the three months ended 30 June 2022). Loss per share attributable to owners of the Company was approximately HK0.14 cents for the Three-Month Period (approximately HK2.28 cents for the three months ended 30 June 2022).

SHARE OPTIONS SCHEMES

The Company has two share option schemes namely, the pre-IPO share option scheme (the “**Pre-IPO Share Option Scheme**”) and the share option scheme (the “**Share Option Scheme**”) which were both adopted on 27 September 2013.

PRE-IPO SHARE OPTION SCHEME

The Company has adopted the Pre-IPO Share Option Scheme on 27 September 2013 under which the Company has granted options to certain Directors and employees of the Group to subscribe for an aggregate of 4,000,000 shares of the Company with an exercise price of HK\$3.00.

As at 30 June 2023, details of the options granted under the Pre-IPO Share Option Scheme are as follows:

Grantees	Outstanding as at 31 March 2023				Outstanding as at 30 June 2023		Exercise period	Approximate percentage of issued capital of the Company upon exercise of all the options
	Exercised	Lapsed	Cancelled					
Directors								
Mr. Lo Yan Yee	–	–	–	–	1,140,000	11 October 2016–11 October 2023	0.17%	
Ms. Cheng Yeuk Hung	–	–	–	–	1,140,000	11 October 2016–11 October 2023	0.17%	
					2,280,000		0.34%	
Employees	–	–	–	–	1,720,000	11 October 2016–11 October 2023	0.26%	
					4,000,000		0.60%	

Share Option Scheme

During the three months ended 30 June 2023, no option was granted, exercised or lapsed under the Share Option Scheme.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITION IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 June 2023, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) (“SFO”)) which (i) are 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 they are taken or deemed to have under such provisions of the SFO); or (ii) were recorded in the register required to be kept under Section 352 of the SFO, or (iii) have to be notified to the Company and the Stock Exchange pursuant to the required standards of dealing by Directors as referred to in Rule 5.46 of the GEM Listing Rules are as follows:

(i) Long positions in the shares of the Company

Name of Director	Company/ associated corporation	Capacity	Number of Shares	Approximate percentage of interest
Ms. Cheng Yeuk Hung	Company	Personal interest	4,878,000	0.73%
Mr. Lo Yan Yee	Company	Interest of spouse	4,878,000	0.73%

Note: Mr. Lo Yan Yee is the executive Director and the spouse of Ms. Cheng Yeuk Hung, and is deemed under the SFO to be interested in those 4,878,000 shares in which Ms. Cheng Yeuk Hung is interested.

(ii) Long position in underlying shares of the Company

Name	Capacity	Description of equity derivatives	Number of underlying shares
Mr. Lo Yan Yee (executive Director)	Personal interest	Options	1,140,000
	Interest of spouse	Options	1,140,000
			<hr/>
			2,280,000
Ms. Cheng Yeuk Hung (executive Director and chief executive officer)	Personal interest	Options	1,140,000
	Interest of spouse	Options	1,140,000
			<hr/>
			2,280,000

Save as disclosed above, as at 30 June 2023, none of the Directors or chief executive of the Company has any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the minimum standard of dealings by Directors of the Company as referred to in Rule 5.46 of the GEM Listing Rules, or required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO.

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

As at 30 June 2023, so far as is known to the Directors, the following persons (other than a Director or chief executive of the Company) had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept under section 336 of the SFO:

Name	Capacity and nature of interest	Number of shares	Number of underlying shares (Note 1)	Total	Percentage of the Company's issued share capital
Zhou Qilin	Beneficial owner	128,824,574	3,609,104	132,433,678	19.87%
Siu Hiu Ki Jamie	Beneficial owner	103,581,986	3,587,855	107,169,841	16.08%
Lissington Limited	Beneficial owner (Note 2)	94,011,486	11,036,032	105,047,518	15.76%
Zheng Zeli	Interest of a controlled corporation (Note 2)	94,011,486	11,036,032	105,047,518	15.76%
Yeung Tong Seng Terry	Beneficiary of a trust (other than discretionary interest) (Note 3)	61,009,150	–		
	Beneficial owner	20,148,867	–		
		81,158,017	–	81,158,017	13.57%
Bluemount Investment Fund SPC — Bluemount Investment Fund SP	Trustee (other than a bare trustee) (Note 3)	61,009,150	–	61,009,150	9.15%
ECGO International Limited	Beneficial owner (Note 4)	76,008,474	11,996,339	88,004,813	13.21%
Siu Wa Kei	Interest of a controlled corporation	1,289,800		1,289,800	
	Beneficial owner	60,578,049	971,595	61,549,644	
		61,867,849		62,839,444	9.43%

Notes:

1. These underlying Shares are Shares to be issued to holders of the convertible bonds and warrants of the Company.
2. Lissington Limited is a company incorporated in the British Virgin Islands and its entire issued share capital is beneficially owned by Ms. Zheng Zeli.
3. These shares were held by Bluemount Investment Fund SPC — Bluemount Investment Fund SP as trustee of Mr. Yeung Tong Seng Terry.
4. ECGO International Limited is a company incorporated in Hong Kong and is wholly-owned by Industronics Berhad. Industronics Berhad is a company listed on Bursa Malaysia Securities Berhad (the stock exchange of Malaysia) (stock code: 9393).

Save as disclosed above, as at 30 June 2023, the Directors are not aware of any other persons who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept under section 336 of the SFO.

PURCHASE, SALES OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the Three-Month Period.

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the standards set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding securities transactions by the Directors. Having made specific enquiry to all Directors, the Company was not aware of any non-compliance with the required standards of dealings and its code of conduct regarding securities transactions by Directors during the Three-Month Period.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company's corporate governance practices are based on the principles and the code provisions (the "**Code**") as set out in Appendix 15 of the GEM Listing Rules. The principles adopted by the Company emphasize a quality board, transparency and accountability to its shareholders. The Company has complied with the Code during the three months ended 30 June 2023.

DIRECTORS' INTERESTS IN CONTRACTS

No Director had any material interest in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the Three-Month Period.

COMPETING BUSINESS

For the Three-Month Period, the Directors are not aware of any business or interest of the Directors, the controlling shareholder(s) of the Company and their respective close associates (as defined under the GEM Listing Rules) that compete or may compete with the business of the Group and any other conflict of interest which any such person has or may have with the Group.

AUDIT COMMITTEE

The Company has set up an audit committee (the “**Committee**”) with written terms of reference in compliance with the GEM Listing Rules, for the purpose of reviewing and providing supervision over the financial reporting process and internal control of the Group. The Committee comprises three independent non-executive directors of the Company, namely Mr. Leung Yu Tung, Stanley, Mr. Lam Kwok Leung, Roy and Mr. Lam Wing Biu, Thomas. The unaudited condensed consolidated financial statements of the Group for the Three-Month Period have been reviewed by the Committee, and the Committee was of the opinion that the preparation of such statements complied with the applicable accounting standards and that adequate disclosures have been made.

By Order of the Board
Echo International Holdings Group Limited
Cheng Yeuk Hung
Executive Director

Hong Kong, 10 August 2023

As at the date of this announcement, the executive Directors are Mr. Lo Yan Yee, Ms. Cheng Yeuk Hung, Mr. Tansri Saridju Benui and Ms. Chan Wan Shan, Sandra and the independent non-executive Directors are Mr. Leung Yu Tung, Stanley, Mr. Lam Kwok Leung, Roy and Mr. Lam Wing Biu, Thomas.

This announcement will be published on the Stock Exchange’s website at www.hkexnews.hk and the Company’s website at www.echogroup.com.hk.