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盛源控股有限公司

SHENG YUAN HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 851)

SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

Reference is made to the annual report of Sheng Yuan Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) for the year ended 31 December 2019 (the “**2019 Annual Report**”).

In addition to the information disclosed in the 2019 Annual Report, the Company would like to provide further information on the breakdown of other expenses of the Group for the year ended 31 December 2019 as follows:

OTHER EXPENSES

As set out in “Consolidated Statement of Profit or Loss and Other Comprehensive Income” of the 2019 Annual Report, other expenses incurred for the year ended 31 December 2019 amounted to approximately HK\$19,360,000. A breakdown of such other expenses in the 2019 Annual Report, together with the corresponding figures for the year ended 31 December 2018, are set out below:

	For the year ended 31 December 2019 HK\$'000	For the year ended 31 December 2018 HK\$'000
Auditor's remuneration	1,300	1,400
Bad debt written off	461	–
Entertainment and gifts	471	992
Minimum lease payments for leases in respect of land and buildings previously classified as operating leases under HKAS 17	–	9,902
Rental Expenses	6,175	601
Other professional fees	2,751	5,059
System license and subscription	1,196	1,162
Office expenses	1,575	1,227
Travel expenses	1,032	1,278
IT Expenses	801	652
Registration and listing expenses	1,048	1,010
Other operating expenses	2,550	2,044
	<u>19,360</u>	<u>25,327</u>

The additional information set out above does not affect other information contained in the 2019 Annual Report and save as disclosed above, all other information in the 2019 Annual Report remains unchanged.

By Order of the Board
Sheng Yuan Holdings Limited
Liu Yang
Chairman of the Board

Hong Kong, 26 August 2020

As at the date of this announcement, the Board consists of Mr. Liu Yang, Mr. Zhou Quan and Mr. Zhao Yun (all being executive directors), Mr. Huang Shaunggang (being a non-executive director), Ms. Huang Qin, Ms. Wen Han Qiuzi and Mr. Zhang Jinfan (all being independent non-executive directors).