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## **ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2021**

### **UNAUDITED INTERIM RESULTS**

The board (the “**Board**”) of directors (the “**Directors**”) of SMC Electric Limited (the “**Company**”) hereby announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the six months ended 30 June 2021, together with the unaudited comparative figures for the six months ended 30 June 2020 and certain comparative figures as at the end of the last audited financial year ended 31 December 2020. The condensed consolidated statement of comprehensive income of the Group for the six months ended 30 June 2021 and the condensed consolidated statement of financial position of the Group as at 30 June 2021, along with selected explanatory notes have not been audited, but have been reviewed by the Company’s audit committee.

# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2021

		<b>Six months ended 30 June 2021 <i>HK\$'000</i> (Unaudited)</b>	Six months ended 30 June 2020 <i>HK\$'000</i> (Unaudited)
	<i>Notes</i>		
<b>Revenue</b>	4	<b>104,353</b>	116,620
Cost of revenue		<u>(76,540)</u>	<u>(80,173)</u>
<b>Gross profit</b>		<b>27,813</b>	36,447
Other income		<b>2,013</b>	2,989
Selling and distribution expenses		<b>(1,692)</b>	(1,245)
Administrative and other operating expenses		<b>(12,791)</b>	(13,743)
Listing expenses		–	(4,822)
Other gains/(losses)		<b>64</b>	(399)
Finance costs		<b>(56)</b>	(192)
<b>Profit before income tax</b>	5	<b>15,351</b>	19,035
Income tax expense	6	<b>(2,692)</b>	(4,381)
<b>Profit for the period attributable to owners of the Company</b>		<b><u>12,659</u></b>	<u>14,654</u>
<b>Other comprehensive income</b>			
<i>Item that may be reclassified subsequently to profit or loss</i>			
Exchange difference arising from translation of overseas operations		<u>247</u>	<u>(281)</u>
<b>Total comprehensive income for the period attributable to owners of the Company</b>		<b><u><u>12,906</u></u></b>	<b><u><u>14,373</u></u></b>
		<i>HK Cents</i>	<i>HK Cents</i>
<b>Earnings per share</b>	8		
– Basic and diluted		<b><u><u>0.633</u></u></b>	<b><u><u>0.828</u></u></b>

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*As at 30 June 2021*

		30 June 2021 <i>HK\$'000</i> <b>(Unaudited)</b>	31 December 2020 <i>HK\$'000</i> (Audited)
	<i>Notes</i>		
<b>ASSETS AND LIABILITIES</b>			
<b>Non-current assets</b>			
Property, plant and equipment		4,284	4,520
Right-of-use assets		5,355	7,123
Prepayments for acquisition of property, plant and equipment		3,984	1,996
		<b>13,623</b>	13,639
<b>Current assets</b>			
Inventories		28,914	22,127
Trade and other receivables, deposits and prepayments	9	55,434	85,828
Tax prepaid		1,058	647
Cash and bank balances		107,432	77,464
		<b>192,838</b>	186,066
<b>Current liabilities</b>			
Trade and other payables and accruals	10	41,961	47,616
Lease liabilities		3,592	3,552
Amounts due to fellow subsidiaries		412	193
Tax payable		2,367	1,326
		<b>48,332</b>	52,687
<b>Net current assets</b>		<b>144,506</b>	133,379
<b>Total assets less current liabilities</b>		<b>158,129</b>	147,018
<b>Non-current liabilities</b>			
Lease liabilities		1,819	3,614
<b>Net assets</b>		<b>156,310</b>	143,404
<b>CAPITAL AND RESERVES</b>			
Share capital	11	20,000	20,000
Reserves		136,310	123,404
<b>Total equity</b>		<b>156,310</b>	143,404

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION

*For the six months ended 30 June 2021*

## 1. GENERAL INFORMATION

SMC Electric Limited was incorporated on 5 December 2018 in the Cayman Islands as an exempted company with limited liability. The shares of the Company have been listed (the “**Listing**”) on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 2 June 2020 (the “**Listing Date**”).

The address of its registered office is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands. The principal place of business is located at 1/F., Shell Industrial Building, 12 Lee Chung Street, Chai Wan, Hong Kong.

The Company is an investment holding company. The principal activities carried out by the Company and its subsidiaries are manufacturing and selling of electric tools and sourcing and selling of electric fans.

The Directors of the Company consider its ultimate holding company to be Shell Electric Holdings Limited (“**Shell Holdings**”), a company incorporated in Bermuda. Shell Holdings and its subsidiaries are collectively referred to as “Shell Holdings Group”.

## 2. BASIS OF PREPARATION

This unaudited condensed consolidated interim financial information have been prepared in accordance with Hong Kong Accounting Standard 34, “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

The unaudited condensed consolidated interim financial information do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the consolidated financial statements for the year ended 31 December 2020 (the “**Annual Report 2020**”) which have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”).

The unaudited condensed consolidated interim financial information have been prepared under the historical cost basis and presented in Hong Kong Dollars (“**HK\$**”), which is the same as the functional currency of the Company and all values are rounded to the nearest thousand except when otherwise indicated.

The unaudited condensed consolidated interim financial information have been prepared in accordance with the same accounting policies and methods of computation as adopted by the Group in the Annual Report 2020 except for the adoption of new or amended HKFRSs as mentioned in note 3.

In preparing the unaudited condensed consolidated interim financial information, the significant judgment made by the management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those applied to the Annual Report 2020.

### 3. ADOPTION OF NEW OR REVISED HKFRSs

During the current period, the Group has applied for the first time the following new standard, amendments and interpretations issued by the HKICPA, which are relevant to and effective for the Group's financial statements for the annual period beginning on 1 January 2021.

Amendments to HKSA 39, HKFRS 4, HKFRS 7,  
HKFRS 9 and HKFRS16

Interest Rate Benchmark Reform – Phase 2

The adoption of the above new or revised HKFRSs in the current period has no material impact on the amounts reported and/or disclosures set out in these unaudited condensed consolidated financial statements.

At the date of authorisation of the unaudited condensed consolidated financial statements, the HKICPA has issued a number of new/revised HKFRSs that are not yet effective for the current period, which the Group has not early adopted. The Directors do not anticipate that the adoption of the new/revised HKFRSs in future periods will have any material impact on the unaudited condensed consolidated financial statements of the Group.

### 4. REVENUE

The Group is principally engaged in the manufacturing and selling of electric tools and sourcing and selling of electric fans. Revenue from contracts with customers derived from the Group's principal activities comprises the following:

	Six months ended 30 June	
	2021	2020
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Sales of electric fans and electric tools:		
– Fans	57,927	53,585
– Vacuum cleaners	33,496	43,147
– Work lights	12,930	17,432
– Others	–	2,456
	<u>104,353</u>	<u>116,620</u>

## 5. PROFIT BEFORE INCOME TAX

	<b>Six months ended 30 June</b>	
	<b>2021</b>	<b>2020</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Profit before income tax is arrived at after charging/(crediting):		
Cost of inventories recognised as expense		
– Carrying amount of inventories consumed	<b>76,526</b>	80,205
– Allowances/(Reversal of allowances) for inventories	<b>14</b>	(32)
	<u><b>76,540</b></u>	<u>80,173</u>
Depreciation of property, plant and equipment	<b>658</b>	465
Depreciation of right-of-use assets	<b>1,784</b>	1,499
Employee benefit expenses (including Directors' emoluments):		
– Salaries, wages and other benefits	<b>11,846</b>	11,405
– Contribution to defined contribution retirement plans	<b>672</b>	437
	<u><b>12,518</b></u>	<u>11,842</u>

## 6. INCOME TAX EXPENSE

The amount of income tax expense in the unaudited condensed consolidated statement of comprehensive income represents:

	<b>Six months ended 30 June</b>	
	<b>2021</b>	<b>2020</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Current tax		
– Hong Kong Profits Tax		
– tax for the period	<b>2,712</b>	3,477
– over provision in respect of prior period	<b>(20)</b>	–
– Other regions of the People's Republic of China (the "PRC")		
– Enterprise Income Tax ("EIT")	<u>–</u>	<u>904</u>
Income tax expense	<u><b>2,692</b></u>	<u>4,381</u>

Hong Kong Profit Tax was calculated at 16.5% (2020: 16.5%) on the estimated assessable profits derived from Hong Kong for the period.

EIT arising from other regions of the PRC was calculated at 25% (2020: 25%) on the estimated assessable income.

## 7. DIVIDEND

Final dividend of HK\$0.004 per ordinary share, amounting to HK\$8,000,000 was proposed by the Directors and was approved by the shareholders in the annual general meeting held on 18 June 2021.

The Board did not declare the payment of any interim dividend for the six months ended 30 June 2021 (six months ended 30 June 2020: Nil)

## 8. EARNINGS PER SHARE

### (a) Basic earnings per share

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

	<b>Six months ended 30 June</b>	
	<b>2021</b>	<b>2020</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Profit</b>		
Profit for the period attributable to owners of the Company	<u><b>12,659</b></u>	<u>14,654</u>

	<b>Six months ended 30 June</b>	
	<b>2021</b>	<b>2020</b>
	<b>Number of shares '000</b>	<b>Number of shares '000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Number of shares</b>		
Weighted average number of ordinary shares in issue during the period	<u><b>2,000,000</b></u>	<u>1,768,819</u>

The weighted average number of ordinary shares used for the purpose of calculating basic earnings per share represented the weighted average number of ordinary shares in issue during the period, after giving effect of the capitalisation issue as disclosed in note 11(d), as if the capitalisation issue had occurred on 1 January 2020.

### (b) Diluted earnings per share

The diluted earnings per share were the same as the basic earnings per share for the six months ended 30 June 2021 and 2020 as there were no potential dilutive ordinary shares in issue during both periods.

## 9. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	<b>30 June 2021 HK\$'000 (Unaudited)</b>	31 December 2020 HK\$'000 (Audited)
Trade receivables	48,835	80,709
Less: Provision for impairment	<u>(137)</u>	<u>(483)</u>
Trade receivables, net	48,698	80,226
Other receivables	2,450	1,724
Other prepayments and deposits	<u>4,286</u>	<u>3,878</u>
	<u><b>55,434</b></u>	<u><b>85,828</b></u>

The ageing analysis of the trade receivables (gross), based on invoice date, as of the end of the reporting period is as follows:

	<b>30 June 2021 HK\$'000 (Unaudited)</b>	31 December 2020 HK\$'000 (Audited)
0 to 30 days	13,658	12,837
31 to 60 days	10,169	19,490
61 to 90 days	5,097	18,235
Over 90 days	<u>19,911</u>	<u>30,147</u>
	<u><b>48,835</b></u>	<u><b>80,709</b></u>

The Group normally allows a credit period of 45 days to 180 days to its customers.



## 10. TRADE AND OTHER PAYABLES AND ACCRUALS

	<b>30 June 2021 HK\$'000 (Unaudited)</b>	31 December 2020 HK\$'000 (Audited)
Trade payables	20,083	25,818
Accruals and other payables	19,747	20,411
Contract liabilities	2,131	1,387
	<u>41,961</u>	<u>47,616</u>

Credit periods granted by suppliers normally range from nil to 120 days.

The ageing analysis of trade payables, based on invoice date, as of the end of the reporting period is as follows:

	<b>30 June 2021 HK\$'000 (Unaudited)</b>	31 December 2020 HK\$'000 (Audited)
0 to 30 days	13,254	16,748
31 to 60 days	3,030	7,629
61 to 90 days	2,229	459
Over 90 days	1,570	982
	<u>20,083</u>	<u>25,818</u>

## 11. SHARE CAPITAL

Details of the movements in the authorised and issued and fully paid share capital of the Company during the year ended 31 December 2020 and the six months ended 30 June 2021 are summarised as follows:

Ordinary shares	Par value HK\$	Number of ordinary shares	Amount HK\$'000
<b>Authorised:</b>			
At 1 January 2020	0.01	38,000,000	380
Increase in authorised share capital ( <i>note (a)</i> )	0.01	4,962,000,000	49,620
		<u>                    </u>	<u>                    </u>
<b>At 31 December 2020 (Audited) and 30 June 2021 (Unaudited)</b>	<b>0.01</b>	<b>5,000,000,000</b>	<b>50,000</b>
		<u>                    </u>	<u>                    </u>
<b>Issued and fully paid:</b>			
At 1 January 2020	0.01	1	–
Issue of shares under share swap agreement ( <i>note (b)</i> )	0.01	37,999,999	380
Issue of shares upon the Listing ( <i>note (c)</i> )	0.01	275,000,000	2,750
Issue of shares by capitalisation of share premium ( <i>note (d)</i> )	0.01	1,687,000,000	16,870
		<u>                    </u>	<u>                    </u>
<b>At 31 December 2020 (Audited) and 30 June 2021 (Unaudited)</b>	<b>0.01</b>	<b>2,000,000,000</b>	<b>20,000</b>
		<u>                    </u>	<u>                    </u>

*Notes:*

- (a) Pursuant to the written resolution passed by the then shareholders of the Company on 7 February 2020, the authorised share capital of the Company was increased from HK\$380,000 divided into to 38,000,000 ordinary shares to HK\$50,000,000 divided into 5,000,000,000 ordinary shares by the creation of an additional 4,962,000,000 ordinary shares of HK\$0.01 each.
- (b) On 7 February 2020, a share swap agreement was entered into between Shell Holdings as vendor and the Company as purchaser pursuant to which Shell Holdings agrees to sell, and the Company agrees to purchase, the entire issued shares of SMC Electric Holdings Limited (the “SMC Electric Holdings”) from Shell Holdings. The Company allotted and issued 37,999,999 shares to Shell Holdings as consideration to acquire the entire interest of SMC Electric Holdings. The share premium arising of HK\$45,572,000 represented the difference between the investment cost of SMC Electric Holdings of approximately HK\$45,952,000 and the par value of the shares issued by the Company totalling HK\$380,000.
- (c) On the Listing Date, the Company issued 275,000,000 new shares at HK\$0.25 per share comprising 125,000,000 new shares by way of placing and 150,000,000 new shares by way of public offer.
- (d) Upon completion of issuing the new shares as mentioned in note(c) above, the Company issued 1,687,000,000 ordinary shares of HK\$0.01 each by the way of capitalising an amount of HK\$16,870,000 from the share premium account of the Company.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **BUSINESS REVIEW**

During the first half of 2021, the COVID-19 pandemic continued to disrupt economies across the globe and affected international trade and our Group's business. In particular, various pandemic-related factors such as raw materials price escalation, relentless rise of ocean freight rates and shortage of shipping containers, all impacted on exports.

As a result, the electric fan business overall suffered a slight decline compared to the prior year with sales to Australia and Africa recorded sharper decline since the onset of container shortages. Customer orders in the electric tools business increased significantly compared with last year, however, the global shortage in integrated circuit components caused negative effects on fulfilment of these orders. The Group recorded approximately 13% decline in the sales of electric tools. This supply shortage situation is expected to remain for the rest of year. Moreover, the general increasing trend of various commodity prices affects the operating margin temporarily until shipment for new orders with higher prices become effective.

The Group expects the magnitude and pace of the global economic recovery to improve in the fourth quarter of 2021, and supply logistics and demand of electric fans and electric tools will recover gradually. We intend to further improve our strategic actions in risk management, operational cost control, supply chain agility and liquidity position enhancement in the forthcoming year. Management will proactively pursue various avenues to further reduce the risk exposure and maintain our competitiveness in the market.

## **FINANCIAL REVIEW**

### **Revenue and Operating Results**

Revenue from the Group's operations for the six months ended 30 June 2021 amounted to HK\$104.4 million, representing a decrease of HK\$12.2 million or 10.5% as compared to HK\$116.6 million for the corresponding period in 2020. Such decrease was primarily attributable to the decrease in the sales volume of electric tools.

The Group's gross profit for the six months ended 30 June 2021 amounted to HK\$27.8 million, representing a decrease of HK\$8.6 million as compared to HK\$36.4 million for the corresponding period in 2020. The gross profit margin for the six months ended 30 June 2021 was 26.7%, representing a decrease of 4.6 percentage points compared to 31.3% for the corresponding period in 2020. The Group's gross profit margin decrease was mainly due to the increase in material costs.

Profit attributable to the owners of the Company for the six months ended 30 June 2021 was HK\$12.6 million, representing a decrease of HK\$2.0 million or 13.6% as compared to HK\$14.6 million for the corresponding period in 2020. The decrease in profit for the period was mainly attributable to the drop in revenue and material cost increases as mentioned above.

### **Liquidity, Financial Resources and Capital Structure**

The Group has adequate liquidity and financial resources to meet the working capital requirements and other financial obligations in the second half of the financial year. The Group will continue to follow a prudent treasury policy and maintain a healthy financial and liquidity position to achieve the Group's future business development. As at 30 June 2021, the Group's total cash and bank balance amounted to approximately HK\$107.4 million (31 December 2020: HK\$77.5 million) which was mainly denominated in United States Dollars ("US\$") and HK\$.

As at 30 June 2021, the current ratio of the Group was approximately 3.99 times (31 December 2020: approximately 3.53 times).

The capital of the Group comprises only ordinary shares. As at 30 June 2021, there were 2,000,000,000 ordinary shares in issue. There has been no change in the Company's capital structure since the date of listing and up to the date of this announcement.

### **Foreign Exchange Exposure**

The Group mainly operates in Hong Kong and the PRC. The functional currencies of the Company and the Group's operating entities are mainly HK\$ and Renminbi with certain of their business transactions being settled in US\$. The Group is thus exposed to currency risk arising from fluctuation on exchange rates of US\$ against the functional currencies of the relevant operating entities or division. During the period, the Group does not have foreign currency hedging policy, but the management continuously monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

### **Gearing Ratio**

The gearing ratio of the Group (expressed as a percentage of total bank borrowings net of cash and bank balances to total equity of the Group) as at 30 June 2021 was nil (31 December 2020: nil) as the Group had net cash balances at the respective period end.

### **Capital Expenditure and Capital Commitments**

During the six months ended 30 June 2021, the Group incurred (i) HK\$0.2 million for the purchase of property, plant and equipment (six months ended 30 June 2020: HK\$0.2 million), and (ii) HK\$2.2 million for the prepayment for purchase of property, plant and equipment (six months ended 30 June 2020: nil)

As of 30 June 2021, the Group had total capital commitments of approximately HK\$1.4 million (31 December 2020: HK\$2.8 million) for the acquisition of property, plant and equipment.

### **Contingent Liabilities**

The Directors confirm that there were no material contingent liabilities as of 30 June 2021 (31 December 2020: nil).

### **Significant Investments/Material Acquisitions and Disposal**

During the six months ended 30 June 2021, the Group had not made any significant investments or material acquisitions and disposal of subsidiaries.

## Employees and Remuneration Policy

As of 30 June 2021, the total number of employees of the Group was 126 (31 December 2020: 140), and they were stationed in the PRC and Hong Kong. The Group regularly reviews remuneration and benefits to its employees according to the relevant market practice and individual performance of the employees. In addition to basic salary, employees are entitled to other benefits including social insurance, employee provident fund schemes and discretionary incentive.

## PLEDGE ON ASSETS

As of 30 June 2021, the Group did not have any assets which were pledged as security for the Group's borrowings (31 December 2020: nil).

## USE OF PROCEEDS FROM THE SHARE OFFER

The net proceeds from the share offer (after deducting the underwriting fees and related expenses) amounted to approximately HK\$42.5 million. The Directors had evaluated the Group's business plan and considered that, as at the date of this announcement, there is no modification of the business plan regarding the use of proceeds as described in the prospectus of the Company dated 19 May 2020 (the "Prospectus") and the proceeds are to be used as intended as disclosed in the Prospectus.

The Group had utilised approximately HK\$4.1 million of the net proceeds as at 30 June 2021. The unused net proceeds have been placed as interest-bearing deposits with licensed banks in Hong Kong. Set out below is a summary of the utilisation of the net proceeds:

	Allocation of net proceeds as disclosed in the Prospectus HK\$ million	Unutilised amount as at 31 December 2020 HK\$ million	Actual utilised amount for the six months ended 30 June 2021 HK\$ million	Unutilised amount for the six months ended 30 June 2021 HK\$ million	Expected timeline for use of unutilised proceeds
Improvement of efficiencies	6.3	5.5	0.3	5.2	31 December 2021
Expand manufacturing capabilities	25.9	24.3	1.4	22.9	30 June 2022
Devoting resources on new products	10.3	10.3	–	10.3	30 June 2022
	<u>42.5</u>	<u>40.1</u>	<u>1.7</u>	<u>38.4</u>	

## SHARE OPTION SCHEME

The Company has a share option scheme which was approved and adopted by shareholders of the Company on 29 April 2020.

No share option has been granted under the share option scheme since its adoption.

## **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY**

During the six months ended 30 June 2021, neither the Company, nor any of its subsidiaries has purchased, sold, or redeemed any of the Company's listed securities.

## **COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE**

The Company has complied with the code provisions of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules throughout the six months ended 30 June 2021.

The Board will continue to review and monitor its code of corporate governance practices of the Company with an aim to maintaining a high standard of corporate governance.

## **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix 10 to the Listing Rules as its code of conduct regarding dealings in the securities of the Company by the Directors and the Group's senior management and relevant employees who, because of his/her office or employment, are likely to possess inside information in relation to the Group or the Company's securities.

Upon specific enquiry by the Company, all Directors have confirmed that they have complied with the Model Code throughout the six months ended 30 June 2021. In addition, the Company is not aware of any non-compliance of the Model Code by the senior management of the Group during the period under review.

## **AUDIT COMMITTEE**

The Company has established an audit committee comprising two independent non-executive directors and one non-executive director, namely Mr. Leung Man Chiu, Lawrence (Chairman), Mr. Poon Chak Sang, Plato and Mr. Yung Kwok Kee, Billy. The audit committee has reviewed, with no disagreement, with the senior management on the Group's interim results and the interim financial information for the six months ended 30 June 2021, including the accounting principles and practices adopted by the Group, and discussed financial reporting, auditing and internal controls matters.

## **PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT**

This announcement is published on the HKEXnews website of the Stock Exchange of Hong Kong Limited (<http://www.hkexnews.hk>) and the Company's website (<http://www.smcelectric.com.hk>). The Interim Report for the six months ended 30 June 2021 will be despatched to shareholders of the Company and will be made available on the above websites in due course.

By Order of the Board  
**SMC Electric Limited**  
**LEUNG Chun Wah**  
*Executive Director*

Hong Kong, 26 August 2021

*As at the date of this announcement, the Board comprises two executive directors, namely, Mr. LEUNG Chun Wah and Mr. TANG Che Yin; one non-executive director, namely, Mr. YUNG Kwok Kee, Billy; and three independent non-executive directors, namely, Mr. LEUNG Man Chiu, Lawrence, Mr. POON Chak Sang, Plato and Mr. HO Chi Sing, Spencer.*