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SH GROUP (HOLDINGS) LIMITED

順興集團(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1637)

**INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021**

FINANCIAL HIGHLIGHTS

(for the six months ended 30 September 2021)

- Revenue was approximately HK\$370.0 million (2020: HK\$333.2 million)
- Gross profit was approximately HK\$32.9 million (2020: HK\$28.8 million)
- Profit for the period attributable to owners of the Company was approximately HK\$13.5 million (2020: HK\$18.4 million)
- Basic earnings per share was approximately HK3.4 cents per share (2020: HK4.6 cents per share)

INTERIM RESULTS

The board (the “Board”) of directors (the “Directors”) of SH Group (Holdings) Limited (the “Company”) is pleased to present the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively as the “Group”) for the six months ended 30 September 2021 (the “Current Period”), together with the comparative figures for the six months ended 30 September 2020 (the “Last Period”) as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2021

		For the six months ended	
		30 September	
		2021	2020
	Notes	HK\$'000	HK\$'000
		(Unaudited)	(Unaudited)
Revenue	4	370,044	333,205
Direct costs		(337,194)	(304,420)
Gross profit		32,850	28,785
Other income		1,760	6,383
Other loss		(4,945)	(1,375)
Net impairment loss recognised under expected credit loss model		(118)	(40)
Administrative expenses		(12,550)	(12,416)
Finance costs		(54)	(217)
Profit before taxation		16,943	21,120
Income tax expense	5	(3,405)	(2,762)
Profit and total comprehensive income for the period		13,538	18,358
Earnings per share			
– Basic (HK cents)	6	3.4	4.6

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2021

		As at 30 September 2021 <i>HK\$'000</i> (Unaudited)	31 March 2021 <i>HK\$'000</i> (Audited)
	<i>Notes</i>		
Non-current assets			
Property and equipment		19,667	20,311
Right-of-use assets		2,779	4,080
Deposits		2,803	2,755
Debt instruments at amortised cost		6,113	6,113
Financial assets at fair value through profit or loss		40,827	31,883
Deferred tax assets		65	6
		72,254	65,148
Current assets			
Trade receivables	8	65,404	88,834
Other receivables, deposits and prepayments		5,969	6,404
Contract assets	9	142,713	110,950
Debt instruments at amortised cost		3,085	5,003
Bank balances and cash		198,671	236,040
		415,842	447,231
Current liabilities			
Trade payables	10	48,773	61,265
Other payables and accrued charges		83,447	77,080
Contract liabilities	9	54,827	73,152
Lease liabilities		2,062	2,228
Tax payable		4,792	1,328
		193,901	215,053
Net current assets		221,941	232,178
Total assets less current liabilities		294,195	297,326
Non-current liabilities			
Provisions		384	507
Lease liabilities		1,170	2,116
		1,554	2,623
Net assets		292,641	294,703
Capital and reserves			
Share capital		4,000	4,000
Reserves		288,641	290,703
Equity attributable to owners of the Company		292,641	294,703

Notes:

1. GENERAL INFORMATION

The Company was incorporated and registered as an exempted company with limited liability in the Cayman Islands under the Companies Law of the Cayman Islands on 9 May 2016. The address of the Company's registered office and the principal place of business in Hong Kong are Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and Units 603-606, 6/F., Tower I, Cheung Sha Wan Plaza, 833 Cheung Sha Wan Road, Kowloon, Hong Kong, respectively. Its immediate and ultimate holding company is Prosperously Legend Limited, which was incorporated in the British Virgin Islands and wholly owned by Mr. Yu Cheung Choy ("Mr. Yu"), who is also the chairman of the Board and executive Director. The Company's shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 3 January 2017.

The Group is principally engaged in providing electrical and mechanical engineering ("E&M engineering") services in Hong Kong.

2. BASIS OF PREPARATION

The condensed consolidated financial statements of the Group for the six months ended 30 September 2021 have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") and with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values.

Other than additional accounting policies resulting from the application of below amendments to Hong Kong Financial Reporting Standards ("HKFRSs"), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2021 are the same as those presented in the Group's annual financial statements for the year ended 31 March 2021.

Application of amendments to HKFRSs

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

Amendment to HKFRS 16	Covid-19-Related Rent Concession
Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	Interest Rate Benchmark Reform – Phase 2

The application of amendments to HKFRSs in the current period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

4. REVENUE AND SEGMENT INFORMATION

Revenue

Revenue represents the fair value of amounts received or receivable arising from the engineering service contracts of the Group from external customers. The Group's revenue is solely derived from E&M engineering services with the focus on the supply, installation and maintenance of mechanical ventilation and air-conditioning system ("MVAC system") and low voltage electrical system in Hong Kong during the six months ended 30 September 2021 and 2020.

Disaggregation of revenue

	For the six months ended	
	30 September	
	2021	2020
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Type of services (revenue recognised over time)		
– Supply, installation and maintenance of MVAC system	307,753	246,649
– Supply, installation and maintenance of low voltage electrical system	62,291	86,556
	370,044	333,205

The revenue recognised for the current period was mainly from private sector projects.

Segment information

For the purpose of resources allocation and performance assessment, the executive directors of the Company, being the chief operating decision maker, review the overall results and financial position of the Group as a whole. Accordingly, the Group has only one single operating segment and only entity-wide disclosures. Geographical information and major customers are presented below.

Geographical information

The Group's revenue are all derived from Hong Kong based on the location of services delivered and the Group's property and equipment and right-of-use assets amounting to HK\$22,446,000 (Unaudited) as at 30 September 2021 (31 March 2021: HK\$24,391,000 (Audited)) are all located in Hong Kong by physical location of assets.

Information about major customers

Revenue attributed from customers that accounted for 10% or more of the Group's total revenue during the period is as follows:

	For the six months ended 30 September	
	2021 HK\$'000 (Unaudited)	2020 HK\$'000 (Unaudited)
Customer A	115,789	89,762
Customer B	84,280	N/A*
Customer C	58,577	53,431
Customer D	N/A*	48,400
Customer E	N/A*	40,779

* Revenue from the relevant customer was less than 10% of the Group's total revenue for the respective period.

5. INCOME TAX EXPENSE

	For the six months ended 30 September	
	2021 HK\$'000 (Unaudited)	2020 HK\$'000 (Unaudited)
Hong Kong Profit tax:		
Current tax	3,464	2,786
Deferred taxation	(59)	(24)
	<u>3,405</u>	<u>2,762</u>

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "Bill") which introduced the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

Accordingly, the Hong Kong Profits Tax for the qualifying group entity is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million.

6. EARNINGS PER SHARE

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

	For the six months ended	
	30 September	
	2021	2020
	(Unaudited)	(Unaudited)
Earnings:		
Earnings for the purpose of calculating basic earnings per share (profit for the period attributable to owners of the Company) (<i>HK\$ '000</i>)	<u>13,538</u>	<u>18,358</u>
Number of shares:		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	<u>400,000,000</u>	<u>400,000,000</u>

No diluted earnings per share for the six months ended 30 September 2021 and 2020 was presented as there was no dilutive potential ordinary share in issue for both periods.

7. DIVIDENDS

During the six months ended 30 September 2021, a final dividend in respect of the year ended 31 March 2021 of HK3.9 cents per ordinary share (HK\$15.6 million in aggregate) was declared and paid to the shareholders of the Company.

During the six months ended 30 September 2020, a final dividend in respect of the year ended 31 March 2020 of HK1.7 cents per ordinary share (HK\$6.8 million in aggregate) was declared and paid to the shareholders of the Company.

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

8. TRADE RECEIVABLES

	As at	
	30 September	31 March
	2021	2021
	<i>HK\$ '000</i>	<i>HK\$ '000</i>
	(Unaudited)	(Audited)
Trade receivables	65,570	89,037
Less: Impairment loss allowance	<u>(166)</u>	<u>(203)</u>
	<u>65,404</u>	<u>88,834</u>

The Group grants credit terms of 30 days to its customers from the date of invoices on progress billings of contract works. An aged analysis of the trade receivables net of impairment loss allowance presented based on the invoice date at the end of each reporting period is as follows:

	As at	
	30 September 2021 <i>HK\$'000</i> (Unaudited)	31 March 2021 <i>HK\$'000</i> (Audited)
0 – 30 days	47,404	85,146
31 – 60 days	15,755	114
61 – 90 days	1,438	3,488
Over 90 days	807	86
	65,404	88,834
	65,404	88,834

9. CONTRACT ASSETS AND CONTRACT LIABILITIES

	As at	
	30 September 2021 <i>HK\$'000</i> (Unaudited)	31 March 2021 <i>HK\$'000</i> (Audited)
Contract assets	142,977	111,033
Less: Impairment loss allowance	(264)	(83)
	142,713	110,950
	142,713	110,950
Contract liabilities	54,827	73,152
	54,827	73,152

10. TRADE PAYABLES

The credit period on purchases and subcontracting of contract work services ranges from 30 to 60 days generally. The following is an aged analysis of trade payables presented based on the invoice date at the end of each reporting period:

	As at	
	30 September 2021 <i>HK\$'000</i> (Unaudited)	31 March 2021 <i>HK\$'000</i> (Audited)
Trade payables:		
0 – 30 days	33,728	29,109
31 – 60 days	11,103	26,789
61 – 90 days	3,942	5,367
	48,773	61,265
	48,773	61,265

MANAGEMENT DISCUSSION AND ANALYSIS

The Group is principally engaged in providing E&M engineering services in Hong Kong. We provide services in relation to the supply, installation and maintenance of MVAC system, and also provide services in relation to low voltage electrical system and other E&M systems, including fire services system, plumbing and drainage system in both private and public sectors.

BUSINESS REVIEW

Our revenue increased by approximately HK\$36.8 million, or 11.0%, from approximately HK\$333.2 million for the Last Period to approximately HK\$370.0 million for the Current Period. Major projects awarded and major projects undertaken in the Current Period are outlined below.

Projects awarded in the Current Period

During the Current Period, we were awarded 6 projects with an aggregate contract sum of approximately HK\$190.7 million, which were mainly related to MVAC system installation.

The following table sets forth the particulars of the five largest projects awarded in the Current Period in terms of contract sum:

Key scope of work	Type (Residential/ Non-residential) ^(Note)	Date of award	Contract sum HK\$'million
Building services installation for a composite development at Sai Wan Ho, Hong Kong	Non-residential	24 May 2021	74.0
MVAC system installation for a development at Kai Tak, Kowloon	Residential	15 April 2021	56.4
MVAC system installation for a development at Kwai Chung, New Territories	Non-residential	19 August 2021	24.3
MVAC system installation for a hospital at Chai Wan, Hong Kong	Non-residential	16 August 2021	14.9
MVAC system installation for a proposed residential development at Yuen Long, New Territories	Residential	29 July 2021	12.7

Note: “Residential” refer to projects that involve residential flats while “Non-residential” refer to projects that do not involve residential flats.

Major projects undertaken in the Current Period

During the Current Period, the Group continued to focus our efforts on the supply, installation and maintenance of MVAC system and low voltage electrical system. Revenue contributed by projects relating to MVAC system and low voltage electrical system accounted for approximately 83.2% and 16.8% respectively for the Current Period (2020: 74.0% and 26.0%).

The following table sets forth the particulars of the five largest projects undertaken in the Current Period in terms of revenue contribution:

Key scope of work	Type (Residential/ Non-residential)	Date of award	Contract sum <i>HK\$'million</i>	Revenue recognised during the Current Period <i>HK\$'million</i>
MVAC system installation for a proposed residential development at Kai Tak, Kowloon	Residential	27 September 2019	163.8	71.3
Electrical system installation for a proposed residential development at Ap Lei Chau, Hong Kong	Residential	31 January 2019	214.3	53.5
MVAC system installation for a residential development at Wong Chuk Hang, Hong Kong	Residential	9 May 2019	97.8	50.7
MVAC system installation for a proposed residential development at Kai Tak, Kowloon	Residential	27 September 2019	235.6	42.1
MVAC system installation for a property development at Yuen Long, New Territories	Residential	25 July 2018	120.0	24.0

Recent development and Future prospects

Subsequent to the end of the Current Period and up to the date of this announcement, we were awarded 1 project with contract sum of approximately HK\$98.9 million, which was related to the MVAC system installation.

The economies around the world, including Hong Kong, are expected to recover from the Coronavirus Disease 2019 (“Covid-19”) pandemic. However, the pandemic is still impacting the construction and E&M engineering services industry indirectly. Most significant impacts are the increase in the cost of transportation and more intensified competition in the market. Other than the above impacts from the pandemic, the continuous industry-wide challenges, like the increase in the price of raw materials and shortage of human resources in the recent years, are also influencing the performance of the E&M engineering services providers.

Nevertheless, the long-term initiatives by the Hong Kong Government including “Land Sharing Pilot Scheme”, rezoning sites for housing development and development of brownfield sites etc., together with the future reclamation works and various development areas in the New Territories North, will provide ample opportunities in the industry. In the coming ten years, the Hong Kong Government expects to secure approximately 170 hectares of land with production of about 100,000 units to the market in the private housing supply.

In order to respond to the above challenges and take the opportunities from the initiatives by the Hong Kong Government, the Group will continue to keep our endeavour to maintain stable revenue and earnings and achieve further growth in the future by diversifying our projects in different E&M engineering services; pursuing cost control measures; and adopting a more competitive pricing strategy to bid for various projects. With our long-established reputation, experience and proven track record in the industry, the Group is confident about the future prospect of our business and achieving a steady growth in the years to come.

FINANCIAL REVIEW

Revenue

Our revenue increased by approximately HK\$36.8 million, or 11.0%, from approximately HK\$333.2 million for the Last Period to approximately HK\$370.0 million for the Current Period. Revenue contributed by projects relating to MVAC system and low voltage electrical system accounted for approximately 83.2% and 16.8% respectively for the Current Period (2020: 74.0% and 26.0%).

Gross profit and gross profit margin

Our gross profit increased by approximately HK\$4.1 million, or 14.2% from approximately HK\$28.8 million for the Last Period to approximately HK\$32.9 million for the Current Period. Our gross profit margin slightly increased by approximately 0.3 percentage points, from approximately 8.6% for the Last Period to approximately 8.9% for the Current Period.

The increase in gross profit was mainly attributable to the increase in revenue recognised for the Current Period.

Other income

Other income for the Current Period decreased by approximately HK\$4.6 million, from approximately HK\$6.4 million for the Last Period to approximately HK\$1.8 million for the Current Period. The decrease was mainly due to the fact that there was no government grant received from the Employment Support Scheme launched by the Hong Kong Government during the Current Period (2020: HK\$5.1 million).

Other loss

Other loss for the Current Period increased by approximately HK\$3.5 million, from approximately HK\$1.4 million for the Last Period to approximately HK\$4.9 million for the Current Period, which was attributable to the increased fair value loss on financial assets at fair value through profit or loss (“FVTPL”).

Administrative expenses

Our administrative expenses remained relatively stable, with an amount of approximately HK\$12.6 million for the Current Period and HK\$12.4 million for the Last Period respectively.

Finance costs

Our finance costs decreased by approximately HK\$0.1 million, from approximately HK\$0.2 million for the Last Period to approximately HK\$0.1 million for the Current Period. The amount for the Current Period represented interest expenses on lease liabilities.

Income tax expenses

Our income tax expenses increased by approximately HK\$0.6 million, from approximately HK\$2.8 million for the Last Period to approximately HK\$3.4 million for the Current Period due to the combined effect of the above factors. The effective tax rate for the Current Period was approximately 20.1% (2020: 13.1%).

Profit attributable to owners of the Company

As a result of the foregoing, our profit attributable to owners of the Company decreased by approximately HK\$4.9 million or approximately 26.6%, from approximately HK\$18.4 million for the Last Period to approximately HK\$13.5 million for the Current Period.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

Capital Structure

As at 30 September 2021, the capital structure of the Group consisted of equity of approximately HK\$292.6 million (31 March 2021: HK\$294.7 million).

Cash position and fund available

During the Current Period, the Group maintained a healthy liquidity position, with working capital being financed by our operating cash flows and the retained profits.

As at 30 September 2021, the Group held cash and cash equivalents of approximately HK\$198.7 million (31 March 2021: HK\$236.0 million).

As at 30 September 2021, the current ratio of the Group was approximately 2.1 times (31 March 2021: 2.1 times).

Banking Facilities

As at 30 September 2021, the Group had a facility agreement entered into with a bank with a facility limit of HK\$150.0 million (31 March 2021: HK\$80.0 million). The Company had made undertakings relating to certain performance obligation of the controlling shareholders, namely Mr. Yu and Mr. Lau Man Ching (“Mr. Lau”), who is the chief executive officer of the Company and executive Director, pursuant to the facility agreement including the following: (i) Mr. Yu and Mr. Lau undertake to maintain as the largest shareholders of the Company directly or indirectly; and (ii) Mr. Yu and Mr. Lau shall remain as the chairman or director of the Company. The facility agreement remains effective as at the date of this announcement.

As at 30 September 2021, the Group had another facility agreement entered into with a bank with a facility limit of approximately HK\$90.2 million (31 March 2021: HK\$61.4 million) with the following obligation undertaken by the Group: (i) In case of Mr. Yu and Mr. Lau are not the major shareholders of the Company, the Group should notify the bank 14 days in advance; and (ii) In case of Mr. Yu is not entitled to be chairman of the Company, the Group should notify the bank 14 days in advance.

As at 30 September 2021, the Group had another facility agreement entered into with a bank with a facility limit of HK\$80.0 million (31 March 2021: HK\$80 million) with the following obligation undertaken by the Group: (i) In case of Mr. Yu and Mr. Lau are not the major shareholders of the Company, the Group should notify the bank 14 days in advance; and (ii) In case of Mr. Yu and Mr. Lau are not entitled to be chairman or director of the Company, the Group should notify the bank 14 days in advance.

GEARING RATIO

As at 30 September 2021, the Group did not have any bank borrowing and its gearing ratio was nil (31 March 2021: nil).

NET CURRENT ASSETS

As at 30 September 2021, the Group had net current assets of approximately HK\$221.9 million (31 March 2021: HK\$232.2 million). The decrease in net current assets position was mainly due to the purchase of financial assets at FVTPL and declaration and payment of final dividend in respect of the year ended 31 March 2021 to the shareholders of the Company, offset by the net profit recorded during the Current Period.

The Group’s policy is to regularly monitor its liquidity requirements and its compliance with covenants in relation to banking facility agreements, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from the banks to meet its liquidity requirements. The Board is not aware of any liquidity issue that may cast significant doubt on the Group’s ability to continue as a going concern.

CAPITAL EXPENDITURES

The Group's capital expenditures for the Current Period amounted to approximately HK\$0.1 million (2020: HK\$0.1 million), which was incurred for the purchase of property and equipment.

FOREIGN EXCHANGE EXPOSURE

The Group's revenue-generating activities were transacted in Hong Kong Dollar, which is the functional currency of the Group. The Board considers that the Group was not exposed to significant foreign exchange risk, and had not entered into any financial instrument for hedging. The Board will review the Group's foreign exchange risk and exposure from time to time and will apply hedging where necessary.

PERFORMANCE GUARANTEES AND CONTINGENT LIABILITY

As at 30 September 2021, performance guarantees of approximately HK\$162.6 million (31 March 2021: HK\$155.4 million) were given by banks in favour of the Group's customers as security for the due performance and observance of the Group's obligations under the contracts entered into between the Group and its customers. If the Group fails to provide satisfactory performance to its customers to whom performance guarantees have been given, such customers may demand the banks to pay to them the sum or sum stipulated in such demand. The Group will become liable to compensate such banks accordingly. The performance guarantees will be released upon completion of the contracts work.

The Group had no contingent liability as at 30 September 2021 and 31 March 2021 respectively.

PLEDGE OF ASSETS

As at 30 September 2021, the Group's leasehold land and buildings of approximately HK\$18.2 million (31 March 2021: HK\$18.5 million) were pledged with banks to secure the banking facilities including performance guarantees issued by the banks.

CAPITAL COMMITMENTS

As at 30 September 2021, the Group had capital commitments of approximately HK\$0.1 million (31 March 2021: HK\$0.1 million) in relation to acquisition of property and equipment contracted but not provided for.

EMPLOYEES, TRAINING AND REMUNERATION POLICY

As at 30 September 2021, the Group had a total of 187 employees (31 March 2021: 191). The remuneration offered to employees generally includes salaries, medical benefits and bonus. In general, the Group determines salaries of its employees based on each employee's qualification, position and seniority. The Group provides training to its employees according to the work requirements.

MATERIAL ACQUISITIONS AND DISPOSALS

The Group did not have any material acquisitions and disposals of subsidiaries, associates and joint ventures during the Current Period.

SIGNIFICANT INVESTMENTS HELD

The Group did not have any significant investments held as at 30 September 2021.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

The Group did not have plans for material investments or capital assets as at 30 September 2021.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Compliance with Corporate Governance Code

The Company has adopted the code provisions set out in the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 to the Listing Rules as its own code of corporate governance. The Board is of the opinion that the Company has complied with all the relevant code provisions set out in the CG Code during the Current Period.

Directors’ Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (“Model Code”) as set out in Appendix 10 to the Listing Rules as the code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, all Directors have confirmed that they have complied with the required standard set out in the Model Code during the Current Period.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities during the Current Period.

EVENTS AFTER THE REPORTING PERIOD

The Board is not aware of any significant event requiring disclosure that has taken place subsequent to 30 September 2021 and up to the date of this announcement.

REVIEW OF INTERIM RESULTS BY AUDIT COMMITTEE

The audit committee of the Company has reviewed the Group’s unaudited condensed consolidated interim financial statements for the six months ended 30 September 2021, including the accounting principles and practices adopted by the Group.

REVIEW OF INTERIM RESULTS BY AUDITOR

The unaudited condensed consolidated interim results of the Group for the six months ended 30 September 2021 have been reviewed in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants, by Deloitte Touche Tohmatsu, certified public accountants and registered public interest entity auditors in Hong Kong.

INTERIM DIVIDEND

The Board did not declare any interim dividend for the Current Period (2020: Nil).

INTERIM REPORT

The 2021-22 Interim Report will be published on the Company’s website at www.shunhingeng.com and the Stock Exchange’s website at www.hkexnews.hk in due course.

By order of the Board
SH Group (Holdings) Limited
Yu Cheung Choy
Chairman

Hong Kong, 29 November 2021

As at the date of this announcement, Mr. Yu Cheung Choy, Mr. Lau Man Ching and Mr. Yu Ho Chi are the executive Directors; and Mr. Lam Yim Nam, Mr. Lee Wing Kee and Dr. Law Man Wah are the independent non-executive Directors.