



無縫綠色中國(集團)有限公司
Seamless Green China (Holdings) Ltd.

(Incorporated in the Cayman Islands and re-domiciled and continued in Bermuda with limited liability)
Stock Code: 8150



THIRD QUARTERLY REPORT
2018

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 higher 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 the GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

This report, for which the directors (the “Directors”) of Seamless Green China (Holdings) Limited (the “Company”) 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 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 report 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 report misleading.

QUARTERLY RESULTS (UNAUDITED)

The board of Directors (the “Board”) announces the unaudited condensed consolidated results of the Company and its subsidiaries (collectively the “Group”) for the three months and nine months ended 30 September 2018 (the “Period”) together with the relevant comparative unaudited figures as follows:

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

For the three months and nine months ended 30 September 2018

	Notes	Three months ended 30 September		Nine months ended 30 September	
		2018 HK\$'000	2017 HK\$'000	2018 HK\$'000	2017 HK\$'000
Revenue	3	44,349	15,105	99,547	25,386
Cost of sales		(40,908)	(13,025)	(90,761)	(22,511)
Gross profit		3,441	2,080	8,786	2,875
Other income and gains		6	182	26	550
Operating expenses:					
Selling and distribution costs		(17)	–	(105)	(44)
Administrative and other operating expenses		(2,909)	(3,398)	(9,247)	(8,621)
Profit/(loss) from operations		521	(1,136)	(540)	(5,240)
Share of profit of associates		–	41	–	41
Profit/(loss) before taxation		521	(1,095)	(540)	(5,199)
Income tax expense	4	–	–	(22)	–
Profit/(loss) for the period		521	(1,095)	(562)	(5,199)
Other comprehensive income after tax					
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translation of the consolidated financial statements of foreign subsidiaries		(534)	1,263	(2,061)	2,860
Other comprehensive income/(loss) for the period, net of tax		(534)	1,263	(2,061)	2,860
Total comprehensive income/(loss) for the period		(13)	168	(2,623)	(2,339)
Profit/(loss) attributable to owners of the Company		521	(1,095)	(562)	(5,199)
Total comprehensive income/(loss) attributable to owners of the Company		(13)	168	(2,623)	(2,339)
Earnings/(loss) per share attributable to owners of the Company					
Basic and diluted (HK cents)	6	0.03	(0.07)	(0.04)	(0.37)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the nine months ended 30 September 2018

	Attributable to owners of the Company							Total HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Investment revaluation reserve HK\$'000	Exchange reserve HK\$'000	Share-based payment reserve HK\$'000	Accumulated losses HK\$'000	Non- controlling interests HK\$'000	
At 1 January 2018	78,626	491,228	-	(2,133)	8,762	(511,132)	(804)	64,547
Loss for the period	-	-	-	-	-	(562)	-	(562)
Exchange difference on translating foreign subsidiaries	-	-	-	(2,061)	-	-	-	(2,061)
Total comprehensive income for the period	-	-	-	(2,061)	-	(562)	-	(2,623)
At 30 September 2018	78,626	491,228	-	(4,194)	8,762	(511,694)	(804)	61,924
At 1 January 2017	64,350	466,013	(842)	(5,307)	11,222	(495,270)	(826)	39,340
Loss for the period	-	-	-	-	-	(5,199)	-	(5,199)
Exchange difference on translating foreign subsidiaries	-	-	-	2,860	-	-	-	2,860
Total comprehensive income for the period	-	-	-	2,860	-	(5,199)	-	(2,339)
Issues of Shares	12,738	17,530	-	-	-	-	-	30,268
Exercise of share options	1,538	7,687	-	-	(2,460)	-	-	6,765
At 30 September 2017	78,626	491,230	(842)	(2,447)	8,762	(500,469)	(826)	74,034

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Seamless Green China (Holdings) Limited (the “Company”) was a limited liability company incorporated in the Cayman Islands on 18 January 2001 as an exempted company. The issued shares of the Company have been listed on the GEM since 10 August 2001. Pursuant to a special resolution passed on 7 January 2008, the shareholders of the Company resolved to change the domicile of the Company from the Cayman Islands to Bermuda by way of de-registration in the Cayman Islands and continuation as an exempted company under the laws of Bermuda. The re-domicile was completed on 22 January 2008. The change of domicile has no impact on the continuity and the listing status of the Company. The addresses of its registered office and principal place of business are Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and Room 1604, Seaview Commercial Building, 21-24 Connaught Road West, Sheung Wan, Hong Kong, respectively.

The condensed consolidated financial statements are presented in Hong Kong dollars (“HK\$”) (rounded to the nearest thousand unless otherwise indicated), which is the same as the functional and presentation currency of the Company.

The Company is an investment holding company. The Group’s principal business activities were the manufacturing and sale of synthetic sapphire watch crystals and optoelectronic products, trading of liquor, manufacturing and trading of LED and related portable consumer products, and property investment.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements have been prepared in compliance with the disclosure requirements of the Rules Governing the Listing of Securities on GEM of the Stock Exchange (“the GEM Listing Rules”) and the Hong Kong Companies Ordinance.

The accounting policies and method of computation used in the preparation of the unaudited condensed consolidated financial statements are consistent with those used in preparing the audited financial statements for the year ended 31 December 2017. The Group has adopted new or revised standards, amendments to standards and interpretations of Hong Kong Financial Reporting Standards which are effective for accounting periods commencing on or after 1 January 2018. The adoption of such new or revised standards, amendments to standards and interpretations does not have material impact on the consolidated financial statements and does not result in substantial changes to the Group’s accounting policies.

The condensed consolidated financial statements have not been audited by the Company’s independent auditor, but have been reviewed by the Company’s audit committee (the “Audit Committee”).

The unaudited quarterly financial statements should be read in conjunction with the annual report for the year ended 31 December 2017.

3. REVENUE

Revenue represents the sales of goods supplied to customers, net of discount and sales related tax during the Period.

4. INCOME TAX EXPENSE

Income tax has been recognised in profit or loss as followings:

	For the nine months ended	
	30 June	
	2018	2017
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Provision for current tax		
– Hong Kong profits tax	9	–
– PRC enterprises income tax	13	–
	22	–

Hong Kong profits tax has been provided at a rate of 16.5% (2017: Nil) on the estimated assessable profits for the Period.

Provision for taxation outside Hong Kong is provided for at the applicable rates on the estimated assessable profits in the respective jurisdictions.

There were no material unrecognised deferred tax assets and liabilities for the periods.

5. INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the nine months ended 30 September 2018 (nine months ended 30 September 2017: Nil).

6. LOSS PER SHARE

The calculation of basic loss per share is based on the following information:

	Nine months ended 30 September	
	2018	2017
	(unaudited)	(unaudited)
Loss		
Loss for the period attributable to the owners of the Company (HK\$'000)	562	5,199
Number of shares		
Weighted average number of ordinary shares in issue	1,572,517,252	1,400,053,067

Diluted loss per share for the nine months ended 30 September 2018 and 2017 is the same as the basic earnings per share as the potential shares arising from the exercise of the Company's outstanding share options and warrants would have anti-dilutive impact.

7. LEASE COMMITMENTS

The Group as lessee

At the end of the reporting period, the total future minimum lease payments under non-cancellable operating leases are as follows:

	Land and buildings	
	30 September	31 December
	2018	2017
	HK\$'000	HK\$'000
	(unaudited)	(audited)
Within one year	1,353	602
In the second to fifth year inclusive	879	527
	2,232	1,129

8. CONTINGENT LIABILITIES

As at 30 September 2018, the Group had no material contingent liabilities (31 December 2017: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Company is an investment holding company. The Group's principal business activities were the manufacturing and sale of synthetic sapphire watch crystals and optoelectronic products, trading of liquor, manufacturing and trading of LED and related portable consumer products, and property investment.

During the nine months ended 30 September 2018 (the "Period"), the total revenue increased to approximately HK\$99.5 million, representing a 292.1% increase compared with that of approximately HK\$25.4 million for the nine months ended 30 September 2017 (the "Previous Period"). Loss attributable to owners of the Company decreased to approximately HK\$0.6 million for the Period from approximately HK\$5.2 million for the Previous Period.

The Group's sapphire watch crystals division did not generate any revenue during the Period (Previous Period: Nil), principally due to the sluggish market of traditional watches resulted from competition of smart watches. In addition, the Group's watch manufacturing facilities need substantial maintenance, upgrade and replacement if the Group is to accept more profitable orders. The Company is continuously exploring opportunities in trading of watches and watch-related components, which are less reliant on intensive capital expenditure.

The Group's optoelectronics products division recorded a revenue of approximately HK\$1,992,000 during the Period (Previous Period: Nil). The increase in sales in the Period was mainly due to new trading orders received by the Group in respect of watch related components. The Board will continue to monitor the market situation and will continue to explore business opportunities which are less capital-reliant to leverage on the Group's established experience in watch industry.

The Group's LED and related portable consumer products division recorded a revenue of approximately HK\$96,602,000 for the Period (Previous Period: HK\$25,386,000). The volume of purchase orders of the Group's LED division sharply rebounded since the second quarter of 2017, principally due to the Group's adoption of new business strategy for the LED division. Since the end of 2017, the Group has launched a new LED related portable consumer product line which is gaining market popularity in Hong Kong and China. We expect to receive recurring and increasing purchase orders for LED and related products in the forthcoming quarters.

CAPITAL STRUCTURE, FINANCIAL RESOURCES AND LIQUIDITY

The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximize the value of its shareholders (the "Shareholders").

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Directors may adjust the dividend payment to the Shareholders, return capital to the Shareholders or issue new shares.

In managing the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The Group relies on funds generated from operations and fund raising activities.

The shareholders' funds of the Group were decreased to approximately HK\$61.9 million as at 30 September 2018 (31 December 2017: HK\$64.5 million), which was resulted from the operating loss for the Period. The Group's current assets amounted to approximately HK\$119.2 million as at 30 September 2018 (31 December 2017: HK\$85.3 million), of which approximately HK\$6.8 million (31 December 2017: HK\$42.8 million) was cash and cash equivalents.

As at 30 September 2018, the Group had cash and cash equivalents of approximately HK\$6.8 million (31 December 2017: approximately HK\$42.8 million), of which approximately 57%, 36% and 7% (31 December 2017: approximately 70%, 28% and 2%) were denominated in Hong Kong dollars, Renminbi and United States dollars respectively.

As at 30 September 2018, the Group's borrowing comprised the promissory notes amounting to approximately HK\$15.0 million (31 December 2017: approximately HK\$15.0 million). The promissory notes were repayable within one year and are denominated in Hong Kong dollars.

The Group's gearing ratio as at 30 September 2018 was 52.3% (31 December 2017: -6.6%). The Group's gearing ratio increased during the Period mainly due to increase in operation level which result in decrease in working capital level. Other than the promissory notes of approximately HK\$15.0 million (31 December 2017: approximately HK\$15.0 million), the Group had no other borrowings. Gearing ratio is calculated by dividing the net debt with the aggregate of total capital and net debt. Net debt includes trade payables, other payables and accruals, and promissory notes, less cash and cash equivalents. Total capital represents equity attributable to owners of the Company.

LITIGATION

- (i) On 6 March 2012, a writ of summons was issued by JMM Business Network Investments (China) Limited (“**JMM**”) against (a) Mr. Chan Ka Ming, Mr. Nee, Henry Pei Ching, Mr. Ho Chun Kit Gregory, Mr. Tam Chak Chi, Mr. Ng Kai Shing, Mr. Jal Nadirshaw Karbhari and Ms. Chan Sze Man, all former Directors; and (b) the Company. In this action, JMM sought to challenge the validity of a notice of special general meeting of the Company dated 9 February 2012, but did not specify any monetary claim against the Company. The Directors have not been aware of any material progress of this action since as early as the third quarter of 2012. As such, the Directors are of the view that the action is unlikely to result in any significant financial impact on the Company.
- (ii) On 14 March 2012, a writ of summons was issued by Good Capital Resources Limited (“**Good Capital**”) against (a) Mr. Chan Ka Ming, Mr. Nee, Henry Pei Ching, Mr. Ho Chun Kit Gregory, Mr. Tam Chak Chi, Mr. Ng Kai Shing, Mr. Jal Nadirshaw Karbhari and Ms. Chan Sze Man, all former Directors; and (b) the Company. In this action, Good Capital sought to challenge the validity of the issuance of certain warrants and the grant of certain share options of the Company in March 2012, but did not specify any monetary claim against the Company. The Directors have not been aware of any material progress of this action since as early as the third quarter of 2012. As such, the Directors are of the view that the action is unlikely to result in any financial impact on the financial statements of the Company.
- (iii) Under action HCA 987/2016, Good Return (BVI) Limited (“**Good Return**”), a wholly-owned subsidiary of the Company, claims against Wickham Ventures Limited (“**Wickham**”) and Ms. Lee Hei Wun (“**Ms. Lee**”) for, among others, the shortfall of a profit guarantee in a total sum of HK\$16,188,374 pursuant to the sale and purchase agreement under which Good Return acquired Arnda Semiconductor Limited from Wickham (the “**Legal Action**”). Ms. Lee filed a Defence and Counterclaim alleging misrepresentation and breach of contract on the part of Good Return and claiming damages (unquantified), and seeking to rectify and rescind previous agreements. The Company has instructed its legal adviser to uphold its rights in the Legal Action and the Counterclaim.
- (iv) On 11 February 2015, the Company and Silver Bonus Limited (a wholly-owned subsidiary of the Company and the purchaser to the acquisition) issued a writ of summons against Mr. Lau Hin Chung (the first vendor), Shinning Team Investment Limited (the second vendor), Neo Partner Investments Ltd. (the “**Target Company**”), Harvest View (China) Limited (a wholly-owned subsidiary of the Target Company) and Mr. Chen Zai (the registered owner of the other 55% shareholding in the Target Company) to claim for relief including damages for breach of contract and/or rescission of contract based on misrepresentation (including a declaration that the promissory notes issued as consideration for the acquisition being null and void and unenforceable), and negligence and breach of fiduciary duties against certain ex-directors of the Company. The Company’s claim relates to the acquisition by the Group of 28% shareholding in the Target Company for the consideration of HK\$23,800,000, pursuant to a sale and purchase agreement dated 10 December 2012 (as supplemented by a supplemental agreement dated 14 December 2012) which was completed on 23 January 2013. The Company has instructed its legal adviser to continue to uphold its rights in the legal action.
- (v) On 20 April 2016, a writ of summons was issued by Mr. Zhu Jun Min (“**Mr. Zhu**”) against the Company for claiming a sum of approximately HK\$3.5 million, being the face value of a promissory note allegedly issued by the Company to Mr. Zhu in 2013. The Company has instructed its legal adviser to uphold its rights in the legal action.

Save as disclosed above, neither the Company nor any of its subsidiaries was involved in any litigation at the end of the reporting period.

FINANCIAL REVIEW

During the Period, the total revenue increased to approximately HK\$99.5 million, representing a 292.1% increase compared with that of approximately HK\$25.4 million for the Previous Period. Loss attributable to owners of the Company decreased to approximately HK\$0.6 million for the Period from approximately HK\$5.2 million for the Previous Period.

Total administrative and other operating expenses were approximately HK\$9.2 million for the Period representing an increase of approximately HK\$0.6 million or 7.3% from the Previous Period.

Employees and remuneration policies

As at 30 September 2018, the Group had 69 employees (31 December 2017: 67). Employees were remunerated according to their performance and work experience. In addition to the basic salaries and retirement scheme, staff benefits include free accommodation at the Group's staff quarters in Hong Kong, performance bonus and share options. The total staff costs including Directors' remuneration for the Period were approximately HK\$4.6 million (Previous Period: approximately HK\$2.9 million).

Significant investments, material acquisitions and disposal of subsidiaries and affiliated companies

The Group had no significant investments, material acquisitions and disposal of subsidiaries and affiliated companies during the Period.

Exposure to fluctuations in exchange rates or any related hedges

During the Period, the Group had no significant exposure to fluctuations in foreign exchange rates. The Group did not carry out any currency hedge during the Period. The management will, however, monitor foreign exchange risk and if the exchange rates of any foreign currencies have continuous fluctuation, the management may re-visit the need for currency hedge in future.

Capital commitment

As at 30 September 2018 and 31 December 2017, the Group had no material capital commitment.

Pledge of assets and contingent liabilities

As at 30 September 2018 and 31 December 2017, the Group had no pledge of assets and material contingent liabilities.

Event after reporting period

The Group had no significant events after the end of the reporting period.

PROSPECTS

The Company has been continuously reviewing its business operations and financial position for the purpose of formulating business plans and strategies for its future business development, which would enable the Group not only to develop its existing business divisions but also to capture business opportunities, diversify its businesses and broaden its income sources. The Company will endeavour to allocate its resources in an efficient and effective manner and in the best interest of the Company and its Shareholders as a whole.

The volume of purchase orders of the Group's LED and related portable consumer products division sharply rebounded since the second quarter of 2017, principally due to the Group's adoption of new business strategy for the division. Since the end of 2017, the Group has launched a new LED related portable consumer product line which has gained market popularity in Hong Kong and China. We expect to receive recurring and increasing purchase orders for LED and related products in the forthcoming quarters.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 September 2018, the interests and short positions of the Directors and the chief executive of the Company (the "Chief Executive") in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")), which were required: (a) 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 in which they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein (the "Register"); or (c) pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors, to be notified to the Company and the Stock Exchange were as follows:

Interests in ordinary shares of the Company (the "Shares")

Name of Director/ chief executive	Capacity/Nature of interests	No. of Shares Held	Underlying Shares	Long/Short Position	Approximate percentage of the Company's issued Shares <i>(Note)</i>
Wong Kin Hong	Beneficial owner	25,500,000	-	Long Position	1.62%

Note: The percentage represents the number of Shares interested divided by the number of the Company's issued Shares as at 30 September 2018.

As at 30 September 2018, save as disclosed above, none of the Directors and the Chief Executive had any interests and short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which would have to be: (a) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and/or short positions in which they were taken or deemed to have under such provisions of the SFO); or (b) recorded in the Register; or (c) notified to the Company and the Stock Exchange pursuant to the required standards of dealing by Directors as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules.

DIRECTORS' RIGHT TO ACQUIRE SHARES

At no time during the Period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company or of any other body corporate granted to any Director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries and fellow subsidiaries a party to any arrangement to enable the Directors or their respective spouse or minor children to acquire such rights in the Company or any other body corporate.

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

As at 30 September 2018, so far as the Directors are aware, the persons (other than a Director or the Chief Executive) who had an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or were directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances of general meetings of the Company or were substantial shareholders as recorded in the register required to be kept by the Company under section 336 of the SFO, were as follows:

Name of shareholder	Capacity/Nature of interests	Number of Shares Held	Underlying Shares	Long/Short Position	Approximate percentage of the Company's issued Shares (Note)
Elisabeta Ling	Beneficial owner	118,500,000	–	Long Position	7.54%

Note: The percentage represents the number of Shares interested divided by the number of the Company's issued Shares as at 30 September 2018.

So far as is known to any Director, there was no person (other than a Director or the Chief Executive) who, as at 30 September 2018, had an interest or short position in the Shares or underlying Shares, which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or was directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or were any other substantial shareholders whose interest or short position were recorded in the register required to be kept by the Company under section 336 of the SFO.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

The Company did not redeem any of its Shares listed and traded on GEM nor did the Company or any of its subsidiaries purchase or sell any of such Shares during the Period.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by the Directors (the "Securities Code") on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules.

Following a specific enquiry made by the Company with the Directors, all of them have confirmed that they had complied with the required standard of dealings and the Securities Code throughout the Period.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company had complied with all the code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix 15 to the GEM Listing Rules throughout the Period, except for code provision A.2.1 of the CG Code, which stipulates that the role of the chairman and the chief executive should be separate and should not be performed by the same individual. Mr. Wong Kin Hong has held both positions since his appointment as chairman of the Board in 2014. The Board believes that vesting the roles of both chairman and chief executive officer in the same person would allow the Company to be more effective and efficient in developing long term business strategies and execution of business plans.

COMPETING INTERESTS

During the Period, none of the Directors and controlling shareholders (as defined in the GEM Listing Rules) of the Company or their respective close associates (as defined in the GEM Listing Rules) had an interest in a business that competed or might compete, either directly or indirectly, with the business of the Group and any other conflicts of interest which any such person had or might have with the Group.

REVIEW BY AUDIT COMMITTEE

As required by Rule 5.28 of the GEM Listing Rules, the Company has established an Audit Committee with written terms of reference which set out clearly its authority and duties. The principal duties of the Audit Committee are to review and supervise the Company's financial reporting process and internal control systems. As at the date of this report, the Audit Committee comprises four independent non-executive Directors, namely Mr. Yan Guoniu (chairman of the Audit Committee), Mr. Tang Rong Gang, Mr. Ou Wei An and Mr. Ng Yu Ho, Steve.

The Company's unaudited condensed consolidated financial statements for the Period and the 2018 third quarterly report have been reviewed by the Audit Committee. The Audit Committee considered that the relevant financial statements had been prepared in compliance with the applicable accounting standards and principles, requirements of the GEM Listing Rules and other applicable legal requirements and that adequate disclosure had been made.

By order of the Board
Seamless Green China (Holdings) Limited
Wong Kin Hong
Executive Director and Chairman

Hong Kong, 13 November 2018

As at the date of this report, the Board comprises Mr. Wong Kin Hong (Chairman), Mr. Huang Yonghua, Mr. Wong Tat Wa and Ms. Leung Po Yee as executive Directors; and Mr. Yan Guoniu, Mr. Tang Rong Gang, Mr. Ou Wei An and Mr. Ng Yu Ho, Steve as independent non-executive Directors.

This report will remain on the “Latest Company Announcements” page of the GEM website (www.hkgem.com) for at least 7 days from the date of its publication. This report will also be published on the website of the Company (<http://www.victoryhousefp.com/lchp/8150.html>).