



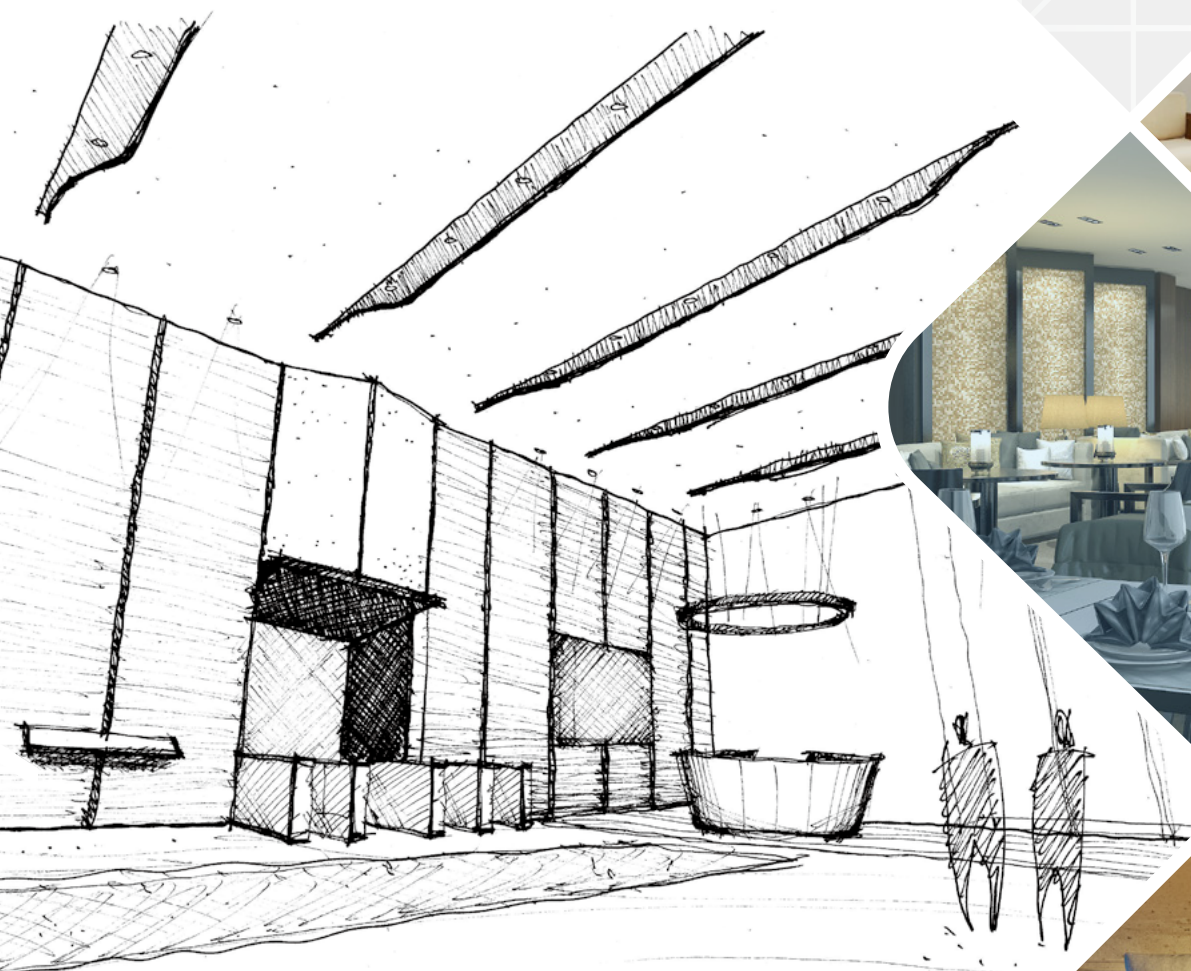
SANBASE CORPORATION LIMITED

莊皇集團公司

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立的有限公司)

Stock code 股份代號: 8501

2021 FIRST QUARTERLY REPORT 第一季度報告



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

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*This quarterly report, for which the directors (the “**Directors**”) of Sanbase Corporation 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 (the “**GEM Listing Rules**”) 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 quarterly 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 quarterly report misleading.*

香港聯合交易所有限公司（「聯交所」） GEM 的特色

GEM 的定位，乃為中小型公司提供一個上市的市場，此等公司相比起其他在主板上市的公司帶有較高投資風險。有意投資者應了解投資於該等公司的潛在風險，並應經過審慎周詳的考慮後方可作出投資決定。

由於**GEM** 上市公司普遍為中小型公司，在**GEM** 買賣的證券可能會較於主板買賣之證券承受較大的市場波動風險，同時無法保證在**GEM** 買賣的證券會有高流通量的市場。

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本季度報告乃遵照聯交所**GEM** 證券上市規則（「**GEM 上市規則**」）而刊載，旨在提供有關莊皇集團公司（「**本公司**」）的資料，本公司的董事（「**董事**」）願就此共同及個別地承擔全部責任。各董事在作出一切合理查詢後，確認就彼等所知及所信，本季度報告所載資料在各重要方面均屬準確及完備，沒有誤導或欺詐成份，且並無遺漏任何事項，足以令致本季度報告或其所載任何陳述產生誤導。

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BOARD OF DIRECTORS

Executive Directors

Mr. Wong Sai Chuen
(Chairman and Chief Executive Officer)
Mr. Wong Kin Kei (Chief Operating Officer)
Ms. Hui Man Yee, Maggie
Dr. Sung Tak Wing, Leo

Independent Non-executive Directors

Mr. Cheung Chi Man, Dennis
Mr. Chan Chi Kwong, Dickson
Mr. Pang Chung Fai, Benny (retired on 30 July 2021)

AUDIT COMMITTEE

Mr. Cheung Chi Man, Dennis (Chairman)
Mr. Chan Chi Kwong, Dickson
Mr. Pang Chung Fai, Benny (retired on 30 July 2021)

REMUNERATION COMMITTEE

Mr. Chan Chi Kwong, Dickson (Chairman)
Mr. Cheung Chi Man, Dennis
Mr. Pang Chung Fai, Benny (retired on 30 July 2021)

NOMINATION COMMITTEE

Mr. Wong Sai Chuen (Chairman)
Mr. Cheung Chi Man, Dennis
Mr. Chan Chi Kwong, Dickson
Mr. Pang Chung Fai, Benny (retired on 30 July 2021)

COMPLIANCE OFFICER

Dr. Sung Tak Wing, Leo

COMPANY SECRETARY

Dr. Sung Tak Wing, Leo

AUTHORISED REPRESENTATIVES

Mr. Wong Sai Chuen
Dr. Sung Tak Wing, Leo

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants
Registered Public Interest Entity Auditor
22/F Prince's Building
Central
Hong Kong

LEGAL ADVISER

Patrick Mak & Tse
Rooms 901-905, 9th Floor
Wing On Centre
111 Connaught Road Central
Hong Kong

董事會

執行董事

王世存先生
(主席兼行政總裁)
黃健基先生 (營運總監)
許曼怡女士
宋得榮博士

獨立非執行董事

張志文先生
陳智光先生
彭中輝先生 (於2021年7月30日退任)

審核委員會

張志文先生 (主席)
陳智光先生
彭中輝先生 (於2021年7月30日退任)

薪酬委員會

陳智光先生 (主席)
張志文先生
彭中輝先生 (於2021年7月30日退任)

提名委員會

王世存先生 (主席)
張志文先生
陳智光先生
彭中輝先生 (於2021年7月30日退任)

合規主任

宋得榮博士

公司秘書

宋得榮博士

授權代表

王世存先生
宋得榮博士

核數師

羅兵咸永道會計師事務所
執業會計師
註冊公眾利益實體核數師
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法律顧問

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PRINCIPAL BANKERS

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8/F Lower Block, Grand Millennium Plaza
181 Queen's Road Central
Hong Kong

Bank of China (Hong Kong) Limited
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PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Harneys Fiduciary (Cayman) Limited
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Grand Cayman KY1-1002
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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183 Queen's Road East
Hong Kong

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REGISTERED OFFICE IN THE CAYMAN ISLANDS

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Cayman Islands

STOCK CODE

8501

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主要往來銀行

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香港
皇后大道中181號
新紀元廣場低座8樓

中國銀行(香港)有限公司
香港
花園道1號

主要股份過戶及登記處

Harneys Fiduciary (Cayman) Limited
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Grand Cayman KY1-1002
Cayman Islands

香港股份過戶及登記分處

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香港
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香港主要營業地點及總部

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Cayman Islands

股份代號

8501

網址

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CHAIRMAN'S STATEMENT

主席報告

Dear shareholders,

On behalf of the board (the “**Board**”) of directors (the “**Directors**”) of Sanbase Corporation Limited (the “**Company**”), I hereby present you the unaudited condensed consolidated results of the Company and its subsidiaries (collectively the “**Group**”) for the three months ended 30 June 2021 (the “**Period**”).

During the Period, the Hong Kong economy continued to suffer from the lingering impact of the COVID-19 pandemic (the “**COVID-19**”), as economic activities in Hong Kong, or even around the globe, continued to slump despite the introduction of mass vaccination program. Enterprises generally held a conservative and wait-and-see attitude towards business expansion, and that has put significant pressure on Hong Kong's Grade A office demand, especially considering its Asia Pacific Financial Hub status. According to a recent report by Jones Lang LaSalle, the vacancy rate of Hong Kong Grade A office rose to 9.5% by the end of June 2021, representing an increase of 1.9% year-on-year. In particular, vacancy rate in the Central area remained at a high level at 7.4%, reflecting that the service demand is still rather sluggish. Under such difficult business environment and being burdened with the domino effect triggered by the accumulated adverse influence that caused by the outbreak of COVID-19 since last year, the Group's revenue was inevitably impacted, and has unfortunately recorded its first loss since listing.

With Grade A office leasing market still being stuck in the slow lane, fewer number of bare shell fit-out projects presents in the market. Coupled with the fiercer competition within the industry, the Group has also encountered great challenges in tendering. In face of an economic downturn, office tenants tend to remain in the existing premises than relocation or expansion, leading to the increase of demand in churn works projects. In view of this, the Group decides to promptly adjust its go-to-market strategy. Apart from tendering for new projects with relatively lower bidding prices to secure a higher chance of success of bidding, the Group also seizes opportunities in the churn works market, which has a lower margin but abundance in quantity, so as to maintain its healthy cash flow and business scale. As a result, the number of projects awarded to the Group has increased from 55 of last corresponding period to 73 this Period, of which 34 were churn works projects.

各位股東：

本人謹代表莊皇集團公司（「**莊皇集團**」或「**本公司**」）及其附屬公司（統稱「**本集團**」）之董事會（「**董事會**」），提呈本集團截至2021年6月30日止三個月（「**期內**」）之未經審核綜合業績。

期內，香港經濟繼續受2019新型冠狀病毒病疫情（「**新冠疫情**」）陰霾濃罩。儘管疫苗接種計劃全面推出，但香港以至環球經濟活動依然疲弱，企業對擴展業務抱持保守及觀望態度，香港作為亞太金融中心自然首當其衝，導致甲級商廈租賃市場持續承壓。仲量聯行調查數據顯示，香港甲級寫字樓今年6月底的整體空置率約9.5%，同比增加1.9%。其中，甲級寫字樓林立的中環區，空置率亦維持在7.4%的水平，反映整體需求仍舊疲弱。在艱難的營商環境下，加上自去年因新冠疫情爆發帶來的負面影響而累積的骨牌效應，本集團的收入無可避免受到較大衝擊，並錄得上市以來的首次虧損。

由於甲級商廈租賃市場持續低迷，市場上的毛坯房裝潢項目大幅減少，加上行業競爭更趨激烈，本集團在取得新項目時遇到更大挑戰。面對經濟低潮，寫字樓租戶搬遷或擴充辦公室的意欲較低，亦傾向續租原有辦公室，以致零碎工程需求上升。有見及此，本集團決定調整市場策略。除積極招標新項目，並相對減低招標造價以提高成功招標的機會外，亦主動搶攻機遇相對較多、惟利潤空間較小的零碎工程市場，以維持健康現金流及業務規模。因此，本集團首季接獲的項目數量，由去年同期的55個上升至期內的73個，當中34個為零碎工程項目。

Although the business environment in Hong Kong is still veiled with a mood of gloom, the Group's business in the People's Republic of China (the "PRC") has already shown signs of recovery. During the Period, revenue from our PRC business nearly tripled year-on-year, with both gross profit and net profit recording a growth in multiples. We believe such encouraging data has pointed to the fact that, the PRC's business has effectively bottomed out after the dragging pandemic and the subsequent economic downturn. Our success was also a proof of our ability to deliver trustworthy and high-quality services outside Hong Kong and our decision in acquiring the new business at an earlier time was a correct one to diversify the source of income and mitigate the geographical risks. Going forward, by leveraging the gradual improvement in economic climate in the PRC, the Group will actively seek collaborations with different project owners to build on our existing achievements, while expanding our business to a wider scope of audience.

In the longer-term, the Group remains cautiously optimistic towards the future of Grade A office fit-out market in Hong Kong. Social incidents and the subsequent COVID-19 have created negative impact towards the leasing market of Grade A commercial offices in Hong Kong, but the growing number of Chinese stocks that are expected to be listed in Hong Kong and the projected post-pandemic gradual rebound of local economy should inject much optimism to the market demand in the mid-to long-term, and opportunities are still abundant in the sector. The Group will pay close attention to Hong Kong's economic development and is aiming to ride on its leading position and rich experience to capture market opportunities, at a time when the industry turns its head towards further recovery.

I would like to express my gratitude to all shareholders, customers and business partners for their support at such a difficult time. I would also like to thank my fellow directors and staff for being dedicated and devoted in the face of difficulties, while continuing to contribute to the development of the Group. Even though we are experiencing the most severe challenges in recent years, being supported by the relentless efforts from the Board and our staff, we will certainly be able to seize opportunities in the future, and once again, deliver satisfactory performance to our shareholders.

Chairman of the Board

Wong Sai Chuen

Hong Kong, 9 August 2021

雖然香港的業務表現正值寒冬，但集團在中華人民共和國（「中國」）的業務已率先走出谷底。今年第一季，中國業務收入同比增長近三倍，毛利及純利均錄得倍數增長。亮麗的業務數據反映中國業務在經歷疫情及經濟不景氣後已經見底回升，除了印證本集團的服務質量在中國深受信賴，亦證明本集團早年收購的新業務確實能夠讓收入來源更多元化，並減少地域上的風險。在中國經濟氣氛逐步改善下，本集團會致力尋求與更多不同項目管理人合作，務求穩固現有成果的同時，開拓更多、更廣的業務。

長遠而言，本集團對香港甲級商廈裝潢市場前景仍然審慎樂觀。雖然社會事件及新冠疫情先後對香港甲級商廈租賃市場帶來影響，行業景氣仍未回復至昔日水平。然而，隨著更多中概股回流香港上市，以及預期本地經濟在後疫情時期逐步反彈，在中長線而言，市場對甲級商廈的需求只會增無減，行業仍然充滿機遇。本集團會時刻留意本港經濟情況，並運用行業領先地位及豐富經驗，在行業回暖之時率先捕捉市場商機。

在此，本人希望感謝各位股東、客戶及合作夥伴在如此艱鉅的時刻，對莊皇集團的支持。本人亦謹此答謝董事會及全體員工，在困境下依然堅守崗位，為集團發展出一分力。縱使我們正經歷近年最嚴峻挑戰，但在董事會仝人及員工上下一心、發奮圖強下，我們必定可以把握未來機遇，再次為股東帶來令人滿意的表現。

董事會主席

王世存

香港，2021年8月9日

FINANCIAL HIGHLIGHTS

財務摘要

		Unaudited 未經審核		Change in percentage 百分比變動
		Three months ended 30 June 截至6月30日止3個月		
		2021 2021年 HK\$'000 千港元	2020 2020年 HK\$'000 千港元	
Revenue	收入	88,483	144,950	-39.0%
Gross profit	毛利	7,185	15,200	-52.7%
<i>Gross profit margin</i>	<i>毛利率</i>	8.1%	10.5%	-2.4%
Profit before income tax	除稅前溢利	184	8,584	-97.9%
(Loss)/profit attributable to owners of the Company	本公司擁有人應佔 (虧損)／溢利	(582)	4,638	-112.5%
		HK cents 港仙	HK cents 港仙	
Basic and diluted (loss)/earnings per share	每股基本及攤薄 (虧損)／盈利	(0.29)	2.34	-112.4%

2021 FIRST QUARTERLY RESULTS

2021年第一季業績

The Board of the Company is pleased to present the unaudited condensed consolidated results of the Group for the three months ended 30 June 2021, together with the comparative figures for the corresponding period in 2020, are as follows:

本公司董事會欣然提呈本集團截至2021年6月30日止3個月的未經審核簡明綜合業績，連同2020年同期的比較數字如下：

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

未經審核簡明綜合損益及其他全面收益表

FOR THE THREE MONTHS ENDED 30 JUNE 2021

截至2021年6月30日止3個月

		Unaudited 未經審核		
		Three months ended 30 June 截至6月30日止3個月		
	Note 附註	2021 2021年 HK\$'000 千港元	2020 2020年 HK\$'000 千港元	
Revenue	收入	3	88,483	144,950
Cost of sales	銷售成本	5	(81,298)	(129,750)
Gross profit	毛利		7,185	15,200
Other income	其他收入	4	-	621
Administrative expenses	行政開支	5	(6,434)	(7,230)
Provision for impairment losses on financial assets	金融資產減值虧損之撥備	6	(552)	-
Operating profit	經營溢利		199	8,591
Finance income	財務收入		41	59
Finance costs	財務成本		(56)	(66)
Finance costs – net	財務成本 – 淨額	7	(15)	(7)
Profit before income tax	除稅前溢利		184	8,584
Income tax expense	所得稅開支	9	(456)	(2,074)
(Loss)/profit for the period	期內(虧損)/溢利		(272)	6,510
Other comprehensive income, net of income tax	其他全面收益，扣除所得稅			
<i>Item that may be subsequently reclassified to profit or loss:</i>	<i>其後可能重新分類至損益的項目：</i>			
– Exchange differences arising on translation of foreign operation	– 換算海外業務產生的匯兌差額		95	7
Total comprehensive (loss)/income for the period	期內全面(虧損)/收益總額		(177)	6,517

2021 FIRST QUARTERLY RESULTS

2021年第一季業績

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

未經審核簡明綜合損益及其他全面收益表

FOR THE THREE MONTHS ENDED 30 JUNE 2021

截至2021年6月30日止3個月

		Unaudited 未經審核	
		Three months ended 30 June 截至6月30日止3個月	
		2021 2021年 HK\$'000 千港元	2020 2020年 HK\$'000 千港元
		Note 附註	
(Loss)/profit for the period attributable to:	期內全面（虧損）／收益總額		
Owners of the Company	本公司擁有人	(582)	4,638
Non-controlling interests	非控股權益	310	1,872
		(272)	6,510
Total comprehensive (loss)/income for the period attributable to:	應佔期內全面（虧損）／收益總額：		
Owners of the Company	本公司擁有人	(520)	4,643
Non-controlling interests	非控股權益	343	1,874
		(177)	6,517
		HK Cents 港仙	HK Cents 港仙
(Loss)/earnings per share attributable to owners of the Company	本公司擁有人應佔每股（虧損）／盈利		
Basic and diluted	基本及攤薄	(0.29)	2.34
		10	

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

未經審核簡明綜合權益變動表

FOR THE THREE MONTHS ENDED 30 JUNE 2021
截至2021年6月30日止3個月

		Unaudited 未經審核							
		Attributable to owners of the Company 本公司擁有人應佔							
		Share capital	Share premium	Shares held under share award scheme 計劃下 所持股份 股份獎勵	Exchange reserve	Retained earnings	Subtotal	Unaudited 未經審核 Non- controlling interests	Unaudited 未經審核 Total equity
		股本 HK\$'000 千港元	股份溢價 HK\$'000 千港元	股份獎勵 計劃下 所持股份 股份獎勵 HK\$'000 千港元	匯兌儲備 HK\$'000 千港元	保留盈利 HK\$'000 千港元	小計 HK\$'000 千港元	非控股 權益 HK\$'000 千港元	權益總額 HK\$'000 千港元
At 1 April 2020	於2020年4月1日	1,553	57,632	(2,998)	(144)	85,748	141,791	10,414	152,205
Profit for the period	期內溢利	-	-	-	-	4,638	4,638	1,872	6,510
Other comprehensive income for the period:	期內其他全面收益：								
Exchange differences arising on translation of foreign operation	換算海外業務產生的匯兌差額	-	-	-	5	-	5	2	7
Total comprehensive income for the period	期內全面收益總額	-	-	-	5	4,638	4,643	1,874	6,517
Dividends paid to non-controlling interests	向非控制性權益已付的股息	-	-	-	-	-	-	(3,992)	(3,992)
At 30 June 2020	於2020年6月30日	<u>1,553</u>	<u>57,632</u>	<u>(2,998)</u>	<u>(139)</u>	<u>90,386</u>	<u>146,434</u>	<u>8,296</u>	<u>154,730</u>
At 1 April 2021	於2021年4月1日	1,553	57,632	(2,998)	269	86,028	142,484	6,721	149,205
(Loss)/profit for the period	期內(虧損)/溢利	-	-	-	-	(582)	(582)	310	(272)
Other comprehensive income for the period:	期內其他全面收益：								
Exchange differences arising on translation of foreign operation	換算海外業務產生的匯兌差額	-	-	-	62	-	62	33	95
Total comprehensive (loss)/income for the period	期內全面(虧損)/收益總額	-	-	-	62	(582)	(520)	343	(177)
At 30 June 2021	於2021年6月30日	<u>1,553</u>	<u>57,632</u>	<u>(2,998)</u>	<u>331</u>	<u>85,446</u>	<u>141,964</u>	<u>7,064</u>	<u>149,028</u>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION

未經審核簡明綜合財務資料附註

1. CORPORATE INFORMATION

Sanbase Corporation Limited was incorporated in the Cayman Islands on 24 March 2017 as an exempted company with limited liability under the Companies Law Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is 4th Floor, Harbour Place, 103 South Church Street, P.O. Box 10240, Grand Cayman KY1-1002, Cayman Islands. The principal place of business is 16/F, Loon Kee Building, 267-275 Des Voeux Road Central, Hong Kong.

The Company is an investment holding company and its subsidiaries are principally engaged in provision of interior fit-out solutions in Hong Kong and the PRC. The ultimate holding company of the Company is Madison Square International Investment Limited. The ultimate controlling party of the Group is Mr. Wong Sai Chuen (“**Mr. Wong**” or the “**Controlling Shareholder**”).

The shares of the Company (the “**Shares**”) have been listed on GEM of the Stock Exchange since 4 January 2018.

The unaudited condensed consolidated financial information for the three months ended 30 June 2021 have been reviewed by the audit committee of the Company (the “**Audit Committee**”) but have not been reviewed or audited by the Company's auditor.

2. BASIS OF PREPARATION

This unaudited condensed consolidated financial information for the three months ended 30 June 2021 has been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (the “**HKFRSs**”), which is a collective term for all individual HKFRSs, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants and the applicable disclosure requirements of the Hong Kong Companies Ordinance and the GEM Listing Rules. The unaudited condensed consolidated financial information does not include all information and disclosures as required in the annual financial statements and should be read in conjunction with the Company's annual report for the year ended 31 March 2021.

1. 公司資料

莊皇集團公司於2017年3月24日根據開曼群島法例第22章《公司法》(1961年第3號法律，經綜合及修訂)，於開曼群島註冊成立為獲豁免有限公司。本公司註冊辦事處地址為4th Floor, Harbour Place, 103 South Church Street, P.O. Box 10240, Grand Cayman KY1-1002, Cayman Islands。主要營業地點為香港德輔道中267-275號龍記大廈16樓。

本公司為一家投資控股公司及其附屬公司的主要業務為於香港及中國提供室內裝潢解決方案。本公司的最終控股公司為世曼有限公司。本集團的最終控股方為王世存先生(「**王先生**」或「**控股股東**」)。

本公司的股份(「**股份**」)自2018年1月4日起於聯交所GEM上市。

截至2021年6月30日止3個月之未經審核簡明綜合財務資料已由本公司審核委員會(「**審核委員會**」)審閱，惟未經本公司核數師審閱或審核。

2. 編製基準

截至2021年6月30日止3個月之本未經審核簡明綜合財務資料乃按照香港會計師公會頒佈之所有適用香港財務報告準則(「**香港財務報告準則**」)(此詞涵蓋所有個別香港財務報告準則、香港會計準則(「**香港會計準則**」)及詮釋)以及GEM上市規則之適用披露規定編製。該等未經審核簡明綜合財務資料並不包括年度財務報表規定之所有資料及披露並須與本公司截至2021年3月31日止年度之年報一併閱讀。

2. BASIS OF PREPARATION (Continued)

The unaudited condensed consolidated financial information for the three months ended 30 June 2021 have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values, as appropriate.

All amounts are presented in Hong Kong dollar thousands (“HK\$’000”) in these unaudited condensed consolidated financial information unless otherwise stated.

The application of the new and 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 unaudited condensed consolidated financial statements.

The significant accounting policies that have been used in the preparation of the unaudited condensed consolidated financial statements for the three months ended 30 June 2021 are consistent with those followed in the preparation of the Group’s consolidated financial statements for the year ended 31 March 2021 included in the 2021 Annual Report.

The Group has not applied any new and revised HKFRSs that are not yet effective for the current period.

2. 編製基準 (續)

截至2021年6月30日止3個月之未經審核簡明綜合財務資料乃按照歷史成本法編製，惟若干按公允值計量之金融工具除外（如適用）。

除另有說明外，於該等未經審核簡明綜合財務資料中所有金額均以千港元（「千港元」）呈列。

本期間應用的新訂及經修訂香港財務報告準則對本集團於本期間及過往期間的財務狀況及表現及／或該等未經審核簡明綜合財務報表所載列的披露資料並無重大影響。

編製截至2021年6月30日止3個月之未經審核簡明綜合財務報表時採用的重大會計政策，與編製2021年年報所載本集團截至2021年3月31日止年度的綜合財務報表所採用者一致。

本集團並無應用於本期間尚未生效之任何新訂及經修訂香港財務報告準則。

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION

未經審核簡明綜合財務資料附註

3. REVENUE AND SEGMENT INFORMATION

Bare shell fit-out	毛坯房裝潢
Restacking	重裝
Reinstatement	還原
Design	設計
Churn works	零碎工程
Maintenance and others	保養及其他

The Group's revenue mainly represents revenue from the provision of interior fit-out solutions for the three months ended 30 June 2021 and 2020.

The executive Directors have been identified as the chief operating decision makers ("CODM") of the Group who review the Group's internal reporting in order to assess performance and allocate resources. The Group focuses on provision of interior fit-out solutions in Hong Kong and the PRC for the three months ended 30 June 2021 and 2020. Information reported to the CODM, for the purpose of resources allocation and performance assessment, focuses on the operating results of the Group as a whole as the Directors regard the Group's business as a single operating segment and review consolidated financial information accordingly. The Group primarily operates in Hong Kong and started its business in the PRC in May 2018. Revenue generated from customers in the PRC is also related to the provision of interior fit-out solutions and the reported geographical segment information is presented as below:

Geographical information

The geographical location of customers is based on the location at which the service provided. The Group's operations and workforce are mainly located in Hong Kong and the PRC. The following table provides an analysis of the Group's revenue from external customers.

3. 收入及分部資料

Unaudited
未經審核
Three months ended 30 June
截至6月30日止3個月

2021 2021年 HK\$'000 千港元	2020 2020年 HK\$'000 千港元
47,679	129,472
25,093	7,561
3,090	216
2,917	517
9,689	6,763
15	421
88,483	144,950

本集團截至2021年及2020年6月30日止3個月的收入主要為提供室內裝潢解決方案所得的收入。

執行董事已被確認為本集團的主要經營決策者（「主要經營決策者」），負責審閱本集團的內部報告，以評估表現及分配資源。截至2021年及2020年6月30日止3個月，本集團專注於在香港及中國提供室內裝潢解決方案。由於董事將本集團的業務視為單一經營分部並相應審閱綜合財務資料，故就資源分配及表現評估而言，向主要經營決策者呈報的資料側重於本集團的整體經營業績。本集團主要於香港經營業務並自2018年5月在中國開展業務。來自於中國客戶的收入亦與提供室內裝潢解決方案有關，及其呈報地理分部資料列示如下：

地理資料

客戶的地理位置乃基於提供服務的位置。本集團之經營及人力主要位於香港及中國。下表載列本集團來自外部客戶的收入分析。

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION 未經審核簡明綜合財務資料附註

3. REVENUE AND SEGMENT INFORMATION (Continued)

Geographical information (Continued)

Hong Kong	香港
The PRC	中國

Information about major customers

Revenue from customers contributing over 10% of the Group's total revenue are set out below.

Customer A	客戶 A
Customer B	客戶 B
Customer C	客戶 C
Customer D	客戶 D

Note: The corresponding revenue did not contribute over 10% of the Group's total revenue.

3. 收入及分部資料 (續)

地理資料 (續)

Unaudited 未經審核	
Three months ended 30 June 截至6月30日止3個月	
2021 2021年 HK\$'000 千港元	2020 2020年 HK\$'000 千港元
82,943	143,533
5,540	1,417
88,483	144,950

主要客戶資料

來自佔本集團總收入超過10%的客戶的收入載列如下。

Unaudited 未經審核	
Three months ended 30 June 截至6月30日止3個月	
2021 2021年 HK\$'000 千港元	2020 2020年 HK\$'000 千港元
21,589	N/A (Note) 不適用 (附註)
N/A (Note) 不適用 (附註)	63,753
N/A (Note) 不適用 (附註)	19,479
N/A (Note) 不適用 (附註)	16,933

附註：相應收入不超過本集團總收入之10%。

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION

未經審核簡明綜合財務資料附註

4. OTHER INCOME

Government subsidies

政府補貼

The amount represents government grant in respect of the Employment Support Scheme received from the Government of the Hong Kong Special Administrative Region. There are no unfulfilled conditions or other contingencies attaching to the grant. The Group did not benefit directly from any other forms of government assistance.

5. EXPENSES BY NATURE

The Group's profit for the three months ended 30 June 2021 and 2020 are stated after charging the following cost of sales and administrative expenses:

Subcontracting charges	分包費用
Staff costs (Note 8)	員工成本 (附註8)
Cleaning expenses	清潔費用
Insurance expenses	保險開支
Security expenses	保安開支
Short-term lease payments	短期租賃付款
Depreciation on right-of-use assets	使用權資產之折舊
Depreciation on property, plant and equipment	物業、廠房及設備之折舊
Amortisation of intangible assets	無形資產攤銷
Legal and professional fees	法律及專業費用
Other expenses	其他開支
Total cost of sales and administrative expenses	銷售成本及行政開支總額

4. 其他收入

Unaudited
未經審核
Three months ended 30 June
截至6月30日止3個月

2021 2021年 HK\$'000 千港元	2020 2020年 HK\$'000 千港元
-	621

該款項為根據香港特別行政區政府推出的「保就業」計劃所得的政府補貼。此補助並無未達成之條件或其他或有事項。本集團並無直接益於任何其他形式的政府援助。

5. 按性質劃分的開支

本集團截至2021年及2020年6月30日止3個月的溢利經扣除以下銷售成本及行政開支後，載列如下：

Unaudited
未經審核
Three months ended 30 June
截至6月30日止3個月

2021 2021年 HK\$'000 千港元	2020 2020年 HK\$'000 千港元
73,966	117,239
10,300	10,832
417	2,755
594	862
51	96
30	-
801	686
357	289
-	214
452	2,773
764	1,234
87,732	136,980

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED
FINANCIAL INFORMATION
未經審核簡明綜合財務資料附註

6. PROVISION FOR IMPAIRMENT LOSSES ON FINANCIAL ASSETS

6. 金融資產減值虧損之撥備

		Unaudited 未經審核	
		Three months ended 30 June 截至6月30日止3個月	
		2021 2021年 HK\$'000 千港元	2020 2020年 HK\$'000 千港元
Impairment losses provided in respect of:	就以下款項撥備之減值虧損：		
– Trade receivables	– 貿易應收款	299	–
– Contract assets	– 合約資產	253	–
		552	–

7. FINANCE COSTS – NET

7. 財務成本－淨額

		Unaudited 未經審核	
		Three months ended 30 June 截至6月30日止3個月	
		2021 2021年 HK\$'000 千港元	2020 2020年 HK\$'000 千港元
Interest income from bank deposits	銀行存款利息收入	41	59
Interest expense on lease liabilities	租賃負債之利息開支	(56)	(66)
		(15)	(7)

8. STAFF COSTS, INCLUDING DIRECTORS' EMOLUMENTS

8. 員工成本（包括董事酬金）

		Unaudited 未經審核	
		Three months ended 30 June 截至6月30日止3個月	
		2021 2021年 HK\$'000 千港元	2020 2020年 HK\$'000 千港元
Salaries, bonuses and allowances	薪金、花紅及津貼	9,878	10,466
Retirement benefits contributions	退休福利供款	422	366
		10,300	10,832

9. INCOME TAX EXPENSE

Current income tax	即期所得稅
– Hong Kong profits tax	– 香港利得稅
– PRC enterprise income tax	– 中國企業所得稅
Deferred tax	遞延稅項

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the “**Bill**”) which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazette on the following day. Pursuant to the two-tiered profits tax rates regime, the first HK\$2 million of assessable profits of the qualifying group entity will be taxed at 8.25%, and assessable profits above HK\$2 million will be taxed at 16.5%. The assessable 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 of Sanbase Interior Contracting Limited is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at the rate of 16.5% on the estimated assessable profits above HK\$2 million for the period.

9. 所得稅開支

Unaudited	
未經審核	
Three months ended 30 June	
截至6月30日止3個月	
2021	2020
2021年	2020年
HK\$'000	HK\$'000
千港元	千港元
346	2,077
195	36
(85)	(39)
456	2,074

於2018年3月21日，香港立法會通過《2017年稅務（修訂）（第7號）條例草案》（「**條例草案**」），引入兩級利得稅稅率制度。條例草案於2018年3月28日簽署成為法律，並於翌日刊登憲報。根據兩級利得稅稅率制度，合資格集團實體的首2百萬港元應課稅溢利將按8.25%的稅率徵稅，而超過2百萬港元的應課稅溢利則按16.5%的稅率徵稅。不符合兩級利得稅稅率制度資格的集團實體之應課稅溢利將繼續沿用16.5%的統一稅率徵稅。

故此，本期間誠和樂有限公司之香港利得稅乃按估計應課稅溢利的首2百萬港元以8.25%的稅率計算，超過2百萬港元的估計應課稅溢利按16.5%的稅率計算。

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION

未經審核簡明綜合財務資料附註

9. INCOME TAX EXPENSE (Continued)

Under the Law of the PRC on enterprise income tax (“EIT”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiary is 25% (2020: 25%).

No provision for income tax in other jurisdictions has been made as the Group had no assessable profit in other jurisdictions during the period.

10. (LOSS)/EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue less the total number of shares held under share award scheme during the three months ended 30 June 2021 and 2020.

(Loss)/profit attributable to owners of the Company (HK'000)	本公司擁有人應佔 (虧損) / 溢利 (千港元)
Weighted average number of ordinary shares in issue less shares held under share award scheme (in thousand)	已發行普通股的加權平均數減股份獎勵計劃下所持股份 (千股)
Basic (loss)/earnings per ordinary share (HK cents)	每股普通股基本 (虧損) / 溢利 (港仙)

(b) Diluted

There were no outstanding share options as at 30 June 2021 and 2020 and have no potential dilutive ordinary share in issue. Accordingly, diluted (loss)/earnings per share is equal to basic (loss)/earnings per share.

9. 所得稅開支 (續)

根據中國企業所得稅法(「企業所得稅」)及企業所得稅法實施條例,中國附屬公司之稅率為25%(2020年:25%)。

本集團於本期間在其他司法權區並無取得應課稅溢利,故無就其他司法權區的所得稅作出撥備。

10. 每股(虧損) / 盈利

(a) 基本

每股基本盈利乃按截至2021年及2020年6月30日止3個月本公司擁有人應佔溢利除以已發行普通股的加權平均數減股份獎勵計劃下所持股份總數計算。

Unaudited	
未經審核	
Three months ended 30 June	
截至6月30日止3個月	
2021	2020
2021年	2020年
(582)	4,638
197,944	197,944
(0.29)	2.34

(b) 攤薄

於2021年及2020年6月30日,概無尚未行使之購股權及並無已發行之潛在可攤薄普通股。因此,每股攤薄(虧損) / 盈利與每股基本(虧損) / 盈利相同。

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION

未經審核簡明綜合財務資料附註

11. DIVIDEND

The Directors do not recommend the payment of an interim dividend for the three months ended 30 June 2021 and 2020.

12. RELATED PARTIES TRANSACTIONS

The following is a summary of the significant transactions carried out between the Group and its related parties in the ordinary course of business during the three months ended 30 June 2021 and 2020.

Compensation of key management

Key management includes executives of the Group. The compensation paid or payable to key management for employee services is shown below:

Salaries, bonuses and allowances	薪金、花紅及津貼
Retirement benefits contributions	退休福利供款

11. 股息

董事不建議就截至2021年及2020年6月30日止3個月派付中期股息。

12. 關聯方交易

下文概述本集團與其關聯方截至2021年及2020年6月30日止3個月在正常業務過程中進行的重大交易。

主要管理人員薪酬

主要管理人員包括本集團行政人員。就僱員服務已付或應付主要管理人員的薪酬如下所示：

Unaudited 未經審核 Three months ended 30 June 截至6月30日止3個月	
2021 2021年 HK\$'000 千港元	2020 2020年 HK\$'000 千港元
2,010	1,307
18	23
2,028	1,330

13. CONTINGENT LIABILITIES

The Group had the following contingent liabilities not provided:

Surety bonds	履約保證
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As at 30 June 2021, the Group provided guarantees of surety bonds in respect of 3 (31 March 2021: 5) construction contracts of the Group in its ordinary course of business. The surety bonds are expected to be released in accordance with the terms of the respective construction contracts.

13. 或有負債

本集團未作出撥備的或有負債如下：

Unaudited 未經審核 As at 30 June 於6月30日	Audited 經審核 As at 31 March 於3月31日
2021 2021年 HK\$'000 千港元	2021 2021年 HK\$'000 千港元
6,045	16,242

於2021年6月30日，本集團已就本集團日常業務過程中的3份（2021年3月31日：5份）建築合約提供履約保證擔保。該等履約保證預計將根據各建築合約的條款解除。

BUSINESS REVIEW

The Group is an interior fit-out solutions provider focusing on providing services to clients whose offices are predominately situated in Grade A offices in Hong Kong and the PRC. Our role in these fit-out projects entails the overall project management, coordination and implementation of fit-out projects by engaging subcontractors from different trades for their services and labor, providing expertise such as controlling the quality aspects of the projects and carrying out corresponding project management.

Our projects can be broadly categorised into (i) bare shell fit-out which is undertaken in the interior space of a vacant premise having basic flooring and plastered walls; (ii) restacking which involve upgrading and re-planning and providing modification work to the existing interior structure of the premise; (iii) reinstatement which involve demolishing any additional moveable structure that were installed by the existing tenant; (iv) design; (v) churn works; and (vi) maintenance and others which involve providing minor repairs and general builder's maintenance work to the tenant's office facilities, pest control and emergency call service, project management services and mechanical, electrical and plumbing (“MEP”) consultancy services.

During the three months ended 30 June 2021 (the “**Current Period**”), the Group recorded a decrease in revenue of approximately 39.0% to approximately HK\$88.5 million from approximately HK\$145.0 million for the three months ended 30 June 2020 (the “**Previous Period**”). The decrease was mainly attributable to the the combined effect of the facts that (i) the prolonged adverse effect on economy of Hong Kong brought by the constant spread of COVID-19 virus worldwide, in which certain project owners and/or customers have suffered tight cashflow, leading to postponement and/or slowdown in certain projects; and (ii) we have been aggressively in tendering for new projects with relatively lower bidding prices of projects to secure a higher chance of success of bidding. As a result, the Group's gross profit decreased to HK\$7.2 million for the Current Period from HK\$15.2 million for the Previous Period, representing a decrease of 52.7%.

The Group recorded a loss attributable to owners of the Company in the amount of approximately HK\$0.6 million for the Current Period from the profit attributable to owners of the Company in the amount of approximately HK\$4.6 million for the Previous Period, representing a decrease of 112.5%.

業務回顧

本集團為室內裝潢解決方案供應商，專注為辦公室主要位於香港及中國甲級寫字樓的客戶提供服務。我們在該等裝潢項目中的角色涉及通過聘用不同行業的分判商提供服務及勞動力對裝潢項目進行整體項目管理、協調及實施，並提供項目品質控制以及相應的項目管理等方面的專業知識。

我們的項目大致可分為以下幾類：(i) 毛坯房裝潢，該等項目在舖有地板及牆壁已批灰的空置物業室內空間進行；(ii) 重裝，涉及物業現有內部結構的升級、重新規劃及提供改裝工程；(iii) 還原，涉及拆除現有租戶安裝的任何額外可移除結構；(iv) 設計；(v) 零碎工程；及(vi) 保養及其他，涉及提供小型維修及對租戶的辦公設施進行一般建築工人保養工作、害蟲防治及緊急呼叫服務、項目管理服務以及機械、電力及管道（「**機械、電力及管道**」）諮詢服務。

本集團的收入由截至2020年6月30日止3個月（「**去年同期**」）的約145.0百萬港元減少約39.0%至截至2021年6月30日止3個月（「**本期間**」）的約88.5百萬港元。該減少主要是由於以下因素的綜合影響：(i) 2019新型冠狀病毒病在全球的長期傳播對香港的經濟造成長久的不利影響，導致若干項目擁有人及／或客戶遭受現金流緊張的困擾，致使延遲及／或放緩某些項目的進度；以及(ii) 我們更積極招標新項目，並相對減低招標造價以提高成功招標的機會。因此，本集團的毛利由去年同期的15.2百萬港元減少52.7%至本期間的7.2百萬港元。

本集團於本期間錄得本公司擁有人應佔虧損約0.6百萬港元，較去年同期本公司擁有人應佔溢利約4.6百萬港元減少112.5%。

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FINANCIAL REVIEW

Revenue

The Group's revenue is principally generated from (i) bare shell fit-out; (ii) restacking; (iii) reinstatement; (iv) design; (v) churn works; and (vi) maintenance and others. During the Current Period, the Group's revenue decreased by approximately 39.0% to approximately HK\$88.5 million (Previous Period: HK\$145.0 million). The decrease is mainly attributable to the combined effect of the facts that (i) the prolonged adverse effect on economy of Hong Kong brought by the constant spread of COVID-19 virus worldwide, in which certain project owners and/or customers have suffered tight cashflow, leading to postponement and/or slowdown in certain projects; and (ii) we have been aggressively in tendering for new projects with relatively lower bidding prices of projects to secure a higher chance of success of bidding.

The following table sets forth a breakdown of the Group's revenue by project types for the three months ended 30 June 2021 and 2020:

Project type		Unaudited 未經審核			
		Three months ended 30 June 截至6月30日止3個月		Three months ended 30 June 截至6月30日止3個月	
		2021 2021年		2020 2020年	
		HK\$'000 千港元	% 百分比	HK\$'000 千港元	% 百分比
Bare shell fit-out	毛坯房裝潢	47,679	53.9	129,472	89.3
Restacking	重裝	25,093	28.3	7,561	5.2
Reinstatement	還原	3,090	3.5	216	0.1
Design	設計	2,917	3.3	517	0.4
Churn works	零碎工程	9,689	11.0	6,763	4.7
Maintenance and others	保養及其他	15	0.0	421	0.3
Total	總計	88,483	100.0	144,950	100.0

As shown in above table, our bare shell fit-out contributed to approximately 53.9% and 89.3% of the Group's total revenue for the three months ended 30 June 2021 and 2020 respectively. Revenue from bare shell fit-out decreased to approximately HK\$47.7 million for the Current Period from approximately HK\$129.5 million for the Previous Period, representing an decrease of approximately 63.2%.

From 1 April 2021 and up to the date of this quarterly report, we were newly awarded a total of 6 bare shell fit-out projects with a total project sum of approximately HK\$31.8 million.

財務回顧

收入

本集團的收入主要來自(i) 毛坯房裝潢；(ii) 重裝；(iii) 還原；(iv) 設計；(v) 零碎工程；及(vi) 保養及其他。於本期間，本集團的收入下降約39.0%至約88.5百萬港元（去年同期：145.0百萬港元）。該減少主要是由於以下因素的綜合影響：(i) 2019新型冠狀病毒病在全球的長期傳播對香港的經濟造成長久的不利影響，導致若干項目擁有者及／或客戶遭受現金流緊張的困擾，致使延遲及／或放緩某些項目的進度；以及(ii) 我們更積極招標新項目，並相對減低招標造價以提高成功招標的機會。

下表載列本集團截至2021年及2020年6月30日止3個月按項目類型劃分的收入明細：

如上表所示，截至2021年及2020年6月30日止3個月，我們的毛坯房裝潢產生的收入分別佔本集團總收入的約53.9%及89.3%。毛坯房裝潢產生的收入由去年同期的約129.5百萬港元減少約63.2%至本期間的約47.7百萬港元。

自2021年4月1日起直至本季度報告日期，我們共獲得6個新的毛坯房裝潢項目，項目總額約為31.8百萬港元。

Cost of sales and Direct margin

The Group's cost of sales mainly comprised subcontracting charges and staff costs. The decrease in cost of sales from HK\$129.8 million for the Previous Period to HK\$81.3 million for the Current Period, representing an decrease of approximately 37.3%.

Defined as revenue less subcontracting costs, cleaning expenses, insurance expenses and security expenses, direct margin of the Group indicates the overall project profitability before taking into account of other fixed costs. The following table sets forth the breakdown of the Group's direct margin by project types for the three months ended 30 June 2021 and 2020:

Project type	項目類型
Bare shell fit-out	毛坯房裝潢
Restacking	重裝
Reinstatement	還原
Design	設計
Churn works	零碎工程
Maintenance and others	保養及其他
Total	總計

The Group's overall direct margin decreased to approximately HK\$13.5 million for the Current Period from approximately HK\$21.3 million for the Previous Period. Such decrease in the direct margin was primarily attributable to the fact that the prolonged adverse effect on economy of Hong Kong brought by the constant spread of COVID-19 virus worldwide, in which certain project owners and/or customers have suffered tight cashflow, leading to postponement and/or slowdown in certain projects.

銷售成本及直接利潤

本集團的銷售成本主要包括分包費用及員工成本。銷售成本由去年同期的129.8百萬港元下降約37.3%至本期間的81.3百萬港元。

本集團直接利潤定義為收入減分包成本、清潔費用、保險開支及保安開支，乃未計及其他固定成本的整體項目盈利情況。下表載列本集團截至2021年及2020年6月30日止3個月按項目類型劃分的直接利潤明細：

Unaudited
未經審核
Three months ended 30 June
截至6月30日止3個月

2021 2021年		2020 2020年	
HK\$'000	% of revenue 佔收入 百分比	HK\$'000	% of revenue 佔收入 百分比
千港元		千港元	
9,785	20.5	18,181	14.0
2,857	11.4	836	11.1
352	11.4	22	10.2
142	4.9	481	93.0
374	3.9	1,457	21.5
4	24.3	295	70.1
13,514	15.3	21,272	14.7

本集團的整體直接利潤由去年同期的約21.3百萬港元下降至本期間的約13.5百萬港元。直接利潤之減少主要是由於2019新型冠狀病毒病在全球的長期傳播對香港的經濟造成長久的不利影響，導致若干項目擁有者及／或客戶遭受現金流緊張的困擾，致使延遲及／或放緩某些項目的進度。

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Other income

The Group's other income amounted to HK\$0.6 million for the Previous Period (Current Period: nil) as a result of the government subsidies received from the HKSAR government under the Employment Support Scheme that provides time-limited financial support to eligible employers to retain their employees due to the adverse situation of COVID-19 in Hong Kong.

Administrative expenses

The Group's administrative expenses amounted to approximately HK\$6.4 million for the Current Period, representing a decrease of HK\$0.9 million or 11.0% as compared to that of HK\$7.2 million for the Previous Period. Such decrease was primarily attributable to decrease in legal and professional fee.

Finance costs

The Group's finance costs for the Current Period mainly comprise interest on the lease liabilities after the coming into effect of HKFRS 16. Finance costs decreased to approximately HK\$56,000 for the Current Period from approximately HK\$66,000 for the Previous Period.

Income tax expense

The Group's income tax expense for the Current Period was approximately HK\$0.5 million, representing a decrease of HK\$1.6 million as compared to HK\$2.1 million for the Previous Period.

(Loss)/profit for the period

The Group recorded a loss in the amount of approximately HK\$0.3 million for the Current Period from the profit in the amount of approximately HK\$6.5 million for the Previous Period, representing a decrease of 104.2%.

(Loss)/profit attributable to owners of the Company

The Group recorded a loss attributable to owners of the Company in the amount of approximately HK\$0.6 million for the Current Period from the profit attributable to owners of the Company in the amount of approximately HK\$4.6 million for the Previous Period, representing a decrease of 112.5%.

其他收入

本集團於去年同期的其他收入為0.6百萬港元（本期間：零），乃因從香港特區政府的「保就業」計劃所獲得的政府補貼，該計劃向合資格僱主提供有時限的財政支援，以助僱主在香港面對2019新型冠狀病毒病的嚴峻形勢中繼續聘用僱員。

行政開支

本集團於本期間的行政開支為約6.4百萬港元，較去年同期的7.2百萬港元相比減少0.9百萬港元或11.0%。該減少主要由於法律及專業費用的減少。

財務成本

本集團於本期間的財務成本主要包括香港財務報告準則第16號生效後帶來的租賃負債利息。財務成本由去年同期的約66,000港元減少至本期間的約56,000港元。

所得稅開支

本集團於本期間的所得稅開支約為0.5百萬港元，較去年同期的2.1百萬港元減少了1.6百萬港元。

本期間（虧損）／溢利

本集團於本期間錄得虧損約0.3百萬港元，較去年同期溢利約6.5百萬港元減少104.2%。

本公司擁有人應佔（虧損）／溢利

本集團於本期間錄得本公司擁有人應佔虧損約0.6百萬港元，較去年同期本公司擁有人應佔溢利約4.6百萬港元減少112.5%。

LIQUIDITY, FINANCIAL RESOURCES, GEARING RATIO AND CAPITAL STRUCTURE

During the Current Period, the Group financed its operation by its internal resources and granted bank facility. As at 30 June 2021, the Group had net current assets of approximately HK\$117.9 million (31 March 2021: HK\$117.8 million), including cash and cash equivalents balances of approximately HK\$105.3 million (31 March 2021: HK\$112.5 million) mainly denominated in Hong Kong dollars.

The current ratio, being the ratio of current assets to current liabilities, was approximately 1.9 times as at 30 June 2021 (31 March 2021: 2.0 times). The gearing ratio of the Group as at 30 June 2021 was nil (31 March 2021: nil). The gearing ratio is calculated as total debt divided by total equity as at the respective period end.

There has been no change in capital structure of the Company as at 30 June 2021. The equity attributable to owners of the Company amounted to approximately HK\$142.0 million as at 30 June 2021 (31 March 2021: HK\$142.5 million).

The Group does not have any exposure to fluctuations in exchange rates and any related hedges.

PLEDGE OF ASSETS

As at 30 June 2021 and 31 March 2021, the Group had not pledged any assets to secure bank facilities or finance lease obligation.

CAPITAL COMMITMENTS

As at 30 June 2021 and 31 March 2021, the Group had no capital commitment.

SIGNIFICANT INVESTMENT, MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES AND AFFILIATED COMPANIES

During the Current Period, the Group did not have any significant investment, material acquisition or disposal.

CONTINGENT LIABILITIES

As at 30 June 2021, the Group provided guarantees of surety bonds of approximately HK\$6.0 million (31 March 2021: HK\$16.2 million) in respect of 3 construction contracts of the Group in its ordinary course of business. The surety bonds are expected to be released in accordance with the terms of the respective construction contracts.

流動資金、財務資源、資產負債比率及資本結構

於本期間，本集團以內部資源及所授銀行融資撥付營運所需資金。於2021年6月30日，本集團的流動資產淨值約為117.9百萬港元（2021年3月31日：117.8百萬港元），包括現金及現金等價物結餘約105.3百萬港元（2021年3月31日：112.5百萬港元），主要以港元計值。

於2021年6月30日，流動比率（即流動資產與流動負債之比）約為1.9倍（2021年3月31日：2.0倍）。本集團於2021年6月30日的資產負債比率為零（2021年3月31日：零）。資產負債比率按各期末的負債總額除以權益總額計算。

本公司於2021年6月30日的資本結構並無發生變化。於2021年6月30日，本公司擁有人應佔權益約為142.0百萬港元（2021年3月31日：142.5百萬港元）。

本集團並無任何匯率波動風險及任何相關對沖。

資產抵押

於2021年6月30日及2021年3月31日，本集團並無抵押任何資產以獲取銀行融資或融資租賃承擔。

資本承擔

於2021年6月30日及2021年3月31日，本集團並無資本承擔。

重大投資、重大收購及出售附屬公司及聯屬公司

於本期間內，本集團並無任何重大投資、重大收購或出售事項。

或有負債

於2021年6月30日，本集團就本集團日常業務過程中的3份建築合約提供約6.0百萬港元（2021年3月31日：16.2百萬港元）的履約保證擔保。該等履約保證預計將根據各建築合約的條款解除。

MANAGEMENT DISCUSSION AND ANALYSIS

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HUMAN RESOURCES MANAGEMENT

As at 30 June 2021, the Group had a total of 82 (31 March 2021: 87) employees. To ensure that the Group is able to attract and retain staff capable of attaining the best performance levels, remuneration packages are reviewed on a regular basis. In addition, discretionary bonus is offered to eligible employees by reference to the Group's results and individual performance.

OUTLOOK

Heading into the second half of 2021, the demand for premium office fit-out services in Hong Kong is expected to remain weak, and it is believed that it may take some more time for business activities to fully return to pre-pandemic levels. As reflected in the recent data from Jones Lang LaSalle, the vacancy rate of Grade A commercial offices in the first half year is still on the high side, the Group expects that the fit-out service industry will be under pressure in the short term. Meanwhile, the Group will closely monitor the market, adjust its strategies and proactively seek new opportunities, in the hope of surmounting the current challenges with Hong Kong's economy.

On the other hand, the PRC has managed to take a step earlier than Hong Kong to shake off the COVID-19 pandemic, while its economic recovery has also been accelerated. The Group is expecting our PRC's business to carry its momentum to perform even better in the first quarter in this year. The Group will strengthen its foothold in the PRC, and actively seek feasibility of collaboration opportunities with property management companies and developers in the Greater Bay Area, aiming to award more contracts and in turn reduce its geographical risks.

In the long run, fit-out services will continue to be the Group's focus. Following more Chinese concept stocks companies are planning to list on the Hong Kong Stock Exchange and gradual stability of the COVID-19 pandemic, steady rebound of Hong Kong's economy is anticipated. By then, the Group expects demand of leasing market for Grade A offices would gradually pick up, which in turn, would provide a boost to our mid- to long-term business development. The Group will make use of its established market presence and technical know-how over the years, and explore collaboration opportunities with different stakeholders, so as to consolidate and further expand its business performance across Hong Kong and the PRC. Besides, the Group will continue to wait for the optimal timing to launch its financing business. Apart from satisfying market demand, it shall inject new and diversified impetus to the Group's long-term business growth.

人力資源管理

於2021年6月30日，本集團共有82名員工（2021年3月31日：87名）。為確保本集團有能力吸引及挽留表現優秀的員工，我們定期檢討薪酬待遇。此外，我們亦參考本集團的業績及個人表現向合資格僱員發放酌情花紅。

展望

踏入2021年下旬，香港高端寫字樓裝潢服務市場預期會繼續疲弱，企業活動要完全回復至疫情前水平相信仍要多一段時間。仲量聯行近期的調查數據顯示，今年上半年整體甲級商廈空置率仍然高企，所以本集團預料裝潢服務行業在短期內仍會受壓。同時，本集團會密切留意市場環境，靈活調整部署，並積極尋找新機遇，期望本集團業務早日與香港經濟一同走出谷底。

另一方面，中國比香港早一步擺脫疫情及經濟復甦的步伐亦不斷加快，本集團預期今年的中國業務有望延續第一季度強勢，甚至做得更好。本集團會致力鞏固在中國的業務，並積極在大灣區物色機遇，探討與物業管理公司以及發展商合作的可能性，以取得更多訂單，從而減省地域上的風險。

長遠而言，裝潢服務依然是本集團的發展重心。隨著更多中概股公司計劃於香港交易所上市，加上疫情漸趨穩定，香港經濟有望穩步回暖。屆時，本集團預計租賃市場甲級商廈的需求將會逐步回升，並對我們的中長線業務發展帶來提振作用。本集團會運用多年來建立的口碑及技術優勢，探索與更多不同持份者合作的機遇，藉此強化並全方位拓展中港兩地的裝潢業務。除此之外，本集團會繼續等待時機，將融資業務推出市場。在滿足市場需要之餘，亦為本集團的長線發展注入多元化的新動力。

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATIONS

As at 30 June 2021, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of 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 would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest or short positions which they are taken or deemed to have under such provisions of the SFO) or which were required to be recorded in the register maintained by the Company pursuant to section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to rules 5.46 to 5.67 of the GEM Listing Rules relating to the securities transactions by the directors.

董事及最高行政人員於本公司或任何相聯法團股份、相關股份及債券的權益及淡倉

於2021年6月30日，本公司董事及最高行政人員於本公司或其任何相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益及淡倉（包括根據證券及期貨條例的有關條文彼等被視為或當作擁有的權益或淡倉），或根據證券及期貨條例第352條須登記由本公司存置之登記冊內的權益及淡倉或根據有關董事進行證券交易的GEM上市規則第5.46條至第5.67條規定須另行知會本公司及聯交所的權益及淡倉。

(A) Long Position in the Company's Shares

Name of Directors/ chief executive	Capacity/ nature of interest
董事／最高行政人員姓名	身份／權益性質
Mr. Wong Sai Chuen 王世存先生	Interest in a controlled corporation 受控法團權益
Ms. Hui Man Yee, Maggie 許曼怡女士	Interest of spouse 配偶權益
Mr. Wong Kin Kei 黃健基先生	Interest in a controlled corporation 受控法團權益

Notes:

- Shares in which Mr. Wong Sai Chuen is interested in consist of 112,500,000 Shares held by Madison Square International Investment Limited, a company wholly owned by him, in which Mr. Wong Sai Chuen is deemed to be interested under Part XV of the SFO.
- Ms. Hui Man Yee, Maggie, the spouse of Mr. Wong Sai Chuen, is deemed to be interested in the 112,500,000 Shares held by him through his controlled corporation, Madison Square International Investment Limited, pursuant to Part XV of the SFO.
- Shares in which Mr. Wong Kin Kei is interested in consist of 37,500,000 Shares held by J&J Partner Investment Group Limited, a company wholly owned by him, in which Mr. Wong Kin Kei is deemed to be interested under Part XV of the SFO.

(A) 於本公司股份的好倉

Number of issued shares held/ interested in	Approximate percentage of the issued share capital
所持／擁有權益的 已發行股份數目	佔已發行股本 概約百分比

112,500,000 (Note 1)	56.25%
112,500,000 (Note 2)	56.25%
37,500,000 (Note 3)	18.75%

附註：

- 王世存先生擁有權益的股份包括世曼有限公司（一家由王先生全資擁有的公司，根據證券及期貨條例第XV部，王世存先生被視為於其中擁有權益）持有的112,500,000股股份。
- 根據證券及期貨條例第XV部，許曼怡女士（王世存先生的配偶）被視為於王先生透過其受控法團世曼有限公司持有的112,500,000股股份中擁有權益。
- 黃健基先生擁有權益的股份包括旭傑有限公司（一家由黃健基先生全資擁有的公司，根據證券及期貨條例第XV部，黃健基先生被視為於其中擁有權益）持有的37,500,000股股份。

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(B) Long Position in the Shares of associated corporations

Name of Directors/ chief executive	Name of associated corporation	Capacity/ nature of interest	Number of issued shares held/ interested in 所持/ 擁有權益的 已發行 股份數目	Percentage of shareholding 持股百分比
董事／最高行政人員姓名	相聯法團名稱	身份／權益性質		
Mr. Wong Sai Chuen 王世存先生	Madison Square International Investment Limited (Note 2) 世曼有限公司 (附註2)	Beneficial owner 實益擁有人	37,500	100%
Ms. Hui Man Yee, Maggie (Note 1) 許曼怡女士 (附註1)	Madison Square International Investment Limited (Note 2) 世曼有限公司 (附註2)	Interest of spouse 配偶權益	37,500	100%
Mr. Wong Kin Kei 黃健基先生	J&J Partner Investment Group Limited (Note 3) 旭傑有限公司 (附註3)	Beneficial owner 實益擁有人	12,500	100%

Notes:

- Ms. Hui Man Yee, Maggie, the spouse of Mr. Wong Sai Chuen, is deemed to be interested in Mr. Wong Sai Chuen's interest in Madison Square International Investment Limited, pursuant to Part XV of the SFO.
- Under Part XV of the SFO, a holding company of the listed corporation is regarded as an "associated corporation." Madison Square International Investment Limited held 56.25% of our issued share capital and thus was our associated corporation.
- Under Part XV of the SFO, a holding company of the listed corporation is regarded as an "associated corporation." J&J Partner Investment Group Limited held 18.75% of our issued share capital and thus was our associated corporation.

Save as disclosed above, as at 30 June 2021, none of the Directors and chief executive of the Company nor their close associates had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations as defined in the SFO.

(B) 於相聯法團股份的好倉

Capacity/ nature of interest	Number of issued shares held/ interested in 所持/ 擁有權益的 已發行 股份數目	Percentage of shareholding 持股百分比
身份／權益性質		
Beneficial owner 實益擁有人	37,500	100%
Interest of spouse 配偶權益	37,500	100%
Beneficial owner 實益擁有人	12,500	100%

附註:

- 許曼怡女士乃王世存先生的配偶，根據證券及期貨條例第XV部，被視為於王世存先生於世曼有限公司的權益中擁有權益。
- 根據證券及期貨條例第XV部，上市法團的控股公司被視作「相聯法團」。世曼有限公司持有本公司已發行股本的56.25%，故為本公司的相聯法團。
- 根據證券及期貨條例第XV部，上市法團的控股公司被視作「相聯法團」。旭傑有限公司持有本公司已發行股本的18.75%，故為本公司的相聯法團。

除上文所披露者外，於2021年6月30日，概無本公司董事及最高行政人員或彼等之緊密聯繫人於本公司或其任何相聯法團（定義見證券及期貨條例）的任何股份、相關股份及債券中擁有任何權益或淡倉。

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

As at 30 June 2021, so far as known to the Directors, the particulars of the corporate or persons (other than a Director or the chief executive of the Company) which had 5% or more interests and short positions in the shares and the underlying shares of the Company as recorded in the register kept pursuant to section 336 of the SFO were as follows:

主要股東及其他人士於本公司股份及相關股份的權益及淡倉

於2021年6月30日，據董事所知，根據證券及期貨條例第336條存置的登記冊所記錄擁有本公司股份及相關股份5%或以上權益及淡倉的法團或人士（本公司董事或最高行政人員除外）詳情如下：

Long Position in the Company's Shares

於本公司股份的好倉

Name of Shareholders	Capacity/ nature of interest	Number of issued shares held/ interested in 所持／擁有權益的 已發行股份數目	Percentage of shareholding 持股百分比
股東名稱／姓名	身份／權益性質		
Madison Square International Investment Limited (Note 1) 世曼有限公司(附註1)	Beneficial owner 實益擁有人	112,500,000	56.25%
Mr. Wong Sai Chuen (Note 1) 王世存先生(附註1)	Interest in a controlled corporation 受控法團權益	112,500,000	56.25%
Ms. Hui Man Yee, Maggie (Note 2) 許曼怡女士(附註2)	Interest of spouse 配偶權益	112,500,000	56.25%
J&J Partner Investment Group Limited (Note 3) 旭傑有限公司(附註3)	Beneficial owner 實益擁有人	37,500,000	18.75%
Mr. Wong Kin Kei (Note 3) 黃健基先生(附註3)	Interest in a controlled corporation 受控法團權益	37,500,000	18.75%
Ms. Ho Sin Ying (Note 4) 何倩瑩女士(附註4)	Interest of spouse 配偶權益	37,500,000	18.75%

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Notes:

1. Shares in which Mr. Wong Sai Chuen is interested in consist of 112,500,000 Shares held by Madison Square International Investment Limited, a company wholly owned by him, in which Mr. Wong Sai Chuen is deemed to be interested under Part XV of the SFO.
2. Ms. Hui Man Yee, Maggie, the spouse of Mr. Wong Sai Chuen, is deemed to be interested in the 112,500,000 Shares held by him, through his controlled corporation, Madison Square International Investment Limited, pursuant to Part XV of the SFO.
3. Shares in which Mr. Wong Kin Kei is interested in consist of 37,500,000 Shares held by J&J Partner Investment Group Limited, a company wholly owned by him, in which Mr. Wong Kin Kei is deemed to be interested under Part XV of the SFO.
4. Ms. Ho Sin Ying, the spouse of Mr. Wong Kin Kei, is deemed to be interested in the 37,500,000 Shares held by him, through his controlled corporation, J&J Partner Investment Group Limited, pursuant to Part XV of the SFO.

Save as disclosed above, as at 30 June 2021, the Company had not been notified by any persons (other than Directors or chief executive of the Company) who has interests or short positions in the shares or underlying shares of the Company which were recorded in the register required to be kept by the Company under section 336 of the SFO.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in this quarterly report, at no time during the three months ended 30 June 2021 was the Company, its holding company or any of its subsidiaries or fellow subsidiaries a party to any arrangement that would enable the Directors or their close associates to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

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

Save for the purchase of Shares by the trustee through on-market transactions at prevailing market price as stipulated under the Share Award Scheme (as defined hereinafter), neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Current Period.

附註：

1. 王世存先生擁有權益的股份包括世曼有限公司（一家由王先生全資擁有的公司，根據證券及期貨條例第XV部，王世存先生被視為於其中擁有權益）持有的112,500,000股股份。
2. 根據證券及期貨條例第XV部，許曼怡女士（王世存先生的配偶）被視為於王先生透過其受控法團世曼有限公司持有的112,500,000股股份中擁有權益。
3. 黃健基先生擁有權益的股份包括旭傑有限公司（一家由黃健基先生全資擁有的公司，根據證券及期貨條例第XV部，黃健基先生被視為於其中擁有權益）持有的37,500,000股股份。
4. 根據證券及期貨條例第XV部，何倩瑩女士（黃健基先生的配偶）被視為於黃健基先生透過其受控法團旭傑有限公司持有的37,500,000股股份中擁有權益。

除上文所披露者外，於2021年6月30日，概無任何人士（本公司董事或最高行政人員除外）曾知會本公司，其於本公司股份或相關股份中擁有根據證券及期貨條例第336條規定須記錄在本公司存置的登記冊內的權益或淡倉。

董事購買股份或債券的權利

除本季度報告所披露者外，截至2021年6月30日止3個月內，本公司、其控股公司或其任何附屬公司或同系附屬公司概無訂立任何安排致使董事或彼等緊密聯繫人藉收購本公司或任何其他法團的股份或債券而獲益。

購買、出售或贖回本公司的上市證券

除受託人透過根據股份獎勵計劃（定義見下文）所訂明之現行市價而進行的場內交易購買股份外，於本期間內，本公司或其任何附屬公司並無購買、出售或贖回任何本公司的上市證券。

INTEREST IN COMPETING BUSINESS

None of the Directors and Controlling Shareholders or any of their respective close associates (as defined in the GEM Listing Rules) are engaged in any business that competes or may compete, directly or indirectly, with the business of the Group or have any other conflicts of interest with the Group nor are they aware of any other conflicts of interest which any such person has or may have with the Group during the Current Period.

SHARE OPTION SCHEME

On 8 December 2017, the Company adopted the share option scheme (the “Share Option Scheme”), which falls within the ambit of, and is subject to, the regulations under Chapter 23 of the GEM Listing Rules. The purpose of the Share Option Scheme is to attract, retain and motivate employees, Directors and other participants, and to provide a means of compensating them through the grant of options for their contribution to the growth and profits of the Group, and to allow such employees, Directors and other persons to participate in the growth and profitability of the Group.

Qualified participants of the Share Option Scheme include directors (including executive, non-executive and independent non-executive Directors) and employees (whether full-time or part-time) of the Company or any of its subsidiaries or any other person who in the absolute discretion of the Board has contributed or will contribute to the Group.

The total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme is 20,000,000 Shares, representing approximately 10% of the total issued share capital of the Company as at the date of this quarterly report.

The total number of Shares issued and to be issued upon the exercise of the options granted to or to be granted to each eligible person under the Share Option Scheme (including exercised, cancelled and outstanding options) in any 12-month period shall not exceed 1% of the Shares in issue.

The offer of a grant of share options under the Share Option Scheme may be accepted upon payment of a consideration of HK\$1 by the grantee.

The Share Option Scheme will remain in force for a period of 10 years commencing on 8 December 2017 and the options granted have a 10-year exercise period. Options may be vested over such period(s) as determined by the Board in its absolute discretion subject to compliance with the requirements under any applicable laws, regulations or rules.

於競爭業務中的權益

於本期間內，概無董事及控股股東或任何彼等各自之緊密聯繫人（定義見GEM上市規則）從事與本集團業務直接或間接構成競爭或可能構成競爭或與本集團有任何其他利益衝突的任何業務，亦不知悉任何該等人士與或可能與本集團具有任何其他利益衝突。

購股權計劃

於2017年12月8日，本公司採納的購股權計劃（「購股權計劃」）符合GEM上市規則第23章項下規定的範圍，並須遵守該等規定。購股權計劃旨在吸引、挽留及鼓勵僱員、董事及其他參與者，並透過授出購股權酬謝彼等對本集團增長及溢利作出貢獻，以及讓該等僱員、董事及其他人士分享本集團的增長及盈利。

購股權計劃的合資格參與者包括本公司或其任何附屬公司的董事（包括執行董事、非執行董事及獨立非執行董事）及僱員（不論全職或兼職）或董事會全權酌情考慮對本集團已作出或將作出貢獻的任何其他人士。

根據購股權計劃將予授出的所有購股權獲行使而可發行的股份總數為20,000,000股，佔於本季度報告日期本公司全部已發行股本約10%。

於任何12個月期間，根據購股權計劃行使授予或將授予各合資格人士的購股權（包括已行使、已註銷及未行使的購股權）而發行及將予發行的股份總數不得超過已發行股份的1%。

根據購股權計劃授出購股權的要約在承授人支付1港元代價後被接納。

購股權計劃將於2017年12月8日起計10年內有效且已授出之購股權行使期為十年。購股權可於董事會全權酌情釐定的期間歸屬，惟須遵守任何適用法律、規例或法規的規定。

The exercise price of share options under the Share Option Scheme is determined by the Board, but shall not be less than the higher of (i) the closing price of the Shares as stated in the daily quotation sheet of the Stock Exchange on the date of grant, which must be a business day; (ii) the average closing price of the Shares as stated in the daily quotation sheets of the Stock Exchange for the five business days immediately preceding the date of grant; and (iii) the nominal value of a Share.

A summary of the terms of the Share Option Scheme has been set out in the section headed “E. Share Option Scheme” in Appendix IV of the prospectus of the Company dated 18 December 2017.

No share options have been granted under the Share Option Scheme since its adoption and up to the date of this quarterly report.

SHARE AWARD SCHEME

On 16 October 2018, the Board approved the adoption of the share award scheme (the “**Share Award Scheme**”) with immediate effect, pursuant to which all eligible persons will be entitled to participate. The purpose of the Share Award Scheme is to recognise the contributions by certain eligible persons and provided them with incentives in order to retain them for the continuing operation and development of the Group, and to attract suitable personnel for further development of the Group.

The total number of shares which may be granted under the Share Award Scheme is 2,056,000, representing approximately 1.03% of the total issued share capital of the Company as at the date of this quarterly report.

A summary of the terms of the Share Award Scheme has been set out in the announcement of the Company dated 16 October 2018.

No shares have been granted under the Share Award Scheme since its adoption and up to the date of this quarterly report.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the code of conduct for securities transactions by Directors on terms equivalent to the Rules 5.48 to 5.67 of the GEM Listing Rules (the “**Model Code**”). Having made specific enquiry, all Directors have confirmed that they have fully complied with the required standards set out in the Model Code throughout the three months ended 30 June 2021.

購股權計劃項下購股權的行使價由董事會釐定，但不得低於以下最高者(i)股份於授出日期(必須為營業日)在聯交所每日報價表所示的股份收市價；(ii)於緊接授出日期前五個營業日在聯交所每日報價表所示的股份平均收市價；及(iii)股份面值。

購股權計劃之條款概要載於本公司日期為2017年12月18日的招股章程附錄四「E. 購股權計劃」一節。

自購股權計劃被採納起至本季度報告日期，概無根據購股權計劃授出任何購股權。

股份獎勵計劃

於2018年10月16日，董事會批准採納股份獎勵計劃(「**股份獎勵計劃**」)，即時生效，據此，所有合資格人士將有權參與。股份獎勵計劃之目的乃嘉許若干合資格人士的貢獻並向彼等提供獎勵，以挽留彼等服務於本集團的持續營運及發展，並為本集團的進一步發展吸引合適人員。

根據股份獎勵計劃可能授出的股份總數為2,056,000股，佔於本季度報告日期本公司全部已發行股本約1.03%。

股份獎勵計劃之條款概要載列於本公司日期為2018年10月16日的公告內。

自股份獎勵計劃採納起至本季度報告日期，概無根據股份獎勵計劃授出任何股份。

董事進行證券交易的標準守則

本公司已採納條款相等於GEM上市規則第5.48至5.67條的董事進行證券交易的行為守則(「**標準守則**」)。於作出具體查詢後，全體董事均已確認彼等於截至2021年6月30日止3個月整個期間內已遵守標準守則所載的標準規定。

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company is committed to adopting a high standard of corporate governance practices and procedures throughout the Group. The Directors firmly believe that sound and reasonable corporate governance practices are essential for the steady growth of the Group and for safeguarding the interests of Shareholders.

The Company has complied throughout the three months ended 30 June 2021 with all the code provisions in the Corporate Governance Code (the “CG Code”) as set out in Appendix 15 of the GEM Listing Rules, except the following deviation:

Under code provision A.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Wong, holds both positions. Mr. Wong has been primarily responsible for overseeing the Group’s management and business development and formulating business strategies and policies of the Group since 2009. As the Board meets regularly to consider matters relating to business operations of the Group, the Board is of the view that the above arrangement will not impair the balance of power and authority of the Board and the executive management. The effectiveness of corporate planning and implementation of corporate strategies and decisions will generally not be undermined.

DIVIDEND

The Directors do not recommend the payment of an interim dividend for the three months ended 30 June 2021 and 2020.

AUDIT COMMITTEE

The Company has established an Audit Committee with written terms of reference which are no less exacting terms than those set out in the CG Code and Corporate Governance Report contained in Appendix 15 of the GEM Listing Rules. Currently, the Audit Committee comprises two independent non-executive Directors namely Mr. Cheung Chi Man, Dennis and Mr. Chan Chi Kwong, Dickson, and chaired by Mr. Cheung Chi Man, Dennis, who has appropriate professional qualifications and experience as required by the GEM Listing Rules.

遵守企業管治守則

本公司致力於在整個集團採納高水準的企業管治常規及程序。董事深信完善及合理的企業管治常規對於本集團的穩健增長及保障股東權益至關重要。

惟以下偏離除外，本公司於截至2021年6月30日止3個月整個期間內已遵守GEM上市規則附錄十五所載之企業管治守則（「企業管治守則」）的全部守則條文：

根據企業管治守則守則條文A.2.1，主席與最高行政人員的角色應有所區分，且不應由同一人同時兼任。王先生兼任該兩個職位。自2009年起，王先生一直主要負責監督本集團管理及業務發展，並制定本集團業務策略及政策。由於董事會定期舉行會議討論有關本集團業務營運的事項，故董事會認為上述安排將不會削弱董事會與執行管理層之間之權責平衡。公司的規劃、公司策略的執行及決策的效率大致上將不會受到影響。

股息

董事不建議就截至2021年及2020年6月30日止3個月派付中期股息。

審核委員會

本公司已設立審核委員會，並已制定其書面職權範圍，職權範圍不比GEM上市規則附錄十五中之《企業管治守則》及《企業管治報告》所載者寬鬆。目前，審核委員會包括兩名獨立非執行董事，即張志文先生及陳智光先生，並由張志文先生擔任主席，彼具備GEM上市規則規定的合適專業資格及經驗。

CORPORATE GOVERNANCE AND OTHER INFORMATION

企業管治及其他資料

Following the retirement of Mr. Pang Chung Fai, Benny as an independent non-executive Director at the conclusion of the annual general meeting of the Company dated 30 July 2021, the Company will not be able to comply with Rule 5.28 of the GEM Listing Rules, which stipulates that the audit committee of a listed issuer must comprise a minimum of three members of non-executive directors only.

In order to comply with Rules 5.28 of the GEM Listing Rules, the Company is endeavouring to identify a suitable candidate to fill up the casual vacancy as soon as practicable, within three months from 31 July 2021 as prescribed under Rules 5.06 and 5.33 of the GEM Listing Rules, and will make further announcement(s) as and when appropriate in accordance with the GEM Listing Rules. Details of this matter have been disclosed in the announcement of the Company dated 30 July 2021 and published on the websites of the Stock Exchange and the Company respectively.

The Audit Committee has reviewed the unaudited condensed consolidated financial information for the three months ended 30 June 2021, which is of the opinion that such information have been prepared in accordance with all applicable accounting standards, the requirements under the Hong Kong Companies Ordinance and the GEM Listing Rules.

PUBLICATION OF THE FIRST QUARTERLY REPORT

The 2021 first quarterly report of the Company containing all the information required by the GEM Listing Rules will be despatched to Shareholders and will also be published on the website of the HKEXnews (www.hkexnews.hk) as well as the website of the Company (www.sclhk.com).

By order of the Board
Sanbase Corporation Limited
Wong Sai Chuen
*Chairman, Chief Executive Officer and
Executive Director*

Hong Kong, 9 August 2021

As at the date of this quarterly report, the Board comprises Mr. Wong Sai Chuen (Chairman and Chief Executive Officer), Mr. Wong Kin Kei (Chief Operating Officer), Ms. Hui Man Yee Maggie and Dr. Sung Tak Wing Leo being the executive Directors; and Mr. Cheung Chi Man Dennis and Mr. Chan Chi Kwong Dickson being the independent non-executive Directors.

緊隨彭中輝先生作為獨立分執行董事於2021年7月30日本公司之股東週年大會退任後，本公司將不符合聯交所GEM上市規則第5.28條，規定上市發行人之審核委員會必須由三名非執行董事組成。

為符合GEM上市規則第5.28條之規定，本公司現正努力物色合適人選，並根據GEM上市規則第5.06條及第5.33條的規定，於切實可行情況下盡快於2021年7月31日起計三個月內填補臨時空缺，且將根據GEM證券上市規則於適當時候另行刊發公告。有關該事項的詳情已披露於本公司日期為2021年7月30日的公告內並已於聯交所及本公司網站刊載。

審核委員會已審閱截至2021年6月30日止3個月的未經審核簡明綜合財務資料，並認為該等資料乃根據所有適用之會計準則、香港公司條例及GEM上市規則規定編製。

刊發第一季度報告

本公司2021年第一季度報告載有GEM上市規則所規定的全部資料，將寄發予股東，亦將刊載於「披露易」網站(www.hkexnews.hk)及本公司網站(www.sclhk.com)。

承董事會命
莊皇集團公司
王世存
主席、行政總裁兼執行董事

香港，2021年8月9日

於本季度報告日期，董事會包括執行董事王世存先生（主席兼行政總裁）、黃健基先生（營運總監）、許曼怡女士及宋得榮博士；及獨立非執行董事張志文先生及陳智光先生。



**SANBASE
CORPORATION
LIMITED**

莊皇集團公司

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