

SuperRobotics Holdings Limited

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 8176)

**THIRD QUARTERLY REPORT
FOR THE NINE MONTHS ENDED
30 SEPTEMBER 2021**

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.

This report, for which the directors (the “Directors” and each, a “Director”) of SuperRobotics Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) collectively and individually accept responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, 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.

This report, containing the full text of the 2021 Third Quarterly Report of the Company, complies with the relevant requirements of the GEM Listing Rules in relation to information to accompany preliminary announcement of quarterly results. Printed version of the Company’s 2021 Third Quarterly Report will be delivered to the shareholders of the Company and available for viewing on the GEM website at <http://www.hkgem.com> and the Company’s website at <http://www.superrobotics.com.hk> on 15 November 2021.

THIRD QUARTERLY RESULTS (UNAUDITED)

The board of Directors of the Company (the “Board”) is pleased to present the unaudited condensed consolidated results of the Group for the three months and nine months ended 30 September 2021 together with the comparative figures for the corresponding period in 2020 as follows:

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

	Notes	Unaudited for the three months ended 30 September		Unaudited for the nine months ended 30 September	
		2021 HK\$'000	2020 HK\$'000 (Restated)	2021 HK\$'000	2020 HK\$'000 (Restated)
Continuing Operations					
Turnover	4	3,293	6,991	13,636	19,457
Cost of sales		<u>(2,108)</u>	<u>(4,203)</u>	<u>(11,176)</u>	<u>(14,587)</u>
Gross Profit		1,185	2,788	2,460	4,870
Other revenue		801	1,120	1,933	3,294
Other losses, net		—	—	(18,266)	—
Selling and distribution costs		(1,662)	(913)	(5,154)	(6,347)
Administrative expenses		<u>(13,362)</u>	<u>(17,585)</u>	<u>(40,295)</u>	<u>(67,673)</u>
Loss from operations	5	(13,038)	(14,590)	(59,322)	(65,856)
Finance costs		<u>(5,536)</u>	<u>(1,600)</u>	<u>(14,143)</u>	<u>(8,011)</u>
Loss before taxation		(18,574)	(16,190)	(73,465)	(73,867)
Income tax expense	6	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Loss from continuing operations		(18,574)	(16,190)	(73,465)	(73,867)
Discontinued operations					
(Loss)/profit for the period from discontinued operations		<u>(213)</u>	<u>(1,232)</u>	<u>(3,424)</u>	<u>1,376</u>
Loss for the period		<u><u>(18,787)</u></u>	<u><u>(17,422)</u></u>	<u><u>(76,889)</u></u>	<u><u>(72,491)</u></u>

	Unaudited for the three months ended 30 September		Unaudited for the nine months ended 30 September	
	2021	2020	2021	2020
	<i>Notes</i> HK\$'000	<i>Notes</i> HK\$'000 (Restated)	HK\$'000	HK\$'000 (Restated)
Other comprehensive income/ (expenses) for the period				
Item that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations	<u>(5,367)</u>	<u>(1,535)</u>	<u>(2,819)</u>	<u>(5,932)</u>
Total comprehensive loss for the period	<u>(24,154)</u>	<u>(18,957)</u>	<u>(79,708)</u>	<u>(78,423)</u>
Loss for the period attributable to:				
Owners of the Company	(11,889)	(12,462)	(56,945)	(63,642)
Non-controlling interests	<u>(6,898)</u>	<u>(4,960)</u>	<u>(19,944)</u>	<u>(8,849)</u>
	<u>(18,787)</u>	<u>(17,422)</u>	<u>(76,889)</u>	<u>(72,491)</u>
Loss attributable to the owners of the Company:				
Continuing operations	(11,676)	(11,230)	(53,521)	(65,018)
Discontinued operations	<u>(213)</u>	<u>(1,232)</u>	<u>(3,424)</u>	<u>1,376)</u>
	<u>(11,889)</u>	<u>(12,462)</u>	<u>(56,945)</u>	<u>(63,642)</u>
Total comprehensive loss for the period attributable to:				
Owners of the Company	(16,911)	(11,085)	(54,499)	(66,698)
Non-controlling interests	<u>(7,243)</u>	<u>(7,872)</u>	<u>(25,209)</u>	<u>(11,725)</u>
	<u>(24,154)</u>	<u>(18,957)</u>	<u>(79,708)</u>	<u>(78,423)</u>

	Unaudited for the three months ended 30 September		Unaudited for the nine months ended 30 September	
	2021	2020	2021	2020
Notes	HK\$'000	HK\$'000 (Restated)	HK\$'000	HK\$'000 (Restated)
Total comprehensive loss for the period attributable to the owners of the Company:				
Continuing operations	(16,698)	(9,853)	(51,075)	(68,074)
Discontinued operations	(213)	(1,232)	(3,424)	1,376
	(16,911)	(11,085)	(54,499)	(66,698)
Loss per share				
Basic and diluted				
— Continuing operations	HK(2.33) cents	HK(1.90) cents	HK(10.73) cents	HK(12.27) cents
— Discontinued operations	HK(0.02) cents	HK(0.56) cents	HK(0.51) cents	HK(0.31) cents
Basic and diluted				
Total from continuing and discontinued operations	8 HK(2.35) cents	HK(2.46) cents	HK(11.24) cents	HK(12.58) cents

The accompanying notes form an integral part of these unaudited condensed consolidated financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine months ended 30 September 2021

	Share capital HK\$'000	Share premium HK\$'000	Contributed surplus HK\$'000	Translation reserve HK\$'000	Accumulated losses HK\$'000	Share-based payment reserve HK\$'000	Sub-total HK\$'000	Non-controlling interests HK\$'000	Total equity HK\$'000
At 1 January 2021 (audited)	50,622	488,163	27,141	(3,589)	(589,709)	2,768	(24,604)	(93,939)	(118,543)
Loss for the period	—	—	—	—	(56,945)	—	(56,945)	(19,944)	(76,889)
Other comprehensive expenses for the period:									
Exchange differences on translating foreign operations	—	—	—	2,446	—	—	2,446	(5,265)	(2,819)
Total comprehensive expenses for the period	—	—	—	2,446	(56,945)	—	(54,499)	(25,209)	(79,708)
Dividend paid to non-controlling Interest	—	—	—	—	—	—	—	—	—
Value of employee services	—	—	—	—	—	15	15	—	15
At 30 September 2021 (unaudited)	<u>50,622</u>	<u>488,163</u>	<u>27,141</u>	<u>(1,143)</u>	<u>(646,654)</u>	<u>2,783</u>	<u>(79,088)</u>	<u>(119,148)</u>	<u>(198,236)</u>

	Share capital — ordinary shares HK\$'000	Share premium HK\$'000	Contributed surplus HK\$'000	Translation reserve HK\$'000	Other reserves HK\$'000	Accumulated losses HK\$'000	Share-based payment reserve HK\$'000	Sub-total HK\$'000	Non-controlling interests HK\$'000	Total equity HK\$'000
At 1 January 2020 (audited)	50,622	488,163	27,141	3,179	—	(574,116)	25,422	20,411	6,607	27,018
Loss for the period	—	—	—	—	—	(68,602)	—	(68,602)	(3,889)	(72,491)
Other comprehensive expenses for the period:										
Exchange differences on translating foreign operations	—	—	—	(5,967)	—	—	—	(5,967)	35	(5,932)
Total comprehensive loss for the period	—	—	—	(5,967)	—	(68,602)	—	(74,569)	(3,854)	(78,423)
Change in ownership interest in subsidiaries without change in control	—	—	—	—	4,844	—	—	4,844	—	4,844
Transactions with owners in their capacity as owners:										
Employee share option scheme	—	—	—	—	—	—	914	914	—	914
Value of employee services	—	—	—	—	—	—	—	—	(1,020)	(1,020)
Dividend paid to non-controlling interest	—	—	—	—	—	—	—	—	—	—
At 30 September 2020 (unaudited)	<u>50,622</u>	<u>488,163</u>	<u>27,141</u>	<u>(2,788)</u>	<u>4,844</u>	<u>(642,718)</u>	<u>26,336</u>	<u>(48,400)</u>	<u>1,733</u>	<u>(46,667)</u>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands and with effect from 22 April 2014, the Company was deregistered in the Cayman Islands and continued in Bermuda as an exempted company with limited liability and its shares are listed on GEM of the Stock Exchange. The Company's addresses of the registered office and the principal place of business in Hong Kong are Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and Room 1405, 14/F., China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong respectively.

The unaudited condensed consolidated financial statements are presented in units of thousands of Hong Kong dollars (HK\$'000), unless otherwise stated, which is the same as the functional currency of the Company.

The Company's principal activity is investment holding and the principal activities of its principal subsidiaries are the provision of engineering products and related services (the "**Engineering Business**").

During the nine months ended 30 September 2021, the sale of beauty products and provision of therapy services (the "**Beauty Business**"), were discontinued with effect from 30 June 2021. Accordingly, the results of the subsidiary's operation for the nine months ended 30 September 2021 have been separately presented as a discontinued operation in the unaudited condensed consolidated statement of profit or loss and other comprehensive income. The comparative figures in the unaudited condensed consolidated statement of profit or loss and other comprehensive income have been restated to re-present the Beauty Business as a discontinued operation.

2. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**"), which is a collective term that includes all applicable HKFRSs, Hong Kong Accounting Standards ("**HKASs**") and Interpretations ("**Int**") issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**"), and accounting principles generally accepted in Hong Kong. In addition, the unaudited condensed consolidated financial statements include applicable disclosures required by the GEM Listing Rules and the disclosure requirements of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

The unaudited condensed consolidated financial statements have been prepared on the historical cost basis. The accounting policies and basis of preparation adopted in the preparation of the unaudited condensed consolidated financial statements are consistent with those adopted in the audited consolidated financial statements for the year ended 31 December 2020, except for the adoption of new and amendments to HKFRSs that affect the Group and has adopted the first time for the current period's unaudited condensed consolidated third quarterly results.

The HKICPA has issued a number of new and revised standards, amendments to standards and Int (collectively referred to as "**new and revised HKFRSs**"). The Group has adopted the new and revised HKFRSs which are relevant to the Group's operations and are mandatory for the financial year beginning on 1 January 2021. The adoption of these new and revised HKFRSs does not have any significant financial effect on the Group's unaudited results of operations and financial position.

3. TURNOVER

	For the three months ended 30 September		For the nine months ended 30 September	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Continuing operations				
Provision of engineering products and related services	3,293	6,991	13,636	19,457
	<u>3,293</u>	<u>6,991</u>	<u>13,636</u>	<u>19,457</u>

4. LOSS FROM OPERATIONS

	For the three months ended 30 September		For the nine months ended 30 September	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Continuing operations				
Loss from operations has been arrived at after charging:				
Depreciation on property, plant and equipment	306	939	1,130	3,290
Depreciation of right-of-use Assets	—	3,073	—	5,346
Impairment of goodwill	—	—	18,266	—
Operating lease rentals in respect of rented premises	658	242	3,087	1,859
Staff costs including directors' emoluments				
— salaries and other allowances	3,675	1,113	11,907	20,776
— contributions to retirement benefits scheme	159	107	662	719
	<u>159</u>	<u>107</u>	<u>662</u>	<u>719</u>

5. INCOME TAX

	For the three months ended 30 September		For the nine months ended 30 September	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Continuing operations				
Current tax expense				
— Hong Kong Profits Tax	—	—	—	—
— China Corporate Income Tax	—	—	—	—
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

Hong Kong profits tax has been provided for at the rate of 16.5% (nine months ended 30 September 2020: 16.5%) on the estimated assessable profit for the period. The Group's subsidiaries in Mainland China are subject to the China corporate income tax at a rate of 25% on the estimated assessable profit (nine months ended 30 September 2020: Nil). No income tax has been provided for the subsidiary in Canada since the subsidiary has no assessable profit for the nine months ended 30 September 2021.

6. DIVIDEND

The Board does not recommend the payment of any dividend for the nine months ended 30 September 2021 (nine months ended 30 September 2020: Nil).

7. LOSS PER SHARE

	For the three months ended 30 September		For the nine months ended 30 September	
	2021 <i>HK\$'000</i> (unaudited)	2020 <i>HK\$'000</i> (unaudited)	2021 <i>HK\$'000</i> (unaudited)	2020 <i>HK\$'000</i> (unaudited)
Loss for the period attributable to owners of the Company	<u>(11,889)</u>	<u>(12,462)</u>	<u>(56,945)</u>	<u>(63,642)</u>
	Number of ordinary shares			
	<i>'000</i> (unaudited)	<i>'000</i> (unaudited)	<i>'000</i> (unaudited)	<i>'000</i> (unaudited)
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	<u>506,220</u>	<u>506,220</u>	<u>506,220</u>	<u>506,220</u>

Diluted loss per share for the three months ended and nine months ended 30 September 2021 and 2020 were the same as the exercise of the outstanding share options would be anti-dilutive.

8. CONTINGENT LIABILITIES

The Group does not have significant contingent liability as at 30 September 2021.

9. EVENTS AFTER REPORTING PERIOD

There is no significant event after the report period.

MANAGEMENT DISCUSSION AND ANALYSIS

Business review

Due to the increased competition and once-in-a-century COVID-19 epidemic, the performance of the Beauty Business as whole faced unprecedented challenges. The revenue derived from the sales of beauty products and the provision of therapy services rendered has decreased significantly in the first half of 2021.

On 30 June 2021, China Honest Enterprise Limited (the “CHEL”), an indirect non-wholly owned subsidiary of the Company entered into the Deed of Assignment and Novation (the “Novation”), to transfer of all the obligations and liabilities under the contracts (the “Contracts”) with the customers in the sales of beauty products and provision of therapy services segments (the “Beauty Business”) to an independent third party, Collagen Plus Company Limited (the “CPCL”). CHEL also agreed to assign all its rights, benefits and interests (including the prepayments) in the Contracts to CPCL. After completion of the Novation, the Beauty Business has been discontinued with effect from 30 June 2021 (the “Discontinued Operations”). Details of transaction were set out in the Company’s announcement dated 30 June 2021.

For the engineering products, the Group mainly offers robotic products. For the provision of engineering related services, the Group provides equipment installation, support and maintenance services for robotics and automation systems (collectively, the “Engineering Business”).

For the Engineering Business, during the nine months ended 30 September 2021, the Group continued to develop and improve its robotic products. The Group has also driven the commercialization of its products at steady pace through domestic platforms, upon which large-scale of civil application can be expected. For the period under review, the revenue of the Engineering Business has decreased by approximately 29.9% as compared to the corresponding period in 2020 and contributed a total revenue of approximately HK\$13.6 million to the total turnover of the Group.

Financial review

Continuing Operations

During the period under review, the Group recorded a turnover of approximately HK\$13.6 million, representing a decrease of approximately 29.9% as compared with the corresponding period in 2020, (2020: approximately HK\$19.5 million), which was generated from sale of robotic products.

Other income of approximately HK\$1.9 million (2020: approximately HK\$3.3 million) mainly consists of government grants received during the period.

The other losses (net) for the financial period ended 30 September 2021 mainly consists of impairment of goodwill of approximately HK\$18.3 million (2020: HK\$ Nil). The impairment loss on the goodwill mainly relates to the discontinuance of Beauty Business.

The selling and distribution costs was approximately HK\$5.1 million for the nine months ended 30 September 2021 (2020: approximately HK\$6.3 million), representing a decrease of approximately 18.8% over the corresponding period in 2020. The decrease is mainly due to reduce in marketing expense of Engineering Business.

The administrative expenses was approximately HK\$40.3 million for the nine months ended 30 September 2021 (2020: approximately HK\$67.7 million), representing a decrease of approximately 40.5% over the corresponding period in 2020. Such decrease was mainly attributed to decrease in research and development expenses and staff cost.

Loss attributable to owners of the Company amounted to approximately HK\$73.5 million for the nine months ended 30 September 2021 (2020: approximately HK\$73.9 million). The decrease in loss was mainly contributed by the decrease in research and development cost incurred by the Engineering Business. The decrease are partially offset by the one-off impairment of goodwill and increase in finance costs.

Discontinued Operations

Loss for the nine months ended 30 September 2021 from discontinued operations amounted to HK\$3.4 million (2020: profit of approximately HK\$1.4 million).

SHARE CAPITAL

During the nine months ended 30 September 2021, there was no movement in the Company's issued share capital.

USE OF NET PROCEEDS FROM ISSUANCE OF ORDINARY SHARES

The use of net proceeds of HK\$130.0 million from the subscription of 21,000,000 new shares of the Company completed on 4 August 2017 is as follows:

Intended use	Net proceeds	Utilisation	Utilisation	Utilisation	Utilisation	Utilisation	Remaining balance
		up to 31 December 2017	up to 31 December 2018	up to 31 December 2019	up to 31 December 2020	up to 30 September 2021	
	HK\$'million	HK\$'million	HK\$'million	HK\$'million	HK\$'million	HK\$'million	HK\$'million
Construction of production plants	50.0	16.8	27.9	35.6	38.3	38.3	11.7 (Note)
General working capital	80.0	40.1	80.0	80.0	80.0	80.0	—
	<u>130.0</u>	<u>56.9</u>	<u>107.9</u>	<u>115.6</u>	<u>118.3</u>	<u>116.3</u>	<u>11.7</u>

Note: The utilisation period of the remaining balance is expected to be within the next 24 months instead of 12 months as initially planned. The change in utilisation period is due to uncertainty faced by the Group arising from the outbreak of the COVID-19 and fluctuation of economy in the PRC and the rest of the world. As a result, the Group intends to maintain current production capacity and only expand our production capacity when the Group's assessment on the impact from the outbreak of the COVID-19 becomes clearer.

SIGNIFICANT INVESTMENT

The Group did not have any significant investment during the nine months ended 30 September 2021.

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND AFFILIATED COMPANIES

Save for the discontinuation of the Beauty Business, there was no material acquisition and disposal of subsidiaries, associates and affiliated companies during the nine months ended 30 September 2021.

OUTLOOK

Affected by the COVID-19 epidemic, the development of various industries around the world has slowed down. Major countries in the world have adopted various measures to stimulate economic development and hedge the impact of the epidemic. The epidemic in the year of 2020 has also brought great impact on the Chinese economy, while new infrastructure investment has become a hot spot to reboot the market. The Standing Committee of the Political Bureau of the CPC Central Committee held a meeting and pointed out the necessity to speed up the construction of new infrastructure such as 5G networks and artificial intelligence. Therefore, artificial intelligence has become the main battlefield for consumer investment among the seven major areas of new infrastructure. The spread of the epidemic has also caused uncertainties in all links of the global industrial chain. Under the background of the steady

economic recovery, the development of infrastructure for emerging artificial intelligence industries is in line with the direction of economic transformation and has become one of the main drivers for new infrastructure. The emerging artificial intelligence industry can not only accelerate construction and development, but also make the industry show its “counter-cyclical” attributes. From the action plan of National Internet Plus to the “Thirteenth Five-Year Plan” related plans, artificial intelligence is clearly regarded as a strategic emerging industry, to which key support is given. It is planned to arrange an estimated budget of 560 million yuan as state allocation. By 2023, it is planned to complete key general technologies and key field technologies, initially establish an artificial intelligence standard system, and take the lead in key industries like manufacturing, transportation, finance, security, furniture, elderly care, environmental protection, education, health care, justice and so on. According to the forecast report released by the National Research Institute, in 2018, China’s intelligent robot market reached 53.59 billion yuan, a year-on-year increase of 14.4%, and in 2019, the number reached 58.87 billion yuan, a year-on-year increase of 9.8%. By 2021, the scale of China’s robot market is expected to reach 81.3 billion yuan, with an average annual compound growth rate of 15.8% in the next five years (2021 — 2025), and it is expected to reach 146.3 billion yuan in 2025.

Benefiting from the rapid development of information technology and artificial intelligence, as well as favorable policies at the national level, the market scale of service robots in China will also expand rapidly. With the further implementation of artificial intelligence in the fields of finance, retail, manufacturing, education, agriculture, tourism, etc., the integration of different technologies will provide more possibilities for the implementation of artificial intelligence technology, and will also create greater market for intelligent robots. The Group expects that the advancement of robotics and its applications will speed up the process of commercial implementation. The AI intelligent service robots of our Group will have a broad market and are expected to continue to expand in scale. Digital twin technology and solutions have greatly improved the efficiency of the service industry, and industry applications have gradually deepened. The Group’s epidemic prevention service robots, disinfection and cleaning robots and other epidemic-specific intelligent robots will also continue to be optimized, escorting users in the long-term epidemic prevention and control battle.

In order to cope with our country’s increasing labor costs and the aging population, smarter and more efficient artificial intelligence has received strong support from the government. Artificial intelligence has been involved in the government report for three consecutive years. The government report proposes to deepen the development and application of big data, artificial intelligence and other research and development to expand “intelligence plus” and to empower the transformation and upgrading of manufacturing. With the arrival of the first year of 5G commercial use, 5G technology empowers the industrial field and promotes the new development of intelligent manufacturing. The deep integration of artificial intelligence technology and manufacturing has become an inevitable trend. The compound annual growth rate of artificial intelligence technology in the manufacturing industry during the forecast period from 2019 to 2027 can reach 39.7%, and it is expected to reach 27 billion US dollars by 2027. With the accelerated implementation of 5G network construction, the intelligent, dynamic and fully automated manufacturing process will be realized in the near future. The Group’s strategic development idea and prospects are also clearer.

With the help of multiple factors, the scale of the artificial intelligence market continues to expand. Thanks to the maturity of technologies such as smart voice, smart sensing, and machine vision, as well as the integration and development of technologies such as AR, cloud computing, and 5G, artificial intelligence is widely used in all walks of life by means of robotics to provide new kinetic energy for industry development. In order to promote the rapid development of the robotics industry, the State Council has issued a series of policies to implement mass production and application of next-generation robotics, intelligent robot learning and cognition, intelligent home service robots, and intelligent public service robots. The Group will also continue to integrate new technologies to improve the diversity of its robot products, the convenience of use and the wide range of applications, to realize the autonomy, adaptability and intelligence of robots, and to enter a broader consumer market.

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

As at 30 September 2021, the interests and short positions of the Directors or the 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 (Cap. 571 of the Laws of Hong Kong) (the “SFO”), which were required 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 which they were taken or deemed to have under such provisions of the SFO); or were required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein, or as otherwise were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.68 of the GEM Listing Rules were as follows:

Long and short positions in the ordinary shares and underlying shares of the Company

Name of Director/ chief executive	Nature of interests	Notes	Interest in shares (Note 1)	Interest in underlying shares of the Company (Note 1)	Total interest in shares (Note 1)	Approximate percentage of shareholding (Notes 1 and 3)
Mr. Su Zhituan	Interest of controlled corporation	2	151,425,197(L)	—	151,425,197(L)	29.91%(L)

Notes:

1. “L” represents long position in shares of the Company and “S” represents short position in shares of the Company.
2. Tai Dong New Energy Limited (“**Tai Dong**”) is ultimately owned as 100% by Mr. Su Zhituan and holds long positions in 151,425,197 shares of the Company. Accordingly, Mr. Su Zhituan is deemed to be interested in the long positions in 151,425,197 shares of the Company.

3. The percentage is calculated on the basis of 506,219,666 shares of the Company in issue as at 30 September 2021.

Save as disclosed above, as at 30 September 2021, so far as is known to any Directors or chief executive of the Company, none of the Directors and chief executives of the Company had any interests or short positions in any shares, underlying shares and debenture of the Company or any of its associated corporations (within the meaning of Part XV of 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 interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required, pursuant to Rules 5.46 to 5.68 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDER'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 September 2021, so far as is known to the Directors and the chief executive of the Company, the interests and shorts positions of the persons or corporations (other than the Directors and the chief executive of the Company) in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO were as follows:

Name of shareholder	Nature of interests	<i>Notes</i>	Interest in shares of the Company <i>(Note 1)</i>	Interest in underlying shares of the Company <i>(Note 1)</i>	Total interest in shares of the Company <i>(Note 1)</i>	Approximate percentage of shareholding <i>(Notes 1 and 8)</i>
Tai Dong	Beneficial owner	2	151,425,197(L)	—	151,425,197(L)	29.91%(L)
Hong Kong Bridge Investments Limited ("Hong Kong Bridge Investments")	Beneficial owner	3	41,666,666(L)	—	41,666,666(L)	8.23%(L)
HKBridge Absolute Return Fund, L.P ("HKBridge Absolute")	Beneficial owner	4	64,148,063(L)	—	64,148,063(L)	12.67%(L)
On Top Global Limited ("On Top Global")	Beneficial owner	5	24,397,946(L)	—	24,397,946(L)	4.82%(L)
Renco Holdings Group Limited ("Renco Holdings")	Interest of controlled corporation	3,4,5	130,212,675(L)	—	130,212,675(L)	25.72%(L)
KE10MA Holdings Inc. ("KE10MA Holdings")	Beneficial Owner	6	29,286,971(L)	—	29,286,971(L)	5.79%(L)
Andrew Avi Goldenberg	Interest of controlled corporation	6	29,286,971(L)	—	29,286,971(L)	5.79%(L)
Goldenberg Aviva C	Interest of controlled corporation	6	29,286,971(L)	—	29,286,971(L)	5.79%(L)

Name of shareholder	Nature of interests	Notes	Interest in		Total interest in shares of the Company (Note 1)	Approximate percentage of shareholding (Notes 1 and 8)
			Interest in shares of the Company (Note 1)	underlying shares of the Company (Note 1)		
Greater Harmony Limited ("Greater Harmony")	Beneficial Owner	7	30,000,000(L)	—	30,000,000(L)	5.93%(L)
Ko Chun Shun Johnson	Interest of controlled corporation	7	30,000,000(L)	—	30,000,000(L)	5.93%(L)

Notes:

1. "L" represents long position in shares or underlying shares of the Company and "S" represents short position in shares or underlying shares of the Company.
2. Tai Dong is interested in 151,425,197 shares of the Company. As Tai Dong is ultimately wholly-owned by Mr. Su Zhituan, Mr. Su Zhituan is deemed to be interested in such 151,425,197 shares of the Company.
3. Hong Kong Bridge Investments is interested in 41,666,666 shares of the Company. As Hong Kong Bridge Investments is a wholly-owned subsidiary of Renco Holdings, Renco Holdings is deemed to be interested in such 41,666,666 shares of the Company.
4. HKBridge Absolute, a Cayman Islands exempted limited partnership, the general partner of which is HKBridge (Cayman) GP2 Limited, a Cayman Islands limited liability company, is interested in 64,148,063 shares of the Company. As the entire issued share capital of the general partner of HKBridge Absolute is indirectly owned by Renco Holdings, Renco Holdings is deemed to be interested in such 64,148,063 shares of the Company.
5. On Top Global is interested in 24,397,946 shares of the Company. As On Top Global is a wholly-owned subsidiary of Hong Kong Bridge High-Tech Investment Fund L.P. ("**Hong Kong Bridge High-Tech**"), Hong Kong Bridge High-Tech is deemed to be interested in such 24,397,946 shares. Hong Kong Bridge High-Tech, a Cayman Islands exempted limited partnership, the general partner of which is Hong Kong Bridge High-Tech Investment G.P Limited, a Cayman Islands limited liability company. As the entire issued share capital of the general partner of the Hong Kong Bridge High-Tech is indirectly owned by Renco Holdings, Renco Holdings is deemed to be interest in such 24,397,946 shares of the Company.
6. KE10MA Holdings is interested in 29,286,971 shares of the Company. As KE10MA Holdings is 50%-owned by Dr. Andrew Avi Goldenberg and 50%-owned by Mrs. Aviva C Goldenberg and Mrs. Aviva C Goldenberg is the spouse of Dr. Andrew Avi Goldenberg, each of Dr. Andrew Avi Goldenberg and Mrs. Aviva C Goldenberg is deemed to be interested in such 29,286,971 shares of the Company.
7. Greater Harmony is interested in 30,000,000 shares of the Company. As Greater Harmony is ultimately wholly-owned by Mr. Ko Chun Shun Johnson. Mr. Ko Chun Shun Johnson is deemed to be interested in such 30,000,000 shares of the Company.
8. The percentage is calculated on the basis of 506,219,666 Shares in issue as at 30 September 2021.

Save as disclosed above, as at 30 September 2021, so far as is known to the Directors and the chief executive of the Company, and based on the public records filed on the website of the Stock Exchange and records kept by the Company, no other persons or corporations (other than the Directors and the chief executive of the Company) had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted its own codes of conduct regarding Directors' and relevant employees' securities transactions, namely "Code for Securities Transactions by Directors" and "Code for Securities Transactions by Relevant Employees", both of which apply to all Directors and relevant employees of the Company 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.

Having made specific enquiry with each of the Directors, all Directors have confirmed that they have complied with such code and the required standard of dealings on Directors' securities transactions during the nine months ended 30 September 2021.

SHARE OPTION SCHEME

Pursuant to an ordinary resolution passed by the shareholders of the Company on 7 November 2014, the Company adopted a new share option scheme to replace the share option scheme adopted on 30 January 2002. The principal terms of the share option scheme were disclosed in the Company's 2016 annual report. Details of movements in the Company's share options during the nine months ended 30 September 2021 are set out as follows:

	Outstanding as at 1 January 2021	Exercise price HK\$	Number of share options				Outstanding as at 30 September 2021
			Granted during the period (Note 1)	Exercised during the period	Cancelled during the period (Note 2)	Lapsed during the period	
Employees	743,475	8.90	—	—	—	—	743,475
Total	743,475		—	—	—	—	743,475
Exercisable at the end of the period							—

Note:

- (1) A total of 7,480,000 share options were granted on 3 January 2017 and the outstanding share options as at 30 September 2021 were 743,475, with an exercise price of HK\$8.9 and exercise period from 3 January 2018 to 2 January 2022, of which (i) 25% of the share options are exercisable from 3 January 2018 to 2 January 2022; (ii) 25% of the share options are exercisable from 3 January 2019 to 2 January 2022; (iii) 25% of the share options are exercisable from 3 January 2020 to 2 January 2022; and (iv) 25% of the share options are exercisable from 3 January 2021 to 2 January 2022.
- (2) The share options granted to the employees of the Group shall be vested in four equal tranches. The vesting periods of the share options are between the date of grant and the dates of commencement of exercise periods. The vesting periods and exercise periods of the share options are as follows:

Number of options outstanding at 1 January 2021	Vesting period	Exercise period
185,868	3 January 2017 to 2 January 2018	3 January 2018 to 2 January 2022
185,869	3 January 2017 to 2 January 2019	3 January 2019 to 2 January 2022
185,869	3 January 2017 to 2 January 2020	3 January 2020 to 2 January 2022
<u>185,869</u>	3 January 2017 to 2 January 2021	3 January 2021 to 2 January 2022
<u><u>743,475</u></u>		

COMPETING INTERESTS

As at 30 September 2021, none of the Directors, substantial shareholders of the Company nor any of their respective close associates (as defined in the GEM Listing Rules) had any interest in a business which causes or may cause any significant competition with the business of the Group.

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

The Company did not redeem any of its listed shares during the nine months ended 30 September 2021. Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the nine months ended 30 September 2021.

AUDIT COMMITTEE

The Board has established an audit committee (the "**Audit Committee**") with written terms of reference in compliance with Rules 5.28 to 5.29 of the GEM Listing Rules. As at the date of this report, the Audit Committee comprises three independent non-executive Directors, namely, Mr. Chu Kin Wang, Peleus (chairman), Mr. Tam B Ray, Billy and Dr. Wang Dangxiao. The Audit Committee has reviewed the unaudited condensed consolidated third quarterly results of the Group for the nine months ended 30 September 2021 and has provided advice and comments thereon.

CORPORATE GOVERNANCE CODE

The Board believes that corporate governance is essential to the success of the Company. The Board is committed to maintaining corporate governance with high standard and ensuring compliance of the legal and regulatory requirements. The Company has put in place governance practices with emphasis on the integrity, quality of disclosures, transparency and accountability for the shareholders of the Company.

Throughout the nine months ended 30 September 2021, the Company has complied with the code provisions in the Corporate Governance Code as set out in Appendix 15 to the GEM Listing Rules.

Pursuant to the code provision A.2.1 of the CG Code, the roles of chairman and chief executive officer of the Company should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and the chief executive officer should be clearly established and set out in writing. The position of the chairman is held by Mr. Su Zhituan. The responsibilities of the chairman of the Company is to ensure the Board to work effectively and perform its responsibilities, and all key and appropriate issues are discussed by the Board, draw up and approve the agenda for each board meeting and take into accounts, any matters proposed by others Directors for inclusion in the agenda.

As at 30 September 2021 and up to the date of this report, the Company has not appointed a chief executive officer and is looking for a suitable candidate to act as chief executive officer in order to comply with the CG Code. The office and duties of the chief executive officer in respect of the day-to-day management of the Group's business is handled by the executive Directors collectively.

Code provision A.4.1 of the CG Code stipulates that non-executive directors should be appointed for a specific term, subject to re-election. Mr. Fan Yu appointment is for a term of three years which is subject to retirement at the next general meeting of the Company after his appointment and thereafter subject to retirement by rotation at least once every three years in accordance with the Bye-laws of the Company. Currently there is no service contract entered into between the Company and all the independent non-executive Directors. Their appointments will be reviewed when they are due for re-election, the Board considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those set out in the CG Code.

By Order of the Board
SuperRobotics Holdings Limited
Su Zhituan
Chairman and Executive Director

Hong Kong, 15 November 2021

As at the date of this report, the Board comprises two executive Directors, namely Mr. Su Zhituan (Chairman) and Mr. Sun Ziqiang (Vice-chairman); one non-executive Director, namely Mr. Fan Yu; and three independent non-executive Directors, namely Mr. Tam B Ray, Billy, Mr. Chu Kin Wang, Peleus and Dr. Wang Dangxiao.