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**Sing On Holdings Limited**  
**成安控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1751)**

**INTERIM RESULTS ANNOUNCEMENT**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2018**

**FINANCIAL HIGHLIGHT**

For the six months ended 30 June 2018, the operating results of the Group were as follows:

- Revenue amounted to approximately HK\$87.8 million (2017: approximately HK\$86.8 million), representing an increase of approximately 1.2% from the corresponding period of last year;
- Net profit amounted to approximately HK\$10.3 million (2017: approximately HK\$12.0 million), representing a decrease of approximately 14.2% from the corresponding period of last year;
- Basic and diluted earnings per share based on weighted average number of ordinary shares was approximately HK1.53 cents (2017: approximately HK1.79 cents);
- The Directors do not recommend the payment of an interim dividend for the six months ended 30 June 2018 (2017: Nil).

## INTERIM RESULTS

The board (the “Board”) of directors (the “Directors”) of Sing On Holdings Limited (“the Company”, together with subsidiaries of the Company, the “Group”) is pleased to announce the unaudited condensed consolidated results of the Group for the six months ended 30 June 2018 (the “Reporting Period”), together with the unaudited comparative figures for the corresponding period in 2017, as follows:

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

*For the six months ended 30 June 2018*

		Six months ended 30 June	
		2018	2017
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
		(Unaudited)	(Unaudited)
Revenue	3	87,793	86,752
Cost of sales		<u>(60,656)</u>	<u>(59,810)</u>
Gross profit		27,137	26,942
Other income and net gains		81	50
Administrative and other operating expenses		<u>(14,864)</u>	<u>(11,995)</u>
Operating profit		12,354	14,997
Finance costs		<u>–</u>	<u>(104)</u>
Profit before income tax		12,354	14,893
Income tax expense	5	<u>(2,065)</u>	<u>(2,896)</u>
Profit and total comprehensive income for the period		<u><b>10,289</b></u>	<u><b>11,997</b></u>
		<i>HK cents</i>	<i>HK cents</i>
Basic and diluted earnings per share	7	<u><b>1.53</b></u>	<u><b>1.79</b></u>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2018

	<i>Notes</i>	<b>30 June 2018 HK\$'000 (Unaudited)</b>	31 December 2017 HK\$'000 (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		17,480	15,020
<b>Current assets</b>			
Amounts due from customers for contract work		14,807	7,651
Trade and other receivables	8	73,358	65,101
Pledged bank deposit		10,040	10,014
Cash and bank balances		31,668	36,404
		129,873	119,170
<b>Total assets</b>		147,353	134,190
<b>EQUITY</b>			
<b>Capital and reserves</b>			
Share capital		6,720	6,720
Reserves		114,850	104,561
<b>Total equity</b>		121,570	111,281
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Liabilities for long service payments		875	721
Deferred taxation		1,532	1,620
		2,407	2,341
<b>Current liabilities</b>			
Trade and other payables	9	19,669	19,014
Amounts due to directors		22	22
Tax payable		3,685	1,532
		23,376	20,568
<b>Total liabilities</b>		25,783	22,909
<b>Total equity and liabilities</b>		147,353	134,190
<b>Net current assets</b>		106,497	98,602
<b>Total assets less current liabilities</b>		123,977	113,622

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

*For the six months ended 30 June 2018*

## 1 GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 5 January 2015 as an exempted company with limited liability under the Companies Law of the Cayman Islands and its shares were listed on the GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing”) on 16 December 2016 (the “Listing Date”). The Company transferred its listing of shares to the Main Board of the Stock Exchange (the “Main Board”) (the “Transfer of Listing”) with effect from 12 June 2018 (the “Date of Transfer of Listing”).

The address of the Company’s registered office is Clifton House, 75 Fort Street, PO Box 1350, Grand Cayman, KY1-1108, Cayman Islands and the Company’s principal place of business is Flat B, G/F, Fu Hop Factory Building, 209 and 211 Wai Yip Street, Kwun Tong, Kowloon, Hong Kong. The Company is an investment holding company. The Group is principally engaged in the provision of concrete demolition services in Hong Kong and Macau mainly as a subcontractor.

Pursuant to the reorganisation of the Group (the “Reorganisation”) in connection with the Listing, the Company became the ultimate holding company of the companies now comprising the Group on 22 November 2016. Details of the Reorganisation are set out in the prospectus of the Company dated 29 November 2016 (the “Prospectus”).

## 2 BASIS OF PREPARATION

The unaudited condensed consolidated financial statements for the six months ended 30 June 2018 of the Company have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). In addition, the unaudited condensed consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange (the “Listing Rules”) and by the Hong Kong Companies Ordinance. The accounting policies and basis of preparation adopted in the preparation of the unaudited condensed consolidated financial statements for the six months ended 30 June 2018 are consistent with those adopted in the annual financial statements of the Company for the year ended 31 December 2017, except for the adoption of the new and revised HKFRSs. Amendments to HKFRSs effective for accounting period beginning on or after 1 January 2018 do not have a material impact on the Group. The unaudited condensed consolidated financial statements should be read in conjunction with the Group’s audited consolidated financial statements for the year ended 31 December 2017.

The unaudited condensed consolidated financial statements for the six months ended 30 June 2018 have not been audited by the Company’s independent auditors, but have been reviewed by the Company’s audit committee.

The unaudited condensed consolidated financial statements for the six months ended 30 June 2018 are presented in Hong Kong dollars (“HK\$”), which is the same functional currency of the Company.

### 3 REVENUE

Revenue and other income and net gains recognised during the period are as follows:

	Six months ended 30 June	
	2018 HK\$'000 (Unaudited)	2017 HK\$'000 (Unaudited)
<b>Revenue</b>		
Provision of concrete demolition services	<u>87,793</u>	<u>86,752</u>
<b>Other income and net gains</b>		
Sundry income	81	11
Gain on disposal of property, plant and equipment	<u>–</u>	<u>39</u>
	<u>81</u>	<u>50</u>

The chief operating decision-maker has been identified as the board of the Company. The Board regards the Group's business as a single operating segment and reviews the consolidated financial statements accordingly.

#### Geographical information

The Group primarily operates in Hong Kong and Macau, and its revenue is derived from the following regions:

	Six months ended 30 June	
	2018 HK\$'000 (Unaudited)	2017 HK\$'000 (Unaudited)
<b>Revenue (by location of customers)</b>		
– Hong Kong	87,201	85,739
– Macau	<u>592</u>	<u>1,013</u>
	<u>87,793</u>	<u>86,752</u>

All of the Group's non-current assets are located in Hong Kong for both periods.

### 4 OPERATING PROFIT

An analysis of the amounts presented as operating items charged/(credited) in the financial information is given below:

	Six months ended 30 June	
	2018 HK\$'000 (Unaudited)	2017 HK\$'000 (Unaudited)
Staff cost, including directors' remuneration	19,394	22,633
Depreciation of owned assets	3,059	1,820
Depreciation of assets under finance lease	–	173
Gain on disposal of property, plant and equipment	<u>–</u>	<u>(39)</u>

## 5 INCOME TAX EXPENSE

For the six months ended 30 June 2018 and 2017, Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profit arising in or derived from the jurisdictions in which the entities operate for the period.

	Six months ended 30 June	
	2018 HK\$'000 (Unaudited)	2017 HK\$'000 (Unaudited)
<b>Current tax</b>		
– Hong Kong	2,153	1,860
<b>Prior year tax</b>		
– Hong Kong	–	378
<b>Deferred tax</b>	(88)	658
<b>Income tax expense</b>	<u>2,065</u>	<u>2,896</u>

## 6 DIVIDEND

The Board does not recommend the payment of dividend for the six months ended 30 June 2018 (2017: Nil).

## 7 EARNINGS PER SHARE

	Six months ended 30 June	
	2018 (Unaudited)	2017 (Unaudited)
Profit attributable to owners of the Company (HK\$'000)	10,289	11,997
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share (in thousand)	672,000	672,000
Basic earnings per share (HK cents)	<u>1.53</u>	<u>1.79</u>

The diluted earnings per share is equal to the basic earnings per share as there were no dilutive potential ordinary share in issue during the six months ended 30 June 2018 (2017: Nil).

## 8 TRADE AND OTHER RECEIVABLES

	At 30 June 2018 HK\$'000 (Unaudited)	At 31 December 2017 HK\$'000 (Audited)
	Contract receivables	44,564
Retention receivables	<u>20,396</u>	<u>18,264</u>
Total trade receivables	64,960	58,358
Other receivables, deposits and prepayments	<u>8,398</u>	<u>6,743</u>
	<u>73,358</u>	<u>65,101</u>

*Notes:*

- (a) Trade receivables are past due when a counterparty has failed to make a payment when contractually due. The credit period granted customers is 14 to 60 days generally. Trade receivables are denominated in HK\$.
- (b) The ageing analysis of the contract receivables based on invoice date is as follows:

	<b>At 30 June 2018 HK\$'000 (Unaudited)</b>	At 31 December 2017 HK\$'000 (Audited)
0–30 days	15,764	13,776
31–60 days	4,560	8,207
61–90 days	10,582	8,990
91–365 days	12,699	8,496
Over 365 days	959	625
	<u>44,564</u>	<u>40,094</u>

Contract receivables of approximately HK\$28,591,000 (31 December 2017: HK\$23,509,000) as at 30 June 2018 were past due but not impaired. These relate to trade receivables from a number of independent customers of whom there is no recent history of default and no provision has therefore been made.

	<b>At 30 June 2018 HK\$'000 (Unaudited)</b>	At 31 December 2017 HK\$'000 (Audited)
0–30 days	4,464	7,067
31–60 days	11,326	8,428
61–90 days	6,119	2,045
91–365 days	5,829	5,361
Over 365 days	853	608
	<u>28,591</u>	<u>23,509</u>

Retention receivables were not yet past due as at 30 June 2018, and were settled in accordance with the terms of respective contract.

- (c) The other classes within trade and other receivables do not contain impaired assets. The Group does not hold any collateral as security.

## 9 TRADE AND OTHER PAYABLES

	<b>At 30 June 2018 HK\$'000 (Unaudited)</b>	At 31 December 2017 HK\$'000 (Audited)
Trade payables	<b>13,871</b>	11,514
Accruals and other payables	<b>5,798</b>	7,500
	<b>19,669</b>	19,014

*Notes:*

- (a) Payment terms granted by suppliers are generally 15 to 90 days from the invoice date of the relevant purchases. However, the majority of credit terms granted are 30 days.

The ageing analysis of trade payables based on the invoice date is as follows:

	<b>At 30 June 2018 HK\$'000 (Unaudited)</b>	At 31 December 2017 HK\$'000 (Audited)
0–30 days	<b>2,590</b>	4,737
31–60 days	<b>385</b>	2,821
61–90 days	<b>1,980</b>	771
Over 90 days	<b>8,916</b>	3,185
	<b>13,871</b>	11,514

- (b) All trade and other payables are denominated in HK\$.

## 10 EVENTS AFTER THE END OF REPORTING PERIOD

Pursuant to a special resolution passed at the extraordinary general meeting of the Company held on 22 August 2018, the Shareholders have approved to change the English name of the Company from “Sing On Holdings Limited” to “Kingland Group Holdings Limited” and the change of the dual foreign name in Chinese of the Company from “成安控股有限公司” to “景聯集團控股有限公司” (the “Change of Company Name”). The Company will update in relation to the Change of Company Name in due course.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **BUSINESS REVIEW AND OUTLOOK**

The Group's principal activity is the provision of concrete demolition service in Hong Kong and Macau mainly as a subcontractor. Our services are mainly required in the removal of pieces or sections of concrete from concrete structures and the demolition of the entire concrete structures or buildings by applying a variety of methods, such as core drilling, sawing and crushing. Our services are required in many different situations including, among others, addition and alteration works and redevelopment projects in buildings, roads, tunnels and underground facilities.

We have been operating in the concrete demolition industry in Hong Kong since 1985. We have also been providing concrete demolition services in Macau since 2006. We are a registered subcontractor for general demolition and others (concrete coring and saw cutting) works under the Subcontractor Registration Scheme of the Construction Industry Council and a Registered Minor Works Contractor at the Buildings Department.

In general, our customers are main contractors in various types of construction and civil engineering projects in Hong Kong and construction projects in Macau. We undertake jobs in both public and private sectors. Public sector jobs refer to jobs which the main contractors are employed by the Hong Kong Government, the Macau Government or their respective related organisations or corporations, while private sector jobs refer to jobs that are not public sector jobs.

Looking forward, the Directors consider that the future opportunities and challenges facing the Group will continue to be affected by the development of the policies of the Hong Kong Government as well as factors affecting the labour costs and material costs. According to the 2017–2018 Budget of the Hong Kong Government, the Hong Kong Government will invest about HK\$86.0 billion on infrastructure between 2017 and 2018. The amount was mainly derived from infrastructure investments especially for transportation and plans for increasing both land and housing. The Directors believe that the availability of private and public sector construction projects is expected to grow in the coming years, and with our experienced management team and reputation in the market, we can further strengthen our position as an established concrete demolition service provider by continuing to pursue the business strategies as set out in the Prospectus.

### **FINANCIAL REVIEW**

During the Reporting Period, all of our Group's revenue was derived from concrete demolition business in Hong Kong and Macau. The Group's revenue for the Reporting Period was approximately HK\$87.8 million, representing an increase of approximately 1.2% from approximately HK\$86.8 million for the six months ended 30 June 2017. Such increase was mainly due to the relatively large scale jobs undertaken during the Reporting Period.

Our Group's gross profit increased from approximately HK\$26.9 million for the six months ended 30 June 2017 to approximately HK\$27.1 million for the Reporting Period, and the gross profit margin for our Group decreased from approximately 31.0% for the six months ended 30 June 2017 to approximately 30.9% for the Reporting Period, which remained relatively stable.

Administrative expenses increased by HK\$2.9 million (representing an increase of approximately 24.2%) to HK\$14.9 million for the Reporting Period, compared with HK\$12.0 million for the six months ended 30 June 2017, which mainly due to the increase in legal and other professional fees for the Transfer of Listing amounted to approximately HK\$1.9 million. Net profit decreased by HK\$1.7 million to approximately HK\$10.3 million in the Reporting Period compared to HK\$12.0 million in the six months ended 30 June 2017 (representing a decrease of approximately 14.2%). By excluding the aforementioned non-recurring legal and other professional fees, the Group's profits attributable to owners of the Company for the Reporting Period would be approximately HK\$12.2 million, which represented an increase of approximately HK\$0.2 million or 1.7% when comparing with the six months ended 30 June 2017. Such increase was in line with the increase in revenue during the Reporting Period.

### **Liquidity, financial resources and capital structure**

As at 30 June 2018, the Group's current ratio was approximately 5.6 compared to approximately 5.8 at 31 December 2017. The Group had total assets of approximately HK\$147.4 million, which is financed by total liabilities and shareholders' equity of approximately HK\$25.8 million and HK\$121.6 million, respectively. As at 30 June 2018, the Group had cash and bank balances of approximately HK\$23.7 million (31 December 2017: approximately HK\$36.4 million).

The gearing ratio is calculated based on the total loans and borrowings divided by total equity as at the respective reporting date. As at 30 June 2018, the Group did not have any loans and borrowings (31 December 2017: Nil), as the Group had settled all finance lease liabilities after the Listing.

The shares of the Company were successfully transferred from the GEM to the Main Board of the Stock Exchange on 12 June 2018. There has been no change in the capital structure of the Group during the Reporting Period. The share capital of the Group only comprises of ordinary shares. As at 30 June 2018, the Company's issued share capital was HK\$6,720,000 and the number of its issued ordinary shares was 672,000,000 of HK\$0.01 each.

### **Capital commitments**

As at 30 June 2018, there were no significant capital commitments for the Group (31 December 2017: approximately HK\$2.8 million).

## COMPARISON OF BUSINESS OBJECTIVES WITH ACTUAL BUSINESS PROGRESS

An analysis comparing the business objectives as set out in the Prospectus with the Group's actual business progress for the period from the Listing Date to 30 June 2018 is set out below:

<b>Objectives</b>	<b>Implementation Plan up to 30 June 2018</b>	<b>Actual business progress up to 30 June 2018</b>
Further enhancing our machineries	– To purchase two sets of forklift, one set of loader, two motor vehicles and one set of remote controlled demolition robots	– Three sets of forklift, four motor vehicles and one set of remote controlled electro-hydraulically demolition robot have been purchased.
Further strengthening our manpower	– To carry out recruitment including one project manager, one engineer, one safety officer, one site agent, one mechanic staff and one office staff	– A project manager, engineers, a team of site agents and operators (in which one of them has completed the construction safety supervisor course organised by the Construction Industry Council), a mechanic staff and office staffs have been recruited.
	– To monitor and evaluate the performance of the new recruits	– Appraisal is made to new recruits after probation period.
Leasing an additional warehouse	– To carry out preparatory work, including but not limited to site visits and conducting negotiation with relevant landlord and/or estate agent, and enter into tenancy agreement for the warehouse	– Two additional warehouses have been rented.
Reserving more capital to satisfy our potential customers' requirement for performance bond	– To finance the deposit required for securing performance bond following the award of jobs to us	– A pledged deposit of approximately HK\$10 million has been reserved to satisfy our potential customers' requirement for performance bond.

<b>Objectives</b>	<b>Implementation Plan up to 30 June 2018</b>	<b>Actual business progress up to 30 June 2018</b>
Settlement of finance lease liabilities	– To repay certain finance leases in an one-off manner	– Finance lease liabilities amounted to HK\$4.0 million has been settled and approximately HK\$104,000 interest has been paid.

## **USE OF PROCEEDS AND COMPARISON OF BUSINESS OBJECTIVES WITH ACTUAL BUSINESS PROGRESS**

The net proceeds from the Listing on the Listing Date was approximately HK\$33.1 million, after deducting listing related expenses. The actual net proceeds from the Listing was different from the estimated net proceeds of approximately HK\$25.0 million as set out in the Prospectus and approximately HK\$34.1 million as set out in the announcement of the Company in relation to the allotment result dated 14 December 2016 (the “Allotment Result Announcement”).

The Group adjusted the use of proceeds in the same manner and in the same proportion as shown in the Allotment Result Announcement, which is (i) approximately 29.2% of the net proceeds, representing approximately HK\$9.7 million for further enhancing our machineries, (ii) approximately 29.7% of the net proceeds, representing approximately HK\$9.8 million for further strengthening our manpower, (iii) approximately 6.3% of the net proceeds, representing approximately HK\$2.1 million for leasing an additional warehouse, (iv) approximately 22.5% of the net proceeds, representing approximately HK\$7.4 million for reserving more capital to satisfy our potential customers’ requirements for performance bond, (v) approximately 10.6% of the net proceeds, representing HK\$3.5 million for settlement of finance lease liabilities, and (vi) approximately 1.7% of the net proceeds, representing HK\$0.6 million for working capital.

An analysis of the utilisation of the net proceeds from the Listing Date up to 30 June 2018 is set out below:

	<b>Adjusted use of proceeds in the same manner as stated in the Prospectus <i>HK\$ million</i></b>	<b>Planned use of net proceeds as stated in the Prospectus up to 30 June 2018 <i>HK\$ million</i></b>	<b>Actual use of net proceeds up to 30 June 2018 <i>HK\$ million</i></b>
Further enhancing our machineries	9.7	9.7	10.1
Further strengthening our manpower	9.8	9.8	9.0
Leasing an additional warehouse	2.1	2.1	1.9
Reserving more capital to satisfy our potential customers’ requirement for performance bond	7.4	7.4	7.4
Settlement of finance lease liabilities	3.5	3.5	4.1
Working capital	0.6	0.6	0.6

## **Significant investments, material acquisitions or disposals of subsidiaries and associated companies**

Save as disclosed herein, there was no significant investment, material acquisition and disposal of subsidiaries and associated companies by the Company during the Reporting Period.

There was no specific plan for material investments or capital assets as at 30 June 2018.

## **Foreign Exchange Exposure**

Since the Group generated most of the revenue and incurred most of the costs in Hong Kong dollars for the Reporting Period, there was no significant exposure to foreign exchange rate fluctuations and the Group had not maintained any hedging policy against the foreign currency risk.

## **Charge over the Group's assets**

A pledged deposit of approximately HK\$10 million has been reserved to satisfy our potential customers' requirement for performance bond.

## **Contingent Liabilities**

As at 30 June 2018, the Group did not have any significant contingent liabilities (31 December 2017: Nil).

## **Employees and emolument policies**

The Group has 103 full-time employees as at 30 June 2018 (31 December 2017: 112 full-time employees). The staff costs, including Directors' emoluments, of the Group were approximately HK\$19.4 million for the Reporting Period as compared to HK\$22.6 million for the six months ended 30 June 2017.

The remuneration committee of the Company (the "Remuneration Committee") will review and determine the remuneration and compensation packages of the Directors with reference to their responsibilities, workload, time devoted to the Group and the performance of the Group. The Directors and other employees who have made valuable contribution to the Group may also receive options to be granted under the share option scheme of the company adopted on 22 November 2016 (the "Share Option Scheme").

## DISCLOSURE OF INTERESTS

### Directors' and Chief Executives' Interest and Short Position in Shares, Underlying Shares and Debentures

As at 30 June 2018, the interests and short positions of the Directors and chief executives 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 Securities and Futures Ordinance (“SFO”)) which were 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 the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the “Model Code”), to be notified to the Company and the Stock Exchange, were as follows:

#### (i) Long positions in ordinary shares of the Company

Name of director	Nature of interest	Number of shares held/ interested in	Percentage of shareholding
Mr. Cheung Shek On	Interest in a controlled corporation ( <i>Note 1</i> )	189,000,000	28.125%
Mr. Chan Yuk Sing	Interest in a controlled corporation ( <i>Note 2</i> )	189,000,000	28.125%

#### Notes:

1. Mr. Cheung Shek On (“Mr. Cheung”) beneficially owns 100% of the issued share capital of Sino Continent Holdings Limited (“Sino Continent”) which in turn owns 189,000,000 ordinary shares of the Company. By virtue of the SFO, Mr. Cheung is deemed to be interested in the same number of the shares of the Company held by Sino Continent.
2. Mr. Chan Yuk Sing (“Mr. Chan”) beneficially owns 100% of the issued share capital of Supreme Voyage Limited (“Supreme Voyage”) which in turn owns 189,000,000 ordinary shares of the Company. By virtue of the SFO, Mr. Chan is deemed to be interested in the same number of the shares of the Company held by Supreme Voyage.

#### (ii) Short positions in ordinary shares of the Company

Save as disclosed above, as at 30 June 2018, there is no interests or short positions of the Directors and chief executives 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 SFO).

## SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

So far as the Directors are aware, as at 30 June 2018, other than the director and chief executive of the Company, the following persons/entities have an interest or a short position in the shares or the underlying shares of the Company as recorded in the register of the Company required to be kept under section 336 of the SFO:

### (i) Long positions in ordinary shares of the Company:

Name of shareholder	Nature of interest	Number of shares held/ interested in	Long/short position	Percentage of shareholding
Sino Continent	Beneficial owner	189,000,000	Long	28.125%
Supreme Voyage	Beneficial owner	189,000,000	Long	28.125%
Applewood Developments Limited	Beneficial owner	126,000,000	Long	18.75%
Ms. Luk Pui Kei Peggy	Interest of spouse (Note 1)	189,000,000	Long	28.125%
Ms. Cho Bik Nung	Interest of spouse (Note 2)	189,000,000	Long	28.125%
Mr. Kwok Shun Tim	Interest in a controlled corporation (Note 3)	126,000,000	Long	18.75%
Ms. Yip Nga Wan	Interest of spouse (Note 4)	126,000,000	Long	18.75%

Notes:

- Ms. Luk Pui Kei Peggy, the spouse of Mr. Cheung, is deemed under the SFO to be interested in all the shares of the Company in which Mr. Cheung is deemed to be interested.
- Ms. Cho Bik Nung, the spouse of Mr. Chan, is deemed under the SFO to be interested in all the shares of the Company in which Mr. Chan is deemed to be interested.
- Mr. Kwok beneficially owns 100% of the issued share capital of Applewood Developments Limited ("Applewood Developments"). By virtue of the SFO, Mr. Kwok is deemed to be interested in the same number of the shares of the Company held by Applewood Developments.
- Ms. Yip Nga Wan, the spouse of Mr. Kwok, is deemed under the SFO to be interested in all the shares of the Company in which Mr. Kwok is deemed to be interested.

### (ii) Short positions in shares of the Company:

Save as disclosed above, as at 30 June 2018, the Directors are not aware of any other persons/entities who had, or were deemed or taken to have any interests or short position in any shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO.

## **COMPETING INTERESTS**

The Directors are not aware of any business or interest of the Directors nor the controlling shareholder of the Company nor any of their respective associates (as defined in the Listing Rules) that compete or may compete with the business of the Group and any other conflicts of interest which any such person has or may have with the Group during the Reporting Period.

## **INTEREST OF COMPLIANCE ADVISOR**

As at 30 June 2018, as notified by the Company's compliance advisor, Ample Capital Limited (the "Compliance Advisor"), except for the compliance advisor agreement entered into between the Company and the Compliance Advisor dated 23 November 2016, neither the Compliance Advisor nor its directors, employees or its close associates (as defined under the Listing Rules) had any interests in relation to the Company which is required to be notified to the Company.

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

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

## **CORPORATE GOVERNANCE PRACTICE**

The Company has applied the principles and code provisions in the Corporate Governance Code and Corporate Governance Report (the "Code") as set out in Appendix 15 to the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "GEM Listing Rules") and Appendix 14 to the Listing Rules. In the opinion of the Board, the Company has complied with the Code during the Reporting Period except the following deviation:

Provision A.2.1 of the Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Cheung Shek On is the Chairman and the chief executive officer of our Company. In view that Mr. Cheung has been operating and managing our Group since our establishment, our Board believes that it is in the best interest of our Group to have Mr. Cheung taking up both roles for effective management and business development. In addition, major decisions are made after consultation with the Board and appropriate Board committees, as well as senior management. The Board is therefore of the view that there are adequate safeguards in place to ensure the balance of power and authority within the Company.

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

The Company has adopted the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules and the Model Code as set out in Appendix 10 to the Listing Rules as the code of conduct regarding securities transactions by the Directors (the "Code of Conduct")

in respect of the shares of the Company. The Company has made specific enquiry to all Directors, and all Directors have confirmed that they have fully complied with the required standard of dealings set out in the Code of Conduct during the Reporting Period.

## **DIVIDENDS**

The Board did not recommend payment of interim dividend to shareholders of the Company for the Reporting Period (2017: Nil).

## **SHARE OPTION SCHEME**

The Company has adopted the Share Option Scheme on 22 November 2016. The principal terms of the Share Option Scheme is summarised in Appendix IV to the Prospectus. The Share Option Scheme will remain valid and effective following the Transfer of Listing and will be implemented in full with the requirements under Chapter 17 of the Listing Rules.

No share option has been granted, exercised, cancelled or lapsed under the Share Option Scheme since the adoption of the Share Option Scheme and there was no share option outstanding as at 30 June 2018.

## **AUDIT COMMITTEE**

The Company has established an audit committee (the “Audit Committee”) on 22 November 2016 with its written terms of reference in compliance with paragraphs C3.3 and C3.7 of the Code. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control system of the Group, nominate and monitor external auditors and to provide advices and comments to the Board on matters related to corporate governance. The Audit Committee consists of three members, namely Mr. Chow Chun To, Mr. Chan Ngai Sang Kenny and Mr. Yam Chiu Fan Joseph, all being independent non-executive Directors.

The Audit Committee has reviewed the unaudited condensed consolidated financial statements of the Group for the Reporting Period.

By order of the Board  
**Sing On Holdings Limited**  
**Cheung Shek On**  
*Chairman*

Hong Kong, 24 August 2018

*As at the date of this announcement, the executive Directors are Mr. Cheung Shek On and Mr. Chan Yuk Sing; the non-executive Director is Mr. Kuan Hong Kin Daniel; and the independent non-executive Directors are Mr. Chan Ngai Sang Kenny, Mr. Chow Chun To and Mr. Yam Chiu Fan Joseph.*