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**Seamless Green China (Holdings) Limited**  
**無縫綠色中國(集團)有限公司**

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

**2019 FIRST QUARTERLY RESULTS ANNOUNCEMENT  
FOR THE THREE MONTHS ENDED 31 MARCH 2019**

**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 of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.**

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*This announcement, for which the directors (the “Directors”) of Seamless Green China (Holdings) Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (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 announcement 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 announcement misleading.*

## **HIGHLIGHTS**

1. The Group has recorded total revenue of approximately HK\$8.3 million for the three months ended 31 March 2019.
2. The Group has recorded loss attributable to owners of the Company for the three months ended 31 March 2019 of approximately HK\$1.4 million, representing a basic loss per share of HK cent 0.09.
3. The Board does not recommend the payment of an interim dividend for the three months ended 31 March 2019.

## UNAUDITED FIRST QUARTERLY RESULTS

The board of Directors (the “Board”) announces the unaudited condensed consolidated results of the Company and its subsidiaries (collectively the “Group”) for the three months ended 31 March 2019 together with the relevant comparative unaudited figures as follows:

### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the three months ended 31 March 2019

	Notes	Three months ended 31 March	
		2019 HK\$'000	2018 HK\$'000
Revenue	3	8,265	21,741
Cost of sales		(7,124)	(18,185)
<b>Gross profit</b>		<b>1,141</b>	3,556
Other income and other losses, net		5	9
Selling and distribution costs		(73)	(55)
Administrative and other operating expenses		(2,406)	(2,582)
<b>(Loss)/profit from operations</b>		<b>(1,333)</b>	928
Finance costs		(4)	–
<b>(Loss)/profit before income tax</b>		<b>(1,337)</b>	928
Income tax expense	4	(73)	(15)
<b>(Loss)/profit for the period attributable to owners of the company</b>		<b>(1,410)</b>	913
(Loss)/profit per share attributable to the owners of the Company			
– Basic (HK cents)	6	(0.09)	0.06
– Diluted (HK cents)	6	(0.09)	0.06

# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months ended 31 March 2019

	Three months ended 31 March	
	2019	2018
<i>Notes</i>	HK\$'000	HK\$'000
<b>(Loss)/profit for the period</b>	<b>(1,410)</b>	913
<b>Other comprehensive income</b>		
<i>Items that may be subsequently reclassified to profit or loss:</i>		
Exchange differences on translating foreign subsidiaries	1,554	1,825
<i>Items that will not be reclassified to profit and loss:</i>		
Change in the fair value of financial assets at fair value through other comprehensive income	9	–
	<b>1,563</b>	1,825
<b>Total comprehensive income for the period attributable to owners of the Company, net of tax</b>	<b>153</b>	2,738

# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months ended 31 March 2019

	Share capital HK\$'000	Share premium HK\$'000	Financial assets at fair value through other comprehensive income reserve HK\$'000	Exchange reserve HK\$'000	Share-based payment reserve HK\$'000	Other reserve HK\$'000	Statutory reserve HK\$'000	Accumulated losses HK\$'000	Non- controlling interests HK\$'000	Total HK\$'000
<b>For the three months ended</b>										
<b>31 March 2018</b>										
As at 1 January 2018 (Audited)	78,626	491,228	-	(2,133)	8,762	-	-	(511,132)	(804)	64,547
<b>Comprehensive income</b>										
Profit for the period	-	-	-	-	-	-	-	913	-	913
<b>Other comprehensive income</b>										
Exchange difference on translating foreign subsidiaries	-	-	-	1,825	-	-	-	-	-	1,825
<b>Total comprehensive income for the period</b>	-	-	-	1,825	-	-	-	913	-	2,738
As at 31 March 2018 (Unaudited)	78,626	491,228	-	(308)	8,762	-	-	(510,219)	(804)	67,285
<b>For the three months ended</b>										
<b>31 March 2019</b>										
As at 1 January 2019 (Audited)	78,626	491,288	(762)	(6,606)	8,762	(776)	436	(518,291)	-	52,617
<b>Comprehensive income</b>										
Loss for the period	-	-	-	-	-	-	-	(1,410)	-	(1,410)
<b>Other comprehensive income</b>										
Exchange difference on translating foreign subsidiaries	-	-	-	1,554	-	-	-	-	-	1,554
Changes in the fair value of financial assets at fair value through other comprehensive income	-	-	9	-	-	-	-	-	-	9
<b>Total comprehensive income for the period</b>	-	-	9	1,554	-	-	-	(1,410)	-	153
As at 31 March 2019 (Unaudited)	78,626	491,288	(753)	(5,052)	8,762	(776)	436	(519,701)	-	52,770

## NOTES TO FINANCIAL STATEMENTS

### 1. GENERAL INFORMATION

Seamless Green China (Holdings) Limited (the “Company”) is an investment holding company and together with its subsidiaries (collectively referred to as the “Group”) are principally engaged in the manufacturing and trading of Light Emitting Diode (“LED”) and related products, manufacturing and sale of optoelectronic products and sapphire watch crystals, trading of liquor and property investment.

The Company was incorporated in the Cayman Islands on 18 January 2001 as an exempted company with limited liability. The issued shares of the Company’s shares have been listed on GEM of The Stock Exchange of Hong Kong Limited since 10 August 2001. Pursuant to a special resolution passed on 7 January 2008, the shareholders of the Company resolved to change the domicile of the Company from the Cayman Islands to Bermuda by way of deregistration in the Cayman Islands and continuation as an exempted company under the laws of Bermuda. The redomicile was completed on 22 January 2008. The change of domicile has no impact on the continuity and the listing status of the Company. The addresses of its registered office and principal place of business are Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and Room 1604, Seaview Commercial Building, 21-24 Connaught Road West, Sheung Wan, Hong Kong respectively.

These unaudited condensed consolidated financial statements are presented in thousands of units of Hong Kong dollars (HK\$’000), unless otherwise stated.

### 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements have been prepared in compliance with the disclosure requirements of the GEM Listing Rules.

The accounting policies and method of computation used in the preparation of these results are consistent with those used in the annual financial statements for the year ended 31 December 2018. The Group has adopted new or revised standards, amendments to standards and interpretations of Hong Kong Financial Reporting Standards which are effective for accounting periods commencing on or after 1 January 2019. The adoption of such new or revised standards, amendments to standards and interpretations does not have material impact on the consolidated financial statements and does not result in substantial changes to the Group’s accounting policies.

These unaudited condensed consolidated financial statements have been prepared under the historical cost convention, except for the financial asset at fair value through other comprehensive income, which were carried at fair value.

The condensed consolidated financial statements have not been audited by the Company’s independent auditor, but have been reviewed by the Company’s audit committee.

The unaudited quarterly financial statements should be read in conjunction with the annual report for the year ended 31 December 2018.

### 3. REVENUE

The Group's revenue represents the sales of goods supplied to customers, net of discount and sales related tax as follows:

	Three months ended 31 March	
	2019 HK\$'000 (unaudited)	2018 HK\$'000 (unaudited)
LED and related products	8,082	20,411
Optoelectronic products	–	416
Liquor products	183	914
Sapphire watch crystals	–	–
	<b>8,265</b>	<b>21,741</b>

### 4. INCOME TAX EXPENSE

	Three months ended 31 March	
	2019 HK\$'000 (unaudited)	2018 HK\$'000 (unaudited)
Provision for current income tax		
– Hong Kong Profits Tax	2	2
– PRC Corporate Income Tax ("CIT")	71	13
	<b>73</b>	<b>15</b>

Hong Kong Profits Tax has been provided for as there is business operation that is subject to Hong Kong profits tax. It has been provided for at the rate of 8.25% for the first HK\$2,000,000 and 16.5% of the remaining estimated assessable profit for the three months ended 31 March 2019 (three months ended 31 March 2018: same).

CIT is provided on the assessable income of entities within the Group incorporated in the Mainland China. The applicable CIT tax rate is 25% unless preferential tax rates were applicable (three months ended 31 March 2018: same).

There were no material unrecognised deferred tax assets and liabilities as at 31 March 2019 (31 December 2018: Nil).

### 5. INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the three months ended 31 March 2019 (three months ended 31 March 2018: Nil).

## 6. EARNINGS/(LOSS) PER SHARE

### (a) Basic

Basic earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

	Three months ended 31 March	
	2019	2018
	(unaudited)	(unaudited)
(Loss)/profit attributable to the owners of the Company (HK\$'000)	<b>(1,410)</b>	913
Weighted average number of ordinary shares in issue (thousand shares)	<b>1,572,517</b>	1,572,517
Basic (loss)/earnings per share attributable to owners of the Company (HK cents)	<b>(0.09)</b>	0.06

### (b) Diluted

Diluted earnings/(loss) per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume exercise of all potentially dilutive ordinary shares. The Company has one category of potentially dilutive ordinary shares: share options. For the share options, a calculation has been done to determine the number of shares that could have been acquired at fair value (determined as the average market share price of the Company's shares for the period) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

For the three months ended 31 March 2019, the share options issued were not assumed to be exercised as they would have an anti-dilutive impact to the basic earnings/(loss) per share (three months ended 31 March 2018: Same).

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **BUSINESS AND FINANCIAL REVIEW**

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

During the three months ended 31 March 2019 (the "Period"), the total revenue of the Group amounted to approximately HK\$8.3 million, representing a 62.0% decrease compared with approximately HK\$21.7 million for the three months ended 31 March 2018 (the "Comparative Period"). Loss attributable to owners of the Company for the Period was approximately HK\$1.4 million, compared with profit of approximately HK\$0.9 million in the Comparative Period.

#### **Revenue**

##### ***LED and related products division***

The Group's LED products division recorded a revenue of approximately HK\$8.1 million for the Period (Comparative Period: HK\$20.4 million). Since 2017, the Group launched a new LED and related product line which is gaining market popularity in Hong Kong and China. During the Period, the revenue of the division decreased significantly due to shortage of raw materials. However, the material shortage was temporary and the problem appears to have alleviated in the second quarter of 2019. We continue to hold our expectation to receive recurring and increasing purchase orders for the LED and related products in the long run.

##### ***Optoelectronics products division***

The Group's optoelectronics products division did not generate any revenue during the Period (Comparative Period: HK\$0.4 million). The divisions performance remains weak due to the sluggish market of traditional watches. The Board will continue to monitor the market situation and will continue to explore business opportunities to leverage on the Group's established experience in watch industry.

##### ***Trading of liquor products division***

The Group's liquor trading division recorded a revenue of approximately HK\$0.2 million (Comparative Period: HK\$0.9 million). The Board will continue to adjust its strategy to explore business opportunities to leverage on the Group's established experience in liquor trading industry.

##### ***Sapphire watch crystals division***

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

## **Administrative and other operating expenses**

Total administrative and other operating expenses were approximately HK\$2.4 million for the Period (Comparative Period: approximately HK\$2.6 million), representing a decrease of HK\$0.2 million. The decrease in administrative and other operating expenses was mainly due to the cost control measures adopted by the management to control the expenditure of the Group.

## **CAPITAL STRUCTURE, FINANCIAL RESOURCES AND LIQUIDITY**

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

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the amount of dividend payment to the Shareholders, issue new shares, obtain other borrowings, or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as trade and other payables, promissory notes and other borrowings, less cash and cash equivalents. Total capital is calculated as total equity plus net debt. As at 31 March 2019, the Group's gearing ratio was 37.1% (31 December 2018: 51.9%).

The total equity of the Group were slightly increased to approximately HK\$52.8 million as at 31 March 2019 (31 December 2018: approximately HK\$52.6 million). The Group's current assets amounted to approximately HK\$84.3 million as at 31 March 2019 (31 December 2018: approximately HK\$100.7 million), of which approximately HK\$12.7 million (31 December 2018: approximately HK\$5.0 million) was cash and cash equivalents.

As at 31 March 2019, the Group had cash and cash equivalents of approximately HK\$12.7 million (31 December 2018: approximately HK\$5.0 million), of which approximately 72%, 25% and 3% (31 December 2018: approximately 51%, 40% and 9%) were denominated in Renminbi ("RMB"), Hong Kong dollars ("HKD") and United States dollar ("USD") respectively.

As at 31 March 2019, all other borrowings and promissory notes of the Group bore fixed interest rates and denominated in HKD.

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

After considering the Group's financial results for the Period and existing financial position, the Board will actively seek new additional funding, including but not limited to the issue of new shares and new bank loans to strengthen the Group's financial position and finance new projects.

## **Employees and remuneration policies**

As at 31 March 2019, the Group had 60 employees (31 December 2018: 71). Employees were remunerated according to their performance and work experience. In addition to the basic salaries and retirement scheme, staff benefits include free accommodation at the Group's staff quarters in Hong Kong, performance bonus and share options. The total staff costs including Directors' remuneration for the Period were approximately HK\$1.4 million (Comparative Period: approximately HK\$1.0 million).

## **Foreign currency risk**

The Group operates mainly in Mainland China and Hong Kong. For the operations in Mainland China, the transactions are mostly denominated in RMB. Minimal exposure to fluctuation in exchange rates is expected. For the operations in Hong Kong, most of the transactions are denominated in HK\$ and US\$. Since the exchange rate of US\$ against HK\$ is pegged to each other under the Linked Exchange Rate System, the exposure to fluctuation in exchange rates will only arise from the translation to the presentation currency of the Group. The Group did not resort to any currency hedging facility for the Period. However, the management will monitor the Group's foreign currency exposure should the need arise.

## **Pledge of assets**

As at 31 March 2019, the Group had no pledge of assets.

## **Contingent liabilities**

As at 31 March 2019, the Group had no material contingent liabilities.

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

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

## **LITIGATION**

- (i) On 6 March 2012, a writ of summons was issued by JMM Business Network Investments (China) Limited ("JMM") against (a) Mr. Chan Ka Ming, Mr. Nee, Henry Pei Ching, Mr. Ho Chun Kit Gregory, Mr. Tam Chak Chi, Mr. Ng Kai Shing, Mr. Jal Nadirshaw Karbhari and Ms. Chan Sze Man, all former Directors; and (b) the Company. In this action, JMM sought to challenge the validity of a notice of special general meeting of the Company dated 9 February 2012, but did not specify any monetary claim against the Company. The Directors have not been aware of any material progress of this action since as early as the third quarter of 2012. As such, the Directors are of the view that the action is unlikely to result in any significant financial impact on the Company.

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

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

## PROSPECTS

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

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

As at 31 March 2019, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")), which would have to be notified to the Company and the Stock Exchange or to be entered in the register referred to in the SFO are as follows:–

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

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

*Note:* The percentage represents the number of Shares interested divided by the number of the issued Shares as at 31 March 2019.

As at 31 March 2019, save as disclosed above, none of the Directors and the chief executive of the Company had any interests and short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which would have to be: (a) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and/or short positions in which they were taken or deemed to have under such provisions of the SFO); or (b) recorded in the register required to be kept pursuant to Section 352 of the SFO; or (c) notified to the Company and the Stock Exchange pursuant to the required standards of dealing by Directors as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules.

## DIRECTORS' RIGHT TO ACQUIRE SHARES

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

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

As at 31 March 2019, so far as the Directors are aware, the persons (other than a Director or the chief executive of the Company) who had an interest or short position in the Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or were directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances of general meetings of the Company or substantial shareholders as recorded in the register required to be kept by the Company under section 336 of the SFO, are as follows:

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

Note: The percentage represents the number of Shares interested divided by the number of the issued Shares as at 31 March 2019.

So far as is known to any Director, there was no person (other than a Director or chief executive of the Company) who, as at 31 March 2019, had an interest or short position in the Shares or underlying Shares, which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or was directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other substantial shareholders whose interest or short position were recorded in the register required to be kept by the Company under section 336 of the SFO.

## PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

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

## **DIRECTORS' SECURITIES TRANSACTION**

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

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

## **COMPLIANCE WITH CORPORATE GOVERNANCE CODE**

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

## **COMPETING INTERESTS**

During the Period, none of the Directors or the substantial shareholders of the Company (as defined in the GEM Listing Rules) or their respective close associates (as defined in the GEM Listing Rules) had an interest in a business that competed or might compete with the business of the Group.

## **REVIEW BY AUDIT COMMITTEE**

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

The Company's unaudited consolidated financial statements for the Period and the 2019 first quarterly report have been reviewed by the Audit Committee. The Audit Committee considered that the relevant financial statements had been prepared in compliance with the applicable accounting principles and requirements of the GEM Listing Rules.

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

Hong Kong, 10 May 2019

As at the date of this announcement, the Board comprises:

*Executive Directors*

- (1) Mr. Wong Kin Hong (*Chairman*)
- (2) Mr. Huang Yonghua
- (3) Mr. Wong Tat Wa
- (4) Ms. Leung Po Yee

*INEDs*

- (5) Mr. Yan Guoniu
- (6) Mr. Tang Rong Gang
- (7) Mr. Ou Wei An
- (8) Mr. Ng Yu Ho, Steve

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