



**TONG KEE (HOLDING) LIMITED**

**棠記（控股）有限公司**

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

**(Stock Code: 8305)**

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

**CHARACTERISTICS OF THE 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. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.**

**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 Tong Kee (Holding) 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.*

*This announcement will remain on the “Latest Company Announcements” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least seven days from the date of its publication and the Company’s website at [www.tongkee.com.hk](http://www.tongkee.com.hk).*

### THIRD QUARTERLY RESULTS (UNAUDITED)

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

#### CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

FOR THE THREE MONTHS ENDED AND THE NINE MONTHS ENDED 30 SEPTEMBER 2021

	Notes	Three months ended 30 September		Nine months ended 30 September	
		2021 HK\$'000 (Unaudited)	2020 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)	2020 HK\$'000 (Unaudited)
Revenue	3	<b>48,443</b>	44,529	<b>136,447</b>	127,743
Direct cost		<b>(42,059)</b>	(38,894)	<b>(120,569)</b>	(113,089)
Gross profit		<b>6,384</b>	5,635	<b>15,878</b>	14,654
Other income, net		<b>235</b>	6,061	<b>235</b>	6,286
Administrative expenses		<b>(7,088)</b>	(6,509)	<b>(18,544)</b>	(20,560)
(Loss)/profit arising from change in fair value of financial assets at fair value through profit or loss		<b>46</b>	14	<b>(170)</b>	(158)
Finance costs		<b>(412)</b>	(298)	<b>(1,211)</b>	(1,216)
(Loss)/profit before taxation		<b>(835)</b>	4,903	<b>(3,812)</b>	(994)
Income tax expense	4	<b>—</b>	—	<b>—</b>	—
(Loss)/profit and total comprehensive (expense)/ income for the period		<b>(835)</b>	4,903	<b>(3,812)</b>	(994)
(Loss)/earnings per share — Basic (HK cents)	6	<b>(0.10)</b>	0.61	<b>(0.48)</b>	(0.13)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
(UNAUDITED)**

*FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2021*

	<b>Share capital</b> <i>HK\$'000</i>	<b>Share premium</b> <i>HK\$'000</i>	<b>Capital reserve</b> <i>HK\$'000</i>	<b>Retained profits</b> <i>HK\$'000</i>	<b>Total</b> <i>HK\$'000</i>
At 1 January 2021 (audited)	<u>8,000</u>	<u>33,324</u>	<u>1,941</u>	<u>38,750</u>	<u>82,015</u>
Loss and total comprehensive expense for the period	<u>–</u>	<u>–</u>	<u>–</u>	<u>(3,812)</u>	<u>(3,812)</u>
At 30 September 2021 (unaudited)	<u><u>8,000</u></u>	<u><u>33,324</u></u>	<u><u>1,941</u></u>	<u><u>34,938</u></u>	<u><u>78,203</u></u>
At 1 January 2020 (audited)	<u>8,000</u>	<u>33,324</u>	<u>1,941</u>	<u>41,041</u>	<u>84,306</u>
Loss and total comprehensive expense for the period	<u>–</u>	<u>–</u>	<u>–</u>	<u>(994)</u>	<u>(994)</u>
At 30 September 2020 (unaudited)	<u><u>8,000</u></u>	<u><u>33,324</u></u>	<u><u>1,941</u></u>	<u><u>40,047</u></u>	<u><u>83,312</u></u>

*Note:* Capital reserve represents the difference between the Company's Share capital and the combined share capital of the subsidiaries of the Company pursuant to a reorganisation for the listing.

# **NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

## **FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2021**

### **1. CORPORATE INFORMATION**

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 10 April 2017 under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The immediate and ultimate holding company is Advanced Pacific Enterprises Limited, a company incorporated in the British Virgin Islands, which is controlled by Mr. Heung Chung Sum (“Controlling Shareholder” or “Mr. Heung”). The address of the registered office and principal place of business of the Company are at Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman, KY1-1108, Cayman Islands and Room 2502, 25/F, 148 Electric Road, North Point, Hong Kong, respectively. The Company’s shares are subsequently listed on the GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 4 July 2018 (the “Listing”).

The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the “Group”) are multi-disciplinary contractors which are principally engaged in performing repair, maintenance, alteration and addition (“RMAA”) works, new construction works and cathodic protection works in Hong Kong.

The unaudited condensed consolidated financial statements are presented in Hong Kong dollar (“HK\$”) which is the same as the functional currency of the Company and its subsidiaries, and all values are rounded to the nearest thousands (“HK\$’000”), except where otherwise indicated.

### **2. BASIS OF PREPARATION**

The unaudited condensed consolidated financial statements of the Group for the nine months ended 30 September 2021 have been prepared in accordance with accounting principles generally accepted in Hong Kong and comply with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and the applicable disclosure requirements of the GEM Listing Rules.

The accounting policies and methods of computation used in the preparation of the unaudited condensed consolidated financial statements are consistent with those used in the interim report of the Group for the period ended 30 June 2021.

In current period, HKICPA has issued a number of new and revised HKFRSs and interpretations that are first effective or available for early adoption for the current accounting period of the company, there have been no significant changes to the accounting policies applied in these financial statements for the period presented as a result of these developments.

The unaudited condensed consolidated financial statements have been prepared under the historical cost convention.

The preparation of the unaudited condensed consolidated financial statements in conformity with the HKFRSs requires the use of certain critical accounting estimates. It also requires the management to exercise their judgements in the process of applying the Group’s accounting policies.

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

### 3. REVENUE

Revenue represents the fair value of amounts received and receivable by the Group in respect of the provision of building renovation and construction services to external customers. The Group's operations are solely derived from the building renovation and construction services in Hong Kong during the period. For the purposes of resources allocation and performance assessment, the chief operating decision maker (the "CODM"), being the executive directors of the Company, reviews the overall results and financial position of the Group as a whole prepared based on the same set of accounting policies. Accordingly, the Group has only one single operating segment and no further analysis of this single segment is presented.

### 4. INCOME TAX EXPENSE

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and is accordingly not subject to income tax in the Cayman Islands.

No provision for Hong Kong Profits Tax has been made in the financial statements as the Group has no estimated assessable profits for both periods.

	Three months ended 30 September		Nine months ended 30 September	
	2021 HK\$'000 (Unaudited)	2020 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)	2020 HK\$'000 (Unaudited)
Hong Kong Profits Tax				
— Current year	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

### 5. DIVIDEND

The Board does not recommend the payment of dividend for the nine months ended 30 September 2021.

### 6. (LOSS)/EARNINGS PER SHARE

The calculations of basic earnings per share attributable to the owners of the Company for the three months and nine months ended 30 September 2021 are based on the followings:

	Three months ended 30 September		Nine months ended 30 September	
	2021 HK\$'000 (Unaudited)	2020 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)	2020 HK\$'000 (Unaudited)
<b>(Loss)/earnings:</b>				
(Loss)/earnings for the purpose of basic earnings per share (profit for the period)	<u>(835)</u>	<u>4,903</u>	<u>(3,812)</u>	<u>(994)</u>
	'000	'000	'000	'000
<b>Number of shares:</b>				
Weighted average number of ordinary shares for the purpose of basic earnings per share	<u>800,000</u>	<u>800,000</u>	<u>800,000</u>	<u>800,000</u>

Diluted earnings per share for both periods were the same as basic earnings per share as there were no dilutive potential ordinary shares outstanding.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Business Review and Outlook

The Company and its subsidiaries (collectively referred to as the “Group”) is an established multi-disciplinary contractor for the provision of renovation and maintenance works, alteration and addition works (“RMAA”), new construction works, and cathodic protection works in Hong Kong. The Group is responsible for the overall management, implementation and supervision of projects. The Group focuses on the management of projects, development of work programmes, procurement of works materials, operation of site works, co-ordination with the customers or their consultants and quality control of the works carried by the employees and the subcontractors.

For RMAA works, the Group provides repair, maintenance, alteration and addition, modification, rehabilitation, steel, civil and demolition works in various venues such as residential building, commercial building, carpark, road, footbridge and theme park in Hong Kong. For new construction works, the Group provides a variety of constructions and related alteration and additions works and facilities such as noise mitigation work, architectural metalwork, bus shelter, dangerous goods store building, innovative and creative structure such as air balloon. For cathodic protection works, the Group provides installation of cathodic protection systems including sacrificial anodes protection and impressed current systems.

For the nine months ended 30 September 2021 (“Relevant Period”), there were 106 projects (corresponding period in 2020: 155 projects) with revenue contribution undertaken by the Group. The revenue of the Group reported an increase in current period, the demands for the Group’s RMAA and fitting-out works services is on an increasing trend. During the nine months ended 30 September 2021, the Group was awarded 64 new projects, with total original contract sum of approximately HK\$136 million.

Looking forward, the Directors consider that the future opportunities and challenges facing the Group will continue to be affected by the development of the property market and expansion on the infrastructure in Hong Kong as well as factors affecting the labour costs and material costs. The Directors are of the view that the number of properties to be built and maintained in Hong Kong remains to be the key driver for the growth of the Hong Kong RMAA and new construction works industry.

The outbreak of the novel coronavirus (COVID-19) and its escalation on a global scale has triggered unprecedented disruptions in business operations and to the economy. While it would be difficult to gauge the longer term impact of such events as the situation is dynamically evolving, the Group has been proactive in closely monitoring the market conditions and taking appropriate measures to respond to the challenges. The Group will continue to monitor the development of the COVID-19 epidemic and its impact on the operations and results of the Group, if any. The Group will continue to strengthen its cost control and resources management as well as to actively participate in project tenders, in order to maintain its competitiveness in the market.

In addition, a series of precautionary and control measures have been implemented across the region. In order to ensure the health and safety of our employees and to facilitate the prevention and control of the COVID-19 outbreak, the Group has, (i) promptly established a crisis management working team for coordination and arrangement of provision of services in our premises with the aim to maintain normal operation; (ii) provided sufficient protective equipment and masks to our employees; and (iii) ensured that all our employees have strictly implemented the control and prevention measures formulated by the Group, including the strict observance of personal and environmental hygiene and regular body temperature checks for all employees and visitors entering into our premises.

With the Group's experienced management team and reputation in the market, the Directors consider that the Group is well-positioned to compete against its competitors under such future challenges that are commonly faced by all competitors, and the Group will continue to strengthen the market position in the industry and expand the market share by securing more RMAA and cathodic protection works contracts by utilising the net proceeds from the Listing of the Shares on GEM of the Stock Exchange on 4 July 2018 (the "Listing Date").

## **Financial Review**

### *Revenue*

The revenue increased from approximately HK\$127.7 million for the nine months ended 30 September 2020 to approximately HK\$136.4 million for the nine months ended 30 September 2021, representing an increase of approximately 6.8%. Such increase was mainly due to the combined effect of the increase in RMAA and cathodic protection works projects undertaken by the Group as a result of the overall development in the construction industry in Hong Kong, and also chasing back the delay in schedule of the projects caused by COVID-19 as mentioned above.

### *Direct Cost*

The cost of sales increased from approximately HK\$113.0 million for the nine months ended 30 September 2020 to approximately HK\$120.5 million for the nine months ended 30 September 2021, representing an increase of approximately 6.6%. Such increase was mainly attributable to the increase in the subcontracting charges incurred with the increase in the revenue recognised by the RMAA and cathodic protection work projects undertaken by the Group during the period.

### *Gross Profit*

Gross profit of the Group increased by approximately HK\$1.2 million from approximately HK\$14.7 million for the nine months ended 30 September 2020 to approximately HK\$15.9 million for the nine months ended 30 September 2021. The increase was mainly driven by the increase in revenue for the nine months ended 30 September 2021 as discussed above. The overall gross profit margin remain steady for approximately 11.5% and 11.6% for the nine months ended 30 September 2020 and for the nine months ended 30 September 2021.

### *Administrative Expenses*

Administrative expenses of the Group decreased by approximately HK\$2.1 million or 7.8% from approximately HK\$20.6 million for the nine months ended 30 September 2020 to approximately HK\$18.5 million for the nine months ended 30 September 2021.

Administrative expenses primarily consist of staff costs, depreciation, transportation and motor vehicle expense, professional service fee and other costs incurred for daily operation. The decrease was mainly attributable to the decrease in staff costs paid to staff, the increase in depreciation as well as professional service fee in relation to a potential acquisition.

### *Other income*

The other income decreased by HK\$6.1 million from HK\$6.3 million for the nine months ended 30 September 2020 to HK\$0.2 million for the nine months ended 30 September 2021. The amount in previous period mainly represent the Anti-epidemic Fund provided by the Hong Kong Special Administrative Region Government to subsidise the challenges brought by the COVID-19 epidemic and the subsidy was ceased in current year.

### *Finance Costs*

Finance costs for the Group remain steady for the nine months ended 30 September 2019 and for the nine months ended 30 September 2020.

### *Income Tax Expense*

Income tax expense remained nil for the nine months ended 30 September 2020 and for the nine months ended 30 September 2021.

### *Loss for the Period*

As a result of foregoing, the Group recognised a loss for the period of approximately HK\$3.8 million for the nine months ended 30 September 2021, representing an increase in loss of approximately HK\$2.8 million when compared to the nine months ended 30 September 2020. Such increase was mainly attributable to the significant decrease in other income as discussed above. If the one-off Anti-epidemic Fund was excluded in prior period, the loss for the nine months ended 30 September 2020 was approximately HK\$7.0 million.

### **Liquidity and Financial Resources**

The current ratio remain steady at approximately 1.6 times as at 31 December 2020 and 30 September 2021.

As at 30 September 2021, the Group had total borrowings of approximately HK\$37.1 million (31 December 2020: approximately HK\$36.4 million). The gearing ratio, calculated based on the total borrowings divided by total equity at the end of the year/period and multiplied by 100%, increased mildly from approximately 44.3% as at 31 December 2020 to approximately 48.6% as at 30 September 2021 due to the Group wants to maintain a steady gearing ratio. The Group's financial position is sound and strong. With available bank balances and cash and bank credit facilities, the Group has sufficient liquidity to satisfy its funding requirements.

The Group's borrowings and bank balances are denominated in HK\$ and there was no significant exposure to foreign exchange rate fluctuations during the Relevant Period.

### **Treasury Policy**

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the Relevant Period. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

### **Capital Structure**

The shares of the Company were listed on the GEM of the Stock Exchange on 4 July 2018. There has been no change in the capital structure of the Group since then. The share capital of the Company only consists of ordinary shares.

As at the date of this announcement, the Company's issued share capital was HK\$8,000,000 and the number of its issued ordinary shares was 800,000,000 of HK\$0.01 each.

### **Commitments**

The Group has no operating lease commitments as at 31 December 2020 and 30 September 2021.

### **Future Plans for Material Investments and Capital Assets**

Save as disclosed in the announcement dated 19 October 2021, the Group did not have other plans for material investments and capital assets.

### **Material Acquisitions and Disposals of Subsidiaries and Affiliated Companies**

During the nine months ended 30 September 2021, the Group did not have any material acquisitions or disposals of subsidiaries and affiliated companies.

### **Contingent Liabilities**

The Group did not have other material contingent liabilities.

## Exposure to Exchange Rate Fluctuation

The Group's revenue generating operations are mainly transacted in HK\$. The Directors consider the impact of foreign exchange exposure to the Group is minimal.

## Charge of Group's Assets

As at 30 September 2021, the Group pledged certain amount of land and building and investments in life insurance policies to secure short-term bank borrowings and other general banking facilities granted to the Group.

## Employees and Remuneration Policies

As at 30 September 2021, the Group employed a total of 110 employees (31 December 2020: 120 employees). The staff costs, including Directors' emoluments, of the Group were approximately HK\$32.3 million for the nine months ended 30 September 2021 (for the nine months ended 30 September 2020: approximately HK\$35.5 million). Remuneration is determined with reference to market terms and the performance, qualification and experience of individual employee. Apart from basic remuneration, share options may be granted to eligible employees by reference to the Group's performance as well as individual contribution.

## Use of Proceeds

The net proceeds from the listing, after deducting listing related expenses, were approximately HK\$25.2 million. After the listing, these proceeds were used for the purposes in accordance with the future plans and use of proceeds as set out in the Prospectus. The unused amount of the net proceeds from the listing date as at and up to date of this announcement was approximately HK\$3.3 million. An analysis of the utilization of the net proceeds from the Listing Date up to the date of this announcement is set out below:

	<b>Revised use of net proceeds as disclosed in the announcement dated 15 July 2020</b>	<b>Actual use of net proceeds from Listing Date to the date of this announcement</b>	<b>Expected timeline of full utilisation of the balance</b>
	<i>HK\$ million</i>	<i>HK\$ million</i>	
Reserved capital to satisfy the Group's potential customers' requirement for surety/performance bond	1.2	1.2	
Further Strengthen the Group's manpower	9.4	9.0	year ending 2021
Acquisition of additional machinery and equipment	4.3	3.1	year ending 2021
Upgrading the Hong Kong office and workshop	7.7	6.0	year ending 2021
General working capital	2.6	2.6	

The business objectives, future plans and planned use of proceeds as disclosed in the Prospectus and the announcement dated 15 July 2020 were based on the best estimation and assumption of future market conditions made by the Group at the relevant time while the proceeds were applied based on the actual development of the Group's business, the actual situation and the industry.

The Directors will constantly evaluate the Group's business objective and will change or modify plans against the changing market condition to ensure the business growth of the Group.

## Disclosure of Interests

### A. *Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures*

As at 30 September 2021, the Company was wholly owned by Advanced Pacific Enterprises Limited, which the ultimate owner is Mr. Heung Chung Sum.

As at the date of this announcement, interests or short positions of the Directors, chief executives of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were required (i) 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 (ii) pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or (iii) pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

#### (i) *Long Position in the Company's Shares*

Name of Director	Capacity	Number and class of securities	Approximate percentage of shareholding
Mr. Heung Chung Sum	Interest in a controlled corporation	600,000,000 ordinary shares	75%

#### (ii) *Long position in the ordinary shares of associated corporations*

Name of Director	Name of associated corporations	Capacity	Number and class of securities	Approximate percentage of shareholding
Mr. Heung Chung Sum	Advanced Pacific Enterprises Limited	Beneficial owner	2 ordinary shares	100%

***B. Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares, Underlying Shares and Debentures***

As at the date of this announcement, the interest and short positions of the person (other than the Directors or chief executive of the Company) or company which was required to be recorded in the register required to be kept under Section 336 of the SFO were as follows:

Name	Capacity	Number and class of securities	Long/short position	Approximate percentage of shareholding
Advanced Pacific Enterprises Limited	Beneficial owner	600,000,000 ordinary shares	Long	75%

Save as disclosed above, as at the date of this announcement and so far as is known to the Directors, no person, other than the Directors and chief executive of the Company whose interests are set out in the section “Directors’ and Chief Executives’ Interests and Short Positions in Shares, Underlying Shares and Debentures” above, had notified the Company of an interest or short position in the shares or underlying shares of the Company that was required to be recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

**Competing and Conflicts of 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 GEM 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 nine months ended 30 September 2021.

**Purchase, Sales or Redemption of the Company’s Listed Securities**

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities during the nine months ended 30 September 2021.

## **Corporate Governance Code**

Pursuant to the code provision A.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established.

Mr. Heung Chung Sum currently assumes the role of both chairman of the Company and chief executive of the Company. The Board considers that this structure could enhance efficiency in formulation and implementation of the Company's strategies. The Board will review the need of appointing suitable candidate to assume the role of chief executive when necessary.

As at 30 September 2021, save as disclosed above, the Company has complied with the applicable code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix 15 of the GEM Listing Rules.

## **Directors' Securities Transactions**

The Group has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standards of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company had also made specific enquiries of all the Directors and the Company was not aware of any non-compliance with the required standard of dealings regarding securities transactions by the Directors throughout the nine months ended 30 September 2021.

## **Dividend**

The Board does not recommend the payment of dividend for the nine months ended 30 September 2021.

## **Share Option Scheme**

The Company has conditionally adopted a share option scheme on 4 June 2018 ("the Scheme"). The terms of the Scheme are in accordance with the provisions of Chapter 23 of the GEM Listing Rules.

No share options has been granted during the Relevant Period and there were no share options outstanding as at 30 September 2021.

## **Audit Committee**

The Company established an audit committee (“Audit Committee”) with its written terms of reference in compliance with the GEM Listing Rules, in accordance with provisions set out in the CG Code which are available on the websites of the Stock Exchange and the Company. The primary duties of the Audit Committee are to make recommendations to the Board on the appointment, reappointment and removal of the external auditor, to review and monitor the external auditor’s independence and objectivity and the effectiveness of the audit process in accordance with applicable standards, and to monitor the integrity of the Company’s annual report and interim financial reports before submission to the Board. The Audit Committee consists of three members, namely Mr. Chan Chi Hang, Dr. Ip Wai Hung, Mr. Ko, Wilson Wai Shun, all being independent non-executive Directors of the Company. Mr. Chan Chi Hang currently serves as the chairman of the Audit Committee.

The Audit Committee has reviewed this announcement and the unaudited condensed consolidated financial statements of the Group for the nine months ended 30 September 2021.

By order of the Board  
**Tong Kee (Holding) Limited**  
**Heung Chung Sum**  
*Chairman, Chief Executive Officer and Executive Director*

Hong Kong, 9 November 2021

*As at the date of this announcement, the executive Directors are Mr. Heung Chung Sum and Mr. Chan Wai Hon, Alan, and the non-executive Directors are Ms. Heung Joe Yee, Ms. Heung Joe Tung, and the independent non-executive Directors are Dr. Ip Wai Hung, Mr. Ko, Wilson Wai Shun, and Mr. Chan Chi Hang.*