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Sheung Moon Holdings Limited

常滿控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8523)

PROFIT WARNING AND CONTINUED SUSPENSION OF TRADING

This announcement is made by Sheung Moon Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on GEM (the “**GEM Listing Rules**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

PROFIT WARNING

The board of directors of the Company (the “**Board**”) hereby informs the shareholders (the “**Shareholders**”) and potential investors of the Company that, based on the information currently available to the Board, including the unaudited management accounts and after preliminary assessment, it is expected that the Group will record a net loss of approximately HK\$72 million to HK\$75 million for the nine months ended 31 December 2022 (the “**Period**”) as compared with a net loss of approximately HK\$1.6 million for the period ended 31 December 2021 (the “**Corresponding Period**”).

Based on the information currently available, the Board considers that the abovementioned expected increase in the amount of loss attributable to the Shareholders for the Period was mainly attributable to the combined effect of:

- (i) recognition of the impairment loss under expected credit loss model of approximately HK\$59 million with contract assets, despite actions being taken by the Company attempting to recover such amounts after completion of such relevant projects; and
- (ii) the decline in revenue by approximately 68.0% as compared with the corresponding Period, which was mainly due to the decrease in contract works and the completion of three major projects during the Period.

The information in this announcement is only based on preliminary review of the unaudited consolidated management accounts of the Group for the Period by the management of the Company and the information currently available, and hence may be subject to further adjustments. The unaudited consolidated management accounts of the Group for the Period have not yet been finalised or reviewed and confirmed by the auditor or the audit committee of the Company. Details of the financial information and performance of the Group for the Period will be disclosed in the unaudited third quarterly results announcement of the Company for the Period, which is expected to be published on 13 February 2023.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9 a.m. on 15 August 2022 as required under Rule 17.49B of the GEM Listing Rules and will remain suspended until further notice.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Sheung Moon Holdings Limited
Tang Sze Wo
Executive Director and Chairman

Hong Kong, 8 February 2023

As at the date of this announcement, the Board comprises three executive directors, namely, Mr. Tang Sze Wo, Mr. Lai Yung Sang and Mr. Tang Siu Tim and three independent non-executive directors, namely, Dr. Wong Kwok Yiu Chris, Mr. Wong Choi Chak and Mr. Leung Kim Hong.

This announcement, for which the directors of 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 of Hong Kong Limited 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 Listed Company Information” page of the Stock Exchange’s website at <http://www.hkexnews.hk> for at least 7 days from the day of its posting. This announcement will also be published on the Company’s website at <http://www.smcl.com.hk>.