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PERFECTECH INTERNATIONAL HOLDINGS LIMITED

威發國際集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00765)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2020

INTERIM RESULTS

The board (the “Board”) of directors (the “Directors”, each a “Director”) of Perfectech International Holdings Limited (the “Company”) is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2020, together with the comparative figures for the corresponding period in 2019.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2020

		(Unaudited)	
		For the six months ended	
		30 June	
	<i>Notes</i>	2020	2019
		<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	3 & 4	71,344	64,555
Cost of sales		<u>(46,305)</u>	<u>(56,680)</u>
Gross profit		25,039	7,875
Other income, gains and losses	5	1,741	1,902
Distribution costs		(1,405)	(1,521)
Loss from changes in fair value of an investment property	10	(1,900)	—
Administrative expenses		(26,326)	(35,235)
Impairment loss on property, plant and equipment	10	(1,056)	—
Finance costs		<u>(1,442)</u>	<u>(674)</u>
Loss before tax	6	(5,349)	(27,653)
Income tax (expense) credit	7	(737)	546
Loss for the period		<u>(6,086)</u>	<u>(27,107)</u>

* *For identification purpose only*

	(Unaudited)	
	For the six months ended	
	30 June	
	2020	2019
<i>Note</i>	HK\$'000	HK\$'000
Other comprehensive (expense) income for the period, net of tax		
<i>Item that will not be reclassified to profit or loss:</i>		
Surplus on revaluation of leasehold land and building held for own use upon change of use to earning rental	—	16,101
<i>Item that may be reclassified subsequently to profit or loss:</i>		
Exchange difference on translation of overseas operations	<u>(161)</u>	<u>16</u>
Other comprehensive (expense) income for the period, net of tax	<u>(161)</u>	<u>16,117</u>
Total comprehensive expense for the period	<u><u>(6,247)</u></u>	<u><u>(10,990)</u></u>
Loss for the period attributable to:		
Owners of the Company	(7,151)	(26,485)
Non-controlling interests	<u>1,065</u>	<u>(622)</u>
Loss for the period	<u><u>(6,086)</u></u>	<u><u>(27,107)</u></u>
Total comprehensive expense for the period attributable to:		
Owners of the Company	(7,296)	(10,372)
Non-controlling interests	<u>1,049</u>	<u>(618)</u>
Total comprehensive expense for the period	<u><u>(6,247)</u></u>	<u><u>(10,990)</u></u>
Loss per share	9	
Basic (HK cents per share)	<u><u>(2.19)</u></u>	<u><u>(8.10)</u></u>
Diluted (HK cents per share)	<u><u>(2.19)</u></u>	<u><u>(8.10)</u></u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2020

		(Unaudited) 30 June 2020 <i>HK\$'000</i>	(Audited) 31 December 2019 <i>HK\$'000</i>
	<i>Notes</i>		
NON-CURRENT ASSETS			
Property, plant and equipment	10	58,315	61,455
Investment property	10	38,000	39,900
Right-of-use assets		12,748	15,051
Deferred tax assets		3,688	3,688
		112,751	120,094
CURRENT ASSETS			
Inventories		23,065	16,196
Trade and other receivables	11	20,762	15,415
Tax recoverable		6	855
Bank balances and cash		65,687	70,403
		109,520	102,869
CURRENT LIABILITIES			
Trade and other payables	12	28,303	21,541
Lease liabilities		317	415
Amount due to a director of subsidiaries	13	48,520	47,587
Bank borrowings		5,000	5,000
Tax liabilities		323	64
		82,463	74,607
NET CURRENT ASSETS		27,057	28,262
TOTAL ASSETS LESS CURRENT LIABILITIES		139,808	148,356
NON-CURRENT LIABILITIES			
Deferred tax liabilities		4	—
Lease liabilities		12,834	14,915
		12,838	14,915
NET ASSETS		126,970	133,441

	(Unaudited)	(Audited)
	30 June	31 December
	2020	2019
	<i>HK\$'000</i>	<i>HK\$'000</i>
CAPITAL AND RESERVES		
Share capital	32,692	32,692
Reserves	79,583	86,879
	<hr/>	<hr/>
Equity attributable to owners of the Company	112,275	119,571
Non-controlling interests	14,695	13,870
	<hr/>	<hr/>
TOTAL EQUITY	126,970	133,441
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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”) and with Hong Kong Accounting Standard (the “HKAS”) 34 Interim Financial Reporting issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

The condensed consolidated financial statements are unaudited but have been reviewed by the audit committee of the Company (the “Audit Committee”).

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for investment property which is measured at fair value.

Other than changes in accounting policies resulting from application of amendments to Hong Kong Financial Reporting Standards (“HKFRSs”), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2020 are the same as those presented in the Group’s annual financial statements for the year ended 31 December 2019.

Application of amendments to HKFRSs

In the current period, the Group has applied, for the first time, the following amendments to HKFRSs issued by the HKICPA that are mandatorily effective for the annual period beginning on or after 1 January 2020 for the preparation of the Group’s condensed consolidated financial statements:

Amendments to HKFRS 3	Definition of a Business
Amendments to HKAS 1 and HKAS 8	Definition of Material
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform

The application of the amendments to HKFRSs in the current period has had no material impact on the Group’s financial performance and positions for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. REVENUE

Revenue represents the amounts received and receivable for goods sold by the Group to outside customers, less returns and trade discounts during the period.

	(Unaudited)	
	For the six months ended	
	30 June	
	2020	2019
	HK\$'000	HK\$'000
Revenue from contracts with customers recognised at a point in time under HKFRS 15:		
Novelties and decoration products	1,827	3,044
Toy products	69,517	61,511
	<u>71,344</u>	<u>64,555</u>

4. SEGMENT REPORTING

For management purposes, the Group is currently organised into two operating segments, namely the manufacture and sale of novelties and decoration products and the manufacture and sales of toy products.

The following is an analysis of the Group's revenue and results by reportable segment:

For the six months ended 30 June 2020 (Unaudited)

	Novelties and decoration products HK\$'000	Toy products HK\$'000	Consolidated HK\$'000
REVENUE			
External sales and total revenue	<u>1,827</u>	<u>69,517</u>	<u>71,344</u>
RESULT			
Segment results	<u>(2,522)</u>	<u>7,638</u>	5,116
Loss from changes in fair value of an investment property			(1,900)
Impairment loss on property, plant and equipment			(1,056)
Unallocated corporate expenses, net			(6,067)
Finance costs			<u>(1,442)</u>
Loss before tax			(5,349)
Income tax expense			<u>(737)</u>
Loss for the period			<u>(6,086)</u>

At 30 June 2020 (Unaudited)

	Novelties and decoration products <i>HK\$'000</i>	Toy products <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
ASSETS			
Segment assets	27,289	95,276	122,565
Unallocated corporate assets			<u>99,706</u>
Consolidated total assets			<u><u>222,271</u></u>
LIABILITIES			
Segment liabilities	25,985	68,372	94,357
Unallocated corporate liabilities			<u>944</u>
Consolidated total liabilities			<u><u>95,301</u></u>

For the six months ended 30 June 2019 (Unaudited)

	Novelties and decoration products <i>HK\$'000</i>	Toy products <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
REVENUE			
External sales and total revenue	<u>3,044</u>	<u>61,511</u>	<u>64,555</u>
RESULT			
Segment results	<u>(3,742)</u>	<u>(11,135)</u>	(14,877)
Unallocated corporate expenses, net			(12,102)
Finance costs			<u>(674)</u>
Loss before tax			(27,653)
Income tax credit			<u>546</u>
Loss for the period			<u><u>(27,107)</u></u>

At 31 December 2019 (Audited)

	Novelties and decoration products <i>HK\$'000</i>	Toy products <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
ASSETS			
Segment assets	29,357	81,972	111,329
Unallocated corporate assets			<u>111,634</u>
Consolidated total assets			<u><u>222,963</u></u>
LIABILITIES			
Segment liabilities	25,311	62,597	87,908
Unallocated corporate liabilities			<u>1,614</u>
Consolidated total liabilities			<u><u>89,522</u></u>

Geographical Information

The Group's revenue from external customers by location of operations are detailed below:

	(Unaudited)	
	For the six months ended	
	30 June	
	2020	2019
	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue by geographical market:		
Hong Kong	1,860	4,269
Europe	2,079	4,775
United States of America	2,346	277
Asia (other than Hong Kong)	64,781	55,167
Others	<u>278</u>	<u>67</u>
	<u><u>71,344</u></u>	<u><u>64,555</u></u>

The following is an analysis of the carrying amount of segment assets analysed by the geographical areas in where the assets are located:

	Carrying amount of segment assets	
	(Unaudited) 30 June 2020 HK\$'000	(Audited) 31 December 2019 HK\$'000
Hong Kong	147,927	155,060
The People's Republic of China (the "PRC")	74,344	67,903
	<u>222,271</u>	<u>222,963</u>

5. OTHER INCOME, GAINS AND LOSSES

	(Unaudited) For the six months ended 30 June	
	2020 HK\$'000	2019 HK\$'000
Interest income from financial assets held for cash management purposes	173	307
Rental income from investment property	408	204
Scrap sales (<i>Note</i>)	—	630
Gain on disposal of property, plant and equipment	35	84
Net foreign exchange losses	(340)	(791)
Gain on termination of a lease	28	—
Tooling income (<i>Note</i>)	347	1,137
Laboratory Testing Income (<i>Note</i>)	198	178
Government subsidies	726	—
Others (<i>Note</i>)	166	153
	<u>1,741</u>	<u>1,902</u>

Note: Those income are the revenue from contracts with customers recognised at a point in time under HKFRS 15.

6. LOSS BEFORE TAX

Loss before tax has been arrived at after charging:

	(Unaudited)	
	For the six months ended	
	30 June	
	2020	2019
	<i>HK\$'000</i>	<i>HK\$'000</i>
Depreciation		
— property, plant and equipment	3,574	3,903
— right-of-use assets	360	586
	<u>3,934</u>	<u>4,489</u>

7. INCOME TAX EXPENSE (CREDIT)

	(Unaudited)	
	For the six months ended	
	30 June	
	2020	2019
	<i>HK\$'000</i>	<i>HK\$'000</i>
Current tax:		
Hong Kong Profits Tax	568	—
PRC Enterprise Income Tax	56	—
	<u>624</u>	<u>—</u>
Underprovision in prior years:		
Hong Kong Profits Tax	101	—
PRC Enterprise Income tax	8	28
	<u>109</u>	<u>28</u>
Deferred tax		
Origination (reversal) of temporary differences	4	(574)
Total income tax expense (credit) recognised in profit or loss	<u>737</u>	<u>(546)</u>

8. DIVIDENDS

The Board has resolved not to declare any interim dividend for the six months ended 30 June 2020 (2019: Nil).

9. LOSS PER SHARE

The calculation of the basic and diluted loss per share is based on the Group's loss for the period attributable to owners of the Company of approximately HK\$7,151,000 (2019: HK\$26,485,000) and the weighted average number of ordinary shares of 326,923,607 (2019: 326,923,607).

Diluted loss per share for the periods ended 30 June 2020 and 2019 was the same as basic loss per share as there were no dilutive potential ordinary shares in issue for both periods.

10. PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTY

During the period, the Group acquired property, plant and equipment of approximately HK\$1,456,000 (2019: HK\$1,341,000).

During the period, the Group recognised impairment loss on leasehold land and building of approximately HK\$1,056,000 (2019: Nil). The estimate of recoverable amount of the leasehold land and building was based on its fair value less cost of disposal. The fair value of the leasehold land and building at 30 June 2020 was determined by the Directors with reference to recent transaction prices in the market for similar properties.

During the period, the Group also recognised loss from changes in fair value of investment property of approximately HK\$1,900,000 (2019: Nil). The fair value of the investment property at 30 June 2020 was determined by the Directors with reference to recent transaction prices in the market for similar properties.

11. TRADE AND OTHER RECEIVABLES

Included in trade and other receivables are trade receivables of HK\$18,597,000 (31 December 2019: HK\$9,675,000). The Group allows an average credit period of 60 days to its trade customers. The following is an aging analysis of the Group's trade receivables, presented based on the invoice date and net of allowance for expected credit loss at the end of the reporting period:

	(Unaudited) 30 June 2020 <i>HK\$'000</i>	(Audited) 31 December 2019 <i>HK\$'000</i>
0-60 days	17,430	9,637
61-90 days	1,126	—
91-120 days	41	38
	<u>18,597</u>	<u>9,675</u>

12. TRADE AND OTHER PAYABLES

Included in trade and other payables are trade payables of HK\$14,303,000 (31 December 2019: HK\$9,498,000). The following is an aging analysis of the Group's trade payables, presented based on invoice date at the end of reporting period:

	(Unaudited) 30 June 2020 <i>HK\$'000</i>	(Audited) 31 December 2019 <i>HK\$'000</i>
0–60 days	12,062	7,577
61–90 days	1,588	1,390
91–120 days	135	13
Over 120 days	518	518
	<u>14,303</u>	<u>9,498</u>

13. AMOUNT DUE TO A DIRECTOR OF SUBSIDIARIES

The amount represented advance from Mr. Poon Siu Chung (a former director of certain subsidiaries of the Company who passed away on 28 October 2019) which is now due to Ms. Lau Kwai Ngor, the wife of Mr. Poon Siu Chung, to whom such advance has been assigned by operation of law. It was conducted on normal commercial terms, interest-bearing at a rate of 4% per annum, unsecured, and repayable on demand.

MANAGEMENT DISCUSSION AND ANALYSIS

INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the six months ended 30 June 2020 (2019: Nil).

BUSINESS AND FINANCIAL REVIEW

Affected by the unresolved Sino-American trade disputes, the political instability in Europe and the outbreak of Coronavirus Disease 2019 (the “COVID-19”) pandemic, the global economy remained sluggish and the Group’s operating environment remained challenging in the first half of 2020. During the six months ended 30 June 2020, the Group’s revenue rose by 11% year-on-year to approximately HK\$71,344,000 (2019: HK\$64,555,000) despite facing the tough operating environment. Revenue rose was driven by higher sales of toy products, which offset decline in sales of novelties and decorations products. The Group recorded a loss for the period attributable to owners of the Company of approximately HK\$7,151,000 (2019: HK\$26,485,000). The basic and diluted loss per share were both at 2.19 HK cents (2019: both 8.10 HK cents).

For the six months ended 30 June 2020, the Group’s core business recorded a profit of HK\$5,116,000 (2019: loss of HK\$14,877,000). Detailed performance of each segment of the core business is discussed below.

Toy products

The revenue of toy products segment increased by about 13% year-on-year to approximately HK\$69,517,000 (2019: HK\$61,511,000), and accounted for about 97% of total revenue of the Group. The increase in revenue of this segment was largely driven by the higher sales in Asia (other than Hong Kong) and the United States of America, which offset the decline in sales in Europe and Hong Kong. The segment recorded a profit of approximately HK\$7,638,000 for the six months ended 30 June 2020 while it incurred a loss of HK\$11,135,000 in the same period last year. The result of this segment has improved as the Group streamlined the production process and cost structure after the Group relocated all production plants together at Zhongshan, the PRC, in recent years. In this regard, the Group has made provision for a special incentive bonus of approximately HK\$2,000,000 as incentive for relocation of the relevant employees with a view to recognising their efforts in ensuring the smooth transition during the process of plant relocation.

Novelties and decorations products

The revenue of the novelties and decoration products segment decreased by about 40% year-on-year to approximately HK\$1,827,000 (2019: HK\$3,044,000), which was mainly attributable to the decline in sales in Europe. The loss of this segment slightly reduced to approximately HK\$2,522,000 (2019: HK\$3,742,000), as a result of strict cost management implemented by the Group.

Distribution costs and administrative expenses

Distribution costs decreased by about 8% year-on-year to approximately HK\$1,405,000 (2019: HK\$1,521,000) as a result of stringent cost control measures implemented by the Group. Administrative expenses mainly represented staff costs (including directors' emoluments), legal and professional fee, depreciation of property, plant and equipment and right-of-use assets and other administrative expenses. The amount decreased by about 25% year-on-year to approximately HK\$26,326,000 (2019: HK\$35,235,000), which was mainly attributable to the decrease in legal and professional costs incurred by the Group of approximately HK\$7,700,000 and the effective cost management implemented by the Group during the period.

Finance costs

Finance costs increased to approximately HK\$1,442,000 (2019: HK\$674,000), as a result of the increase in interest on amount due to a director of subsidiaries during the period.

Significant investments, acquisitions and disposals

There was no significant investment held as at 30 June 2020, nor other material acquisitions and disposals of subsidiaries, associates and/or joint ventures during the six months ended 30 June 2020.

Liquidity and financial resources

As at 30 June 2020, the Group had amount due to a director of subsidiaries of approximately HK\$48,520,000 (31 December 2019: HK\$47,587,000) and short term bank borrowings of approximately HK\$5,000,000 (31 December 2019: HK\$5,000,000). The Group's gearing ratio, calculated on the basis of the aggregate of the amount due to a director of subsidiaries and bank borrowings over the equity attributable to owners of the Company, was approximately 48% (31 December 2019: 44%).

As at 30 June 2020, the Group had bank balances and cash of approximately HK\$65,687,000 (31 December 2019: HK\$70,403,000). With total current assets as at 30 June 2020 of approximately HK\$109,520,000 (31 December 2019: HK\$102,869,000) as well as available banking facilities, the Group had sufficient financial resources to satisfy its commitments and working capital requirements.

Pledge of Assets

As at 30 June 2020, the Group had pledged its leasehold land and building with carrying value of approximately HK\$32,000,000 (31 December 2019: HK\$33,703,000) and investment property of approximately HK\$38,000,000 (31 December 2019: HK\$39,900,000) to secure banking facilities granted to the Group.

Contingent Liabilities

There have been no changes in the Group's contingent liabilities since the year ended 31 December 2019.

Net asset value

The net asset value per share as at 30 June 2020 was approximately HK\$0.34 (31 December 2019: HK\$0.37), calculated on the basis of the equity attributable to owners of the Company of approximately HK\$112,275,000 (31 December 2019: HK\$119,571,000) over the actual number of shares in issue on that date of 326,923,607 (31 December 2019: 326,923,607).

Employees and remuneration policies

As at 30 June 2020, the Group employed approximately 720 (31 December 2019: 680) full time employees. The Group remunerates its employees primarily based on prevailing industry practice as well as individual merits. The Group has also established a share option scheme for its full time employees.

Foreign currency exposure

The Group's sales and purchases are mainly denominated in Hong Kong Dollar and United States Dollar (the "US Dollar") Dollar. As all of its factories are located in the PRC, expenses incurred there are denominated in Renminbi.

Since Hong Kong Dollar remains pegged to US Dollar, the Group does not foresee a substantial exposure in this area, and will closely monitor the trend of Renminbi to see if any action is required.

As at 30 June 2020, the Group did not enter into any financial instrument for the hedging of exposure in foreign currencies.

Future plans for material investments

As referred to in the Company's announcement titled "Inside Information in Relation to Framework Sale and Purchase Agreement" dated 15 August 2019 and further discussed in the annual report of the Company for the year ended 31 December 2019, on 15 August 2019, the Company entered into a framework sale and purchase agreement with Sino-Science Netherlands Petroleum B.V., a company incorporated under the laws of Netherlands ("SSNP"), pursuant to which the Company has conditionally agreed to acquire more than 50% of the total participating interests or shares of Sozak Oil and Gas LLP ("Sozak"), a limited liability partnership established under the laws of Kazakhstan ("Proposed Acquisition"). Sozak is principally engaged in the exploration of oil and natural gas in South-Kazakhstan and Kyzylorda region and the petroleum assets are located in the Marsel Block in the Chu-Sarysu Basin of Kazakhstan which is currently under appraisal. The consideration for the Proposed Acquisition shall be paid by the Company through a combination of cash, the allotment and issue of new shares of the Company and/or other forms of securities issued by the Company at a price to be agreed upon by SSNP and the Company. The material terms of the Proposed Acquisition are yet to be agreed and are subject to the execution of the final definitive agreement.

Up to the date of this announcement, the Directors are still in the course of negotiating material terms with SSNP and making appropriate arrangements for the Proposed Acquisition, with the aim of materialising the Proposed Acquisition as soon as practicable.

As mentioned in the annual report of the Company for the year ended 31 December 2019, it is the intention of the Group to actively identify good merger and acquisition opportunities in order to acquire new business or assets that will bring additional value and new income streams to the Group. Leveraging on the extensive experience in the areas of oil and natural gas industry and corporate management, the Board believes that the Proposed Acquisition will help the Company navigate its business focus towards natural gas and clean energy to meet the growing natural gas demand in the PRC, and create long-term returns for the shareholders of the Company with enhanced values.

Prospect

The unresolved Sino-American trade disputes, the political instability in Europe and the outbreak of COVID-19 pandemic are expected to continue to cast uncertainty and challenges to the Group's operating environment in this year. The Directors are moving ahead cautiously. The Group will continue to optimise its product mix to meet the demand of the customers, strengthen production and operational efficiency, as well as implement stringent cost management in order to minimise the impact of these challenges.

Meanwhile, the Directors endeavour to materialise the Proposed Acquisition in order to bring additional value and new income streams to the Group, and create long-term returns for the shareholders of the Company with enhanced values.

With the joint efforts of all of its employees, the Group endeavors to maintain a good business relationship with its customers, business partners and shareholders to maximise its corporate value and deliver promising returns to its shareholders.

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

During the six months ended 30 June 2020, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities whether on the Stock Exchange or otherwise.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has adopted the corporate governance code and amended it from time to time, based on the code provisions (the "Code Provisions") of the latest revised code on corporate governance as set out in Appendix 14 to the Listing Rules.

Throughout the six months ended 30 June 2020, the Company has complied with the Code Provisions.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Board has adopted a code of conduct regarding Directors' securities transaction on terms no less exacting than the required standard as set out in the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") as set out in Appendix 10 to the Listing Rules.

Specific enquiries have been made with all Directors and they have confirmed that throughout the six months ended 30 June 2020, they complied with the required standard set out in the Model Code and the Company's code of conduct regarding Directors' securities transactions.

AUDIT COMMITTEE

The Audit Committee comprises three independent non-executive Directors, Mr. Xie Xiaohong, Mr. Qin Feng and Mr. Lau Shu Yan, who is also the chairman of the Audit Committee. The Audit Committee has reviewed the Group's unaudited interim results for the six months ended 30 June 2020.

PUBLICATION OF 2020 INTERIM RESULTS AND INTERIM REPORT

This interim results announcement is published on the website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company's website (www.perfectech.com.hk). The interim report for the six months ended 30 June 2020 of the Company containing all the information required by the Listing Rules will be dispatched to the shareholders of the Company and published on the above-mentioned websites in due course.

By order of the Board
Perfectech International Holdings Limited
Zhu Yuqi
Chairman

Hong Kong, 28 August 2020

At the date of this announcement, the Board is composed of Mr. Li Shaohua and Mr. Poon Wai Yip, Albert as executive Directors, Ms. Zhu Yuqi as non-executive Director, and Mr. Xie Xiaohong, Mr. Lau Shu Yan and Mr. Qin Feng as independent non-executive Directors.