

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



SPEED APPAREL HOLDING LIMITED

尚捷集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3860)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2021

FINANCIAL HIGHLIGHTS

For the year ended 31 March 2021, the audited operating results of the Group are as follows:

- Revenue of approximately HK\$405.4 million was recorded for the year ended 31 March 2021;
- Profit after taxation for the year ended 31 March 2021 amounted to approximately HK\$6.5 million;
- Basic earnings per share for the year ended 31 March 2021 based on weighted average number of 500,000,000 ordinary shares was approximately 1.3 HK cents; and
- The Directors do not recommend the payment of a final dividend for the year ended 31 March 2021.

ANNUAL RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of Speed Apparel Holding Limited (the “**Company**”) is pleased to announce the audited results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 March 2021, together with comparative audited figures for the preceding financial year as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2021

	<i>Notes</i>	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Revenue	4 & 6	405,445	537,408
Cost of sales		<u>(351,414)</u>	<u>(445,207)</u>
Gross profit		54,031	92,201
Interest income		188	195
Other income	5	1,324	1,009
Selling and distribution expenses		(28,260)	(36,710)
Administrative expenses		<u>(20,011)</u>	<u>(23,599)</u>
Profit from operations		7,272	33,096
Professional fee in relation to the Transfer of Listing		–	(5,149)
Finance costs		<u>(136)</u>	<u>(147)</u>
Profit before tax		7,136	27,800
Income tax expense	7	<u>(631)</u>	<u>(5,065)</u>
Profit for the year	8	<u>6,505</u>	<u>22,735</u>
Other comprehensive income (expense):			
<i>Item that may be subsequently reclassified to profit or loss:</i>			
Exchange differences on translating foreign operations		<u>110</u>	<u>(118)</u>
Other comprehensive income (expense) for the year		<u>110</u>	<u>(118)</u>
Total comprehensive income for the year attributable to owners of the Company		<u>6,615</u>	<u>22,617</u>
Earnings per share	10		
Basic and diluted (HK cents)		<u><u>1.3</u></u>	<u><u>4.5</u></u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2021

	<i>Notes</i>	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Non-current assets			
Property, plant and equipment		2,386	2,838
Right-of-use assets		1,826	3,009
		<u>4,212</u>	<u>5,847</u>
Current assets			
Inventories		5,957	4,587
Trade and bills receivables	<i>11</i>	38,536	23,079
Prepayments, deposits and other receivables		5,833	17,303
Tax recoverable		3,257	–
Pledged bank deposit		8,137	8,060
Bank and cash balances		85,235	99,503
		<u>146,955</u>	<u>152,532</u>
Current liabilities			
Trade and other payables	<i>12</i>	15,496	27,308
Tax payable		–	1,187
Bank borrowings		508	–
Lease liabilities		1,888	1,748
		<u>17,892</u>	<u>30,243</u>
Net current assets		<u>129,063</u>	122,289
Total assets less current liabilities		<u>133,275</u>	128,136
Non-current liabilities			
Lease liabilities		–	1,446
Deferred tax liability		130	160
		<u>130</u>	<u>1,606</u>
NET ASSETS		<u>133,145</u>	<u>126,530</u>
Capital and reserves			
Share capital	<i>13</i>	5,000	5,000
Reserves		128,145	121,530
TOTAL EQUITY		<u>133,145</u>	<u>126,530</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2021

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company and registered in the Cayman Islands with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands on 19 November 2015. The address of the Company's registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and the principal place of business of the Company is Flat A, 17/F., Gemstar Tower, 23 Man Lok Street, Hung Hom, Kowloon, Hong Kong. The shares of the Company have been listed on GEM of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") since 31 May 2017 (stock code: 8183) and transferred its listing to Main Board of the Stock Exchange on 12 December 2019 (stock code: 3860) (the "**Transfer of Listing**").

The Company is an investment holding company and its subsidiaries are principally engaged in provision of apparel supply chain management service selling knitwear apparel products to its customers.

In the opinion of the Directors of the Company, the immediate and ultimate holding company is Speed Development Co. Ltd ("**Speed Development**"), a limited liability company incorporated in the British Virgin Islands, and Mr. Chan Wing Kai ("**Mr. Chan**") is the ultimate controlling party of the Company.

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards (the "**HKFRSs**") issued by the Hong Kong Institute of Certified Public Accountants that are relevant to its operations and effective for its accounting year beginning on 1 April 2020. HKFRSs comprise Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group's accounting policies, presentation of the Group's consolidated financial statements and amounts reported for the current year and prior years.

The Group has not applied the new HKFRSs that have been issued but are not yet effective. The application of these new HKFRSs will not have material impact on the consolidated financial statements of the Group.

3. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with HKFRSs, the applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") and the Hong Kong Companies Ordinance.

These consolidated financial statements have been prepared under the historical cost convention.

The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain key assumptions and estimates. It also requires the Directors to exercise its judgements in the process of applying the accounting policies.

The significant accounting policies applied in the preparation of these consolidated financial statements are set out below.

Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 March. Subsidiaries are entities over which the Group has control. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group has power over an entity when the Group has existing rights that give it the current ability to direct the relevant activities, i.e. activities that significantly affect the entity's returns.

When assessing control, the Group considers its potential voting rights as well as potential voting rights held by other parties, to determine whether it has control. A potential voting right is considered only if the holder has the practical ability to exercise that right.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date the control ceases.

The gain or loss on the disposal of a subsidiary that results in a loss of control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that subsidiary and (ii) the Company's share of the net assets of that subsidiary plus any remaining goodwill relating to that subsidiary and any related accumulated exchange reserve.

Intragroup transactions, balances and unrealised profits are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "**Functional Currency**"). The consolidated financial statements are presented in Hong Kong dollars ("**HK\$**"), which is the Company's presentation currency. The Functional Currency of the Company is United States dollars ("**US\$**"). The Directors consider that choosing HK\$ as the presentation currency best suits the needs of the Company and investors.

(b) Transactions and balances in each entity's financial statements

Transactions in foreign currencies are translated into the Functional Currency on initial recognition using the exchange rates prevailing on the transaction dates. Monetary assets and liabilities in foreign currencies are translated at the exchange rates at the end of each reporting period. Gains and losses resulting from this translation policy are recognised in profit or loss.

(c) *Translation on consolidation*

The results and financial position of all the Group's entities that have a Functional Currency different from the Group's presentation currency are translated into the Group's presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates on the transaction dates); and
- All resulting exchange differences are recognised as the exchange reserve and accumulated in equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities and of borrowings are recognised in the exchange reserve. When a foreign operation is sold, such exchange differences are recognised in consolidated profit or loss as part of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

4. REVENUE

The Group's revenue which represents fashion trading to customers is as follows:

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Fashion trading	<u>405,445</u>	<u>537,408</u>

Disaggregation of revenue from contracts with customers

Geographical information

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Geographical markets		
Japan	201,395	286,732
The United States of America (the "USA")	119,129	140,933
Europe	50,140	69,029
Hong Kong	27,244	33,075
Others	7,537	7,639
	<u>405,445</u>	<u>537,408</u>
Total	<u>405,445</u>	<u>537,408</u>
Major products		
Womenswear	314,901	373,688
Menswear	64,418	112,122
Kidswear	21,893	51,598
Others	4,233	–
	<u>405,445</u>	<u>537,408</u>
Total	<u>405,445</u>	<u>537,408</u>

Timing of revenue recognition

For the years ended 31 March 2021 and 2020, all revenues were recognised at a point in time.

Sales of garments

The Group sells garments to the customers. Sales are recognised when control of the products has transferred, i.e., when the products are delivered to a customer, there was no unfulfilled obligation that could affect the customer's acceptance of the products and the customer has obtained legal titles to the products.

Sales to customers are normally made with credit terms of 30 to 90 days. For new customers, deposits or cash on delivery may be required. Deposits received are recognised as a contract liability.

A receivable is recognised when the products are delivered to the customers as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

5. OTHER INCOME

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Sample sales income	597	1,028
Government grant	2,732	–
Gain on disposal of property, plant and equipment	180	–
Loss on exchange difference, net	<u>(2,185)</u>	<u>(19)</u>
	<u><u>1,324</u></u>	<u><u>1,009</u></u>

6. SEGMENT INFORMATION

The Group's operating segment is determined based on information reported to the chief operating decision maker (the "CODM") of the Group, being the executive Directors throughout the year, for the purpose of resource allocation and performance assessment. For management purpose, the Group operates in one business unit based on their products, and its sole operating segment is the trading of garment. The CODM monitors the revenue, results, assets and liabilities of its business unit as a whole and regularly reviews financial information prepared in accordance with HKFRSs which is consistent with those presented in the consolidated financial statements, and without further discrete financial information. Accordingly, no analysis of segment information other than entity-wide information is presented.

The Group's operations are mainly located in Hong Kong.

Geographical information:

All revenue for the years ended 31 March 2021 and 2020, were revenue derived from contracts with customers, the geographical information of revenue could be referred to note 4 to the consolidated financial statements in this announcement.

Geographical markets

	Non-current assets	
	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Hong Kong	3,322	4,898
Japan	447	949
People's Republic of China (the "PRC")	<u>443</u>	<u>–</u>
	<u><u>4,212</u></u>	<u><u>5,847</u></u>

Revenue from major customers:

Revenue from customers individually contributed over 10% of the total revenue of the Group for each of the two years ended 31 March 2021 are as follows:

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Customer A	176,555	223,833
Customer B	94,456	131,896
Customer C	<u>51,795</u>	<u>67,315</u>

7. INCOME TAX EXPENSE

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Current tax:		
Hong Kong Profits Tax		
– Current year	574	5,093
– Under-provision in prior year	55	–
Enterprise Income Tax (the “EIT”) of PRC		
– Current year	63	43
– Over-provision in prior year	<u>(31)</u>	<u>(55)</u>
	661	5,081
Deferred tax credit	<u>(30)</u>	<u>(16)</u>
	<u>631</u>	<u>5,065</u>

For the years ended of 31 March 2021 and 2020, Hong Kong Profits Tax is calculated under two-tier profits tax system under first HK\$2 million of estimated assessable profits is taxed at a rate of 8.25% and remaining estimated assessable profits is taxed at 16.5%. The Group should elect one of the Hong Kong subsidiaries to apply the two-tier profits tax rate.

PRC EIT is calculated based on the statutory rate of 25% of the assessable profit of a subsidiary established in the PRC, as determined in accordance with the relevant EIT Law, implementation rules and notices in the PRC.

According to the EIT Law of the PRC, starting from 1 January 2008, a 10% withholding tax will be levied on the immediate holding company established out of the PRC when their PRC subsidiary declares dividends out of their profits earned after 1 January 2008. A lower withholding tax rate of 5% may be applied if there is a tax treaty arrangement between the PRC and the jurisdiction of the foreign immediate holding company.

No provision for Japan corporate income tax has been made for the years ended 31 March 2021 and 2020 as the Group did not generate any assessable profits during the years.

The Group is subject to national corporate income tax, local corporate tax, enterprise tax, local corporate special tax and local corporate inhabitants tax in Japan, which, in aggregate, resulted in effective statutory income tax rates of approximately 21.36% and 21.42% for the years ended 31 March 2021 and 2020, respectively.

8. PROFIT FOR THE YEAR

Profit for the year has been arrived at after charging:

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Staff costs (including Directors' remuneration)		
– Salaries and other benefits	20,377	22,369
– Retirement benefit scheme contributions	871	732
	<u>21,248</u>	<u>23,101</u>
Auditor's remuneration	480	500
Depreciation of property, plant and equipment	977	1,042
Depreciation of right-of-use-assets	2,061	1,165
Net foreign exchange loss	2,185	19
Cost of inventories sold	351,414	445,207
Commission expenses (included in selling and distribution expenses)	5,141	5,989
Sample charges (included in selling and distribution expenses)	9,559	15,623

9. DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 March 2021 (2020: Nil). No dividend was approved and paid during the year ended 31 March 2021 (2020: HK\$8,000,000).

10. EARNINGS PER SHARE

The calculation of basic earnings per share attributable to owners of the Company is based on the profit for the year attributable to owners of the Company of approximately HK\$6,505,000 (2020: approximately HK\$22,735,000) and the weighted average number of ordinary shares of 500,000,000 (2020: 500,000,000) in issue during the year.

No diluted earnings per share are presented as the Company did not have any dilutive potential ordinary share outstanding during the years ended 31 March 2021 and 2020.

11. TRADE AND BILLS RECEIVABLES

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Trade receivables	33,866	17,981
Bills receivables	<u>4,670</u>	<u>5,098</u>
	<u>38,536</u>	<u>23,079</u>

No allowance for bad and doubtful debt was provided for the years ended 31 March 2021 and 2020 and no balance of provision for bad and doubtful debt had been recognised as at the end of each reporting period.

For long-term customers with good credit quality and payment history, the Group allows an average credit period from 30 to 90 days. For other customers, the Group demands for full settlement upon delivery of goods.

The following is an ageing analysis of trade and bills receivables presented based on the invoice date at the end of the reporting period, which approximate the revenue recognition dates:

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
1 – 30 days	17,105	18,152
31 – 60 days	8,489	63
61 – 90 days	12,893	3,932
Over 90 days	<u>49</u>	<u>932</u>
	<u>38,536</u>	<u>23,079</u>

12. TRADE AND OTHER PAYABLES

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Trade payables	9,598	23,084
Accrued subcontracting charges	2,528	1,060
Accrued staff costs	99	503
Accrued expenses	2,424	1,601
Other payables	<u>847</u>	<u>1,060</u>
	<u>15,496</u>	<u>27,308</u>

The credit period on purchase of goods is ranging from 30 to 45 days. The ageing analysis of the trade payables of the Group presented based on the invoice dates at the end of the reporting period is as follows:

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
1 – 30 days	9,064	16,938
31 – 60 days	483	4,018
61 – 90 days	40	1,652
Over 90 days	11	476
	<u>9,598</u>	<u>23,084</u>

13. SHARE CAPITAL

Details of movements of share capital of the Company are as follows:

	Number of shares	Share capital <i>HK\$'000</i>
Ordinary shares of HK\$0.01 each		
Authorised:		
At 31 March 2020 and 31 March 2021	<u>1,000,000,000</u>	<u>10,000</u>
Issued and fully paid:		
At 31 March 2020 and 31 March 2021	<u>500,000,000</u>	<u>5,000</u>

MANAGEMENT DISCUSSION AND ANALYSIS

INTRODUCTION

The Group is an apparel supply chain management services provider. Headquartered in Hong Kong, the Group principally sells knitwear apparel products. The Group provides one-stop apparel supply chain management solutions for its customers ranging from fashion trend analysis, product design and development, sourcing and procurement of materials, production management, quality control and logistics services. The Group's customers are mainly owners or sourcing agents of apparel retail brands based in Japan and the USA, which their products are marketed and sold under their own brands. The Group does not possess its own label. All the Group's knitwear products are manufactured in accordance with the specifications and requirements set out by the Group's customers in the sales orders, some designs of which are recommended or inspired by the Group. Since the Group does not own or operate any manufacturing operations, the Group will outsource the whole manufacturing process to third-party manufacturers with manufacturing operations located in the PRC, Thailand and/or Cambodia.

The shares of the Company were listed on GEM of the Stock Exchange on 31 May 2017 (stock code: 8183) and subsequently transferred its listing to the Main Board of the Stock Exchange on 12 December 2019 (stock code: 3860).

BUSINESS REVIEW

In spite of the significant decrease in the demand of the Group's product amid COVID-19 pandemic, the Group was able to solicit not less than three new middle to high end fashion brands which generally has higher profit margin as compared to low end fashion brands during the year ended 31 March 2021. Further, the Group expanded its PRC office to facilitate the production management of the Group's products and adapt to the specific requirements by customers of the Group.

The Group recorded revenue of approximately HK\$405.4 million for the year ended 31 March 2021, representing a decrease of approximately 24.6% as compared to approximately HK\$537.4 million for the year ended 31 March 2020. The decrease in revenue of the Group was mainly attributable to the substantial decrease in purchase orders from a major customer headquartered in the USA and from customers of the Group in Japan due to the weak consumer sentiment caused by COVID-19 pandemic. The Group's gross profit decreased by approximately HK\$38.2 million or 41.4% to approximately HK\$54.0 million for the year ended 31 March 2021 from approximately HK\$92.2 million for the year ended 31 March 2020. The decrease in gross profit of the Group was primarily attributable to (i) substantial decrease in sales volume from customers of the Group; and (ii) decrease in overall gross profit margin of the Group from approximately 17.2% for the year ended 31 March 2020 to approximately 13.3% for the year ended 31 March 2021. The Group's total comprehensive income attributable to owners of the Company was decreased significantly by approximately 70.8% from approximately HK\$22.6 million for the year ended 31 March 2020 to approximately HK\$6.6 million for the year ended 31 March 2021.

FINANCIAL REVIEW

Revenue

The Group's knitwear products are divided into four categories, namely womenswear products, menswear products, kidswear products and other products including but not limited to knitted facial masks, hats and mufflers. During the year ended 31 March 2021, the Group's revenue was mainly derived from the sales of womenswear products, which accounted for approximately 77.7% (for the year ended 31 March 2020: approximately 69.5%) of the Group's total revenue for the year ended 31 March 2021. The following table sets out a breakdown of the Group's revenue by product category for each of the two years ended 31 March 2021:

	Year ended 31 March				Rate of change %
	2021		2020		
	HK\$'000	%	HK\$'000	%	
Womenswear	314,901	77.7	373,688	69.5	(15.7)
Menswear	64,418	15.9	112,122	20.9	(42.5)
Kidswear	21,893	5.4	51,598	9.6	(57.6)
Others	4,233	1.0	—	—	—
Total revenue	<u>405,445</u>	<u>100.0</u>	<u>537,408</u>	<u>100.0</u>	(24.6)

During the year ended 31 March 2021, the sales volume of the Group amounted to approximately 6.5 million pieces (for the year ended 31 March 2020: approximately 8.9 million pieces) of finished knitwear products. Set out below are the total sales quantity of each product category for each of the two years ended 31 March 2021:

	Year ended 31 March				Rate of change %
	2021		2020		
	Pieces ('000)	%	Pieces ('000)	%	
Womenswear	4,896	74.9	5,990	67.3	(18.3)
Menswear	1,113	17.0	2,022	22.7	(45.0)
Kidswear	393	6.0	890	10.0	(55.8)
Others	139	2.1	—	—	—
Total sales quantity	<u>6,541</u>	<u>100.0</u>	<u>8,902</u>	<u>100.0</u>	(26.5)

The selling price of each of the product category depends primarily on, among other things, (i) the complexity of the product design; (ii) the size of an order; (iii) the delivery schedule set out by customers; (iv) the costs of raw materials; and (v) the production costs as quoted by the third-party manufacturers. Accordingly, the selling price of the Group's products may differ considerably in different purchase orders by different customers. Set out below are the average selling prices per piece of finished product sold by the Group by product category for each of the two years ended 31 March 2021:

	Year ended 31 March		Rate of change %
	2021 Average selling price ^(Note) HK\$	2020 Average selling price ^(Note) HK\$	
Womenswear	64.3	62.4	3.0
Menswear	57.9	55.5	4.3
Kidswear	55.7	58.0	(4.0)
Others	30.5	–	–
Overall average selling price per piece	<u>62.0</u>	<u>60.4</u>	2.6

Note: The average selling price per piece represents the revenue for the year divided by the total sales quantity for the year.

The Group's revenue decreased by approximately 24.6%, or approximately HK\$132.0 million, from approximately HK\$537.4 million for the year ended 31 March 2020 to approximately HK\$405.4 million for the year ended 31 March 2021. The decrease in revenue was primarily attributable to the substantial decrease in purchase orders of the Group from a major customer headquartered in the USA and other customers based in Japan.

Womenswear

During the year ended 31 March 2021, the Group's revenue was mainly derived from the sales of womenswear products. Revenue derived from the sales of womenswear products decreased by approximately HK\$58.8 million or 15.7%, from approximately HK\$373.7 million for the year ended 31 March 2020 to approximately HK\$314.9 million for the year ended 31 March 2021. Such decrease was mainly attributable to the decrease in sales quantity from approximately 6.0 million pieces for the year ended 31 March 2020 to approximately 4.9 million pieces for the year ended 31 March 2021, which outweighed the slight increase in average selling price per piece of womenswear products from approximately HK\$62.4 for the year ended 31 March 2020 to approximately HK\$64.3 for the year ended 31 March 2021.

Menswear

The Group's revenue derived from the sales of menswear products decreased significantly by approximately HK\$47.7 million or 42.5% from approximately HK\$112.1 million for the year ended 31 March 2020 to approximately HK\$64.4 million for the year ended 31 March 2021. Such significant decrease was mainly attributable to the significant decrease in sales quantity from approximately 2.0 million pieces for the year ended 31 March 2020 to approximately 1.1 million pieces for the year ended 31 March 2021, which outweighed an increase in average selling price per piece of menswear products from approximately HK\$55.5 for the year ended 31 March 2020 to approximately HK\$57.9 for the year ended 31 March 2021.

Kidswear

Revenue derived from the sales of kidswear products of the Group decreased significantly by approximately HK\$29.7 million or 57.6% to approximately HK\$21.9 million for the year ended 31 March 2021 from approximately HK\$51.6 million for the year ended 31 March 2020. The significant decrease in the revenue of the Group's kidswear products was mainly attributable to the decrease in sales volume of the Group's kidswear products from approximately 0.9 million pieces for the year ended 31 March 2020 to approximately 0.4 million pieces for the year ended 31 March 2021 coupled with the decrease in average selling price per piece of the kidswear products from approximately HK\$58.0 for the year ended 31 March 2020 to approximately HK\$55.7 for the year ended 31 March 2021.

Others

During the year ended 31 March 2021, the Group further expanded its product variety to other products including but not limited to knitted facial masks, hats and mufflers. The revenue derived from other products amounted to approximately HK\$4.2 million and accounted for approximately 1.0% of the total revenue of the Group for the year ended 31 March 2021.

Cost of sales

The Group's cost of sales primarily consists of subcontracting charges, raw materials and consumable used, inspection fee and other processing charges. The cost of sales decreased to approximately HK\$351.4 million for the year ended 31 March 2021 from approximately HK\$445.2 million for the year ended 31 March 2020, representing a decrease of approximately 21.1%. The decrease of the Group's cost of sales was in line with the decrease in the Group's revenue of approximately 24.6% for the year ended 31 March 2021.

Gross profit and gross profit margins

The Group's gross profit decreased to approximately HK\$54.0 million for the year ended 31 March 2021 from approximately HK\$92.2 million for the year ended 31 March 2020, representing a significant decrease of approximately 41.4%. The decrease in gross profit of the Group was primarily attributable to the decrease in purchase orders from a major customer headquartered in the USA and from customers of the Group in Japan as a result of adverse impact caused by COVID-19 pandemic. The Group's gross profit margin decreased to approximately 13.3% for the year ended 31 March 2021 from approximately 17.2% for the year ended 31 March 2020. Such decrease in the Group's gross profit margin was mainly attributable to certain discount rates at selling prices was offered by the Group to a major customer headquartered in the USA whilst the gross profit margin of the Group's customers in Japan for the year ended 31 March 2021 remained stable as compared to that for the year ended 31 March 2020.

Interest income

The Group's interest income remained stable at approximately HK\$0.2 million for the year ended 31 March 2021 as compared to the year ended 31 March 2020.

Other income

Other income mainly consists of government grant, sample sales income, exchange loss and gain on disposal of property, plant and equipment. Other income increased to approximately HK\$1.3 million for the year ended 31 March 2021 from approximately HK\$1.0 million for the year ended 31 March 2020. The increase in other income of the Group was primarily attributable to an approximately HK\$2.7 million of non-recurring government grant was received from the Hong Kong Government under employment support scheme during the year ended 31 March 2021, which offsetted the aggregate of the decrease in sample sales income and the increase in exchange loss for the year ended 31 March 2021 as compared to the year ended 31 March 2020.

Selling and distribution expenses

Selling and distribution expenses mainly consist of advertising expenses, commission expenses, logistic expenses, sample costs and staff costs and benefits of merchandising staff. Selling and distribution expenses decreased to approximately HK\$28.3 million for the year ended 31 March 2021 from approximately HK\$36.7 million for the year ended 31 March 2020, representing a decrease of approximately 23.0%. Such decrease was mainly attributable to a decrease in (i) sample costs; (ii) commission expenses; and (iii) logistic expenses, which were decreased in line with the decrease of the Group's revenue.

Administrative expenses

Administrative expenses primarily consist of audit fees, bank charges, depreciation, Directors' emoluments, entertainment, legal and professional fees, office expenses, overseas and local travelling, rent and rates, staff costs and benefits of general and administrative staff. Administrative expenses decreased to approximately HK\$20.0 million for the year ended 31 March 2021 from approximately HK\$23.6 million for the year ended 31 March 2020, representing a decrease of approximately 15.2%. Such decrease was mainly attributable to the decrease in (i) staff costs and benefits of general and administrative staff; (ii) overseas and local travelling; (iii) bank charges; and (iv) professional fees in relation to maintaining the listing status of the Company.

Professional fee in relation to the Transfer of Listing

There was nil non-recurring professional fee in relation to the Transfer of Listing for the year ended 31 March 2021 whilst an approximately HK\$5.1 million of non-recurring professional fee was recognised for the year ended 31 March 2020.

Finance costs

The Group's finance costs remained stable at approximately HK\$0.1 million for the year ended 31 March 2021 as compared to the finance costs for the year ended 31 March 2020.

Total comprehensive income attributable to owners of the Company

Total comprehensive income attributable to owners of the Company decreased to approximately HK\$6.6 million for the year ended 31 March 2021 from approximately HK\$22.6 million for the year ended 31 March 2020, representing a decrease of approximately HK\$16.0 million or 70.8%. If the non-recurring professional fee in relation to the Transfer of Listing of approximately HK\$5.1 million for the year ended 31 March 2020 was excluded, the Group's total comprehensive income attributable to owners of the Company for the year ended 31 March 2021 would have been decreased significantly by approximately 76.2% as compared to the adjusted total comprehensive income attributable to owners of the Company for the year ended 31 March 2020 of approximately HK\$27.8 million.

BASIC EARNINGS PER SHARE

The Company's basic earnings per share for the year ended 31 March 2021 was approximately 1.3 HK cents (for the year ended 31 March 2020: approximately 4.5 HK cents), representing a decrease of approximately 3.2 HK cents, or 71.1%, which was in line with the profit for the year attributable to owners of the Company, as compared to the year ended 31 March 2020.

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 March 2021 (for the year ended 31 March 2020: Nil HK cents per share).

LIQUIDITY AND FINANCIAL RESOURCES

During the year ended 31 March 2021, the Group's operations were generally financed through its internally generated cash flows and borrowings from banks. The Directors believe that in the long term, the Group's operations will be funded by a combination of internally generated cash flows and bank borrowings and, if necessary, additional equity financing.

As at 31 March 2021 and 2020, the Group had net current assets of approximately HK\$129.1 million and HK\$122.3 million, respectively, including bank and cash balances of approximately HK\$85.2 million and HK\$99.5 million, respectively. The Group's current ratio increased from approximately 5.0 as at 31 March 2020 to approximately 8.2 as at 31 March 2021. Such increase was mainly due to current assets decreased slightly by approximately 3.7% whilst current liabilities significantly decreased by approximately 40.8% as compared to the balances as at 31 March 2020. The significant decrease in current liabilities was mainly attributable to the decrease in trade and other payables.

Gearing ratio is calculated based on the total loans and borrowings (including bank borrowings due within one year and lease liabilities) divided by total equity at the respective reporting date. As at 31 March 2021 and 2020, the Group's gearing ratio was nil, respectively, as the amount of bank borrowings and the lease liabilities were relatively insignificant for both years. The Group's borrowings have not been hedged by any interest rate financial instruments. The Group had entered into two banking facilities agreements with the aggregate amount of approximately HK\$53.4 million. One of the banking facilities has charged over by a fixed bank deposit. The unutilised rates of banking facilities were 99.0% and 100.0% as at 31 March 2021 and 2020, respectively. The Group's financial position is sound and strong. With available bank and cash balances, and banking facilities, the Group has sufficient liquidity to satisfy its funding requirements.

TREASURY POLICIES

The Group adopts prudent treasury policies. The Group's credit risk is primarily attributable to its trade and bills receivables, deposits and other receivables. In order to minimise its credit risk, the management of the Group has delegated a team to perform ongoing credit evaluation of the financial conditions of the customers including but not limited to the determination of credit limits, credit approvals and other monitoring procedures to ensure that appropriate follow-up action(s) is taken to recover overdue debts and reduce the Group's exposure to credit risk. As at 31 March 2021, the Group had concentration of credit risk of approximately 99.0% (as at 31 March 2020: approximately 92.0%) of the total trade and bills receivables due from the Group's five largest customers. The Group normally grants an average credit period of 30 to 90 days to these customers. Most of these counterparties are either owners or sourcing agents of apparel retail brands based in Japan and the USA. The management of the Group considered that the credit risk on amounts due from these customers is insignificant after considering their historical settlement records, credit qualities and financial positions of the counterparties.

In management of the liquidity risk, the Board closely monitors and maintains levels 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.

CAPITAL STRUCTURE

There was no change in the capital structure of the Company during the year ended 31 March 2021. The share capital of the Company only comprises ordinary shares.

As at 31 March 2021, the Company's issued share capital amounting to HK\$5.0 million divided by 500,000,000 shares of HK\$0.01 each.

Details of changes in the Company's share capital for the year ended 31 March 2021 are set out in note 13 to the consolidated financial statements in this announcement.

SIGNIFICANT INVESTMENTS

As at 31 March 2021 and 2020, the Group did not hold any significant investments.

MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES, ASSOCIATES OR JOINT VENTURES

During the year ended 31 March 2021, the Group did not have any acquisitions or disposals of subsidiaries, associates or joint ventures.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as those disclosed in this announcement, the Group currently has no other plan for material investments and capital assets.

CONTINGENT LIABILITIES AND CAPITAL COMMITMENT

The Group did not have material contingent liabilities and capital commitment as at 31 March 2021 (as at 31 March 2020: Nil).

FOREIGN EXCHANGE EXPOSURE

Certain trade and bills receivables, other receivables, bank and cash balances, trade and other payables are denominated in foreign currency of the respective group entities which are exposed to foreign currency risk. Although the Group's revenue and major expenses are mainly in US\$, which is the functional currency of the Company, as HK\$ is pegged to US\$, the Group does not expect any significant movement in the US\$/HK\$ exchange rate. The Group currently does not have a foreign currency hedging policy. However, the management of the Group monitors foreign exchange exposure closely and will consider hedging significant foreign currency exposure should the need arise.

PLEDGE OF ASSETS

At the end of each reporting year, the following assets were pledged to banks to secure certain banking facilities granted to the Group:

	As at 31 March	
	2021	2020
	HK\$'000	HK\$'000
Pledged bank deposit	<u>8,137</u>	<u>8,060</u>

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2021, the Group employed a total of 59 full-time employees (as at 31 March 2020: 57). The Group's staff costs mainly included Directors' emoluments, salaries, other staff benefits and contributions to retirement schemes. For the years ended 31 March 2021 and 2020, the Group's total staff costs (including Directors' emoluments) amounted to approximately HK\$21.2 million and HK\$23.1 million, respectively. Remuneration is determined with reference to market terms and the performance, qualification(s), experience, position and seniority of individual employee. In addition to a basic salary, year-end bonuses would be discretionarily offered to those employees with outstanding performance to attract and retain employees that contribute to the Group. Apart from basic remuneration, share options may be granted to eligible employees by reference to the Group's performance as well as individual contribution.

The remuneration committee of the Company reviews and determines the remuneration and compensation packages of the Directors and senior management of the Company with reference to their experience, responsibilities, workload, time devoted to the Group and performance of the Group. Share options may also be granted to the Directors and senior management under the share option scheme.

COMPLIANCE WITH LAWS AND REGULATIONS

During the year ended 31 March 2021, the Group mainly carries out its businesses in Hong Kong and the PRC. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Group has complied with all relevant laws and regulations in Hong Kong and the PRC.

ENVIRONMENTAL POLICY

The Group aims to protect the environment by minimising environmental adverse impacts in daily operations, such as energy saving and recycling of office resources. The Group will continue to seek better environmental practices and promote the right environmental attitudes within the organisation. The Group has complied with all relevant laws, rules and regulations regarding environmental protection, health and safety, workplace conditions and employment during the year ended 31 March 2021.

RELATIONSHIPS WITH STAKEHOLDERS

The Group recognises employees as one of the valuable assets of the Group and the Group strictly complies with the labour laws, rules and regulations in Hong Kong and reviews regularly the existing staff benefits for improvement. Apart from the reasonable remuneration packages, the Group also offers other employee benefits, such as medical insurance, birthday leave to the eligible employees, etc. The Group works closely with its customers in devising new product designs each season and delivering knitwear products according to their requirements. The Group had maintained business relationships with its five largest customers for a period ranging from 2 to 13 years. Over the years, the Directors believe that the Group has fostered a trustworthy and reliable strategic partnership with its customers built upon its proven track record of quality products, industry and product know-how, market awareness, dedicated management team and competitive pricing. The Group has also established stable, close working and long-term relationships with its suppliers. During the year, there was no material dispute or disagreement between the employees, the customers and the suppliers of the Group.

FUTURE PROSPECTS

As vaccines continue to be rolled out in many countries including the Group's customers operating in, the economics of these countries are expected to recover gradually hence increasing the demand for the Group's products. The Board will continue to closely monitor the developments of COVID-19 pandemic and stay vigilant to its adverse impacts to the Group's operations and the risks in connection therewith. The Group will take appropriate measures to adapt to the challenging environment when necessary including but not limited to cost control measures to reduce the operating costs of the Group.

Travel restrictions due to COVID-19 pandemic which caused the Group suspended visits and co-organise on-site sales and marketing activities with its customers such as private exhibitions to promote the Group's products. Nevertheless, the Group will continue to develop and create more promotion samples to cater to the existing and potential customers' needs. The Group will actively promote its products in various ways including but not limited to (i) display and promote sample products in showroom in Japan during customers' visits; (ii) e-promotion via online platforms tailored for individual customers; (iii) proactively approach the potential customers through business referrals and its business network; (iv) convening frequent video conferences with existing and potential customers to explore new business opportunities; and (v) arranging sales visits and co-organising private exhibitions should COVID-19 vaccines distributed widely in due course. The Group will continue to work closely with its customers in devising new product designs each season and delivering knitwear products according to their requirements and the customers can rely on the Group to fulfill their needs for a full spectrum of apparel supply chain management services.

The Directors will continue to review and evaluate the business objectives and strategies and make timely execution taking into account the business risks and market uncertainties. The Directors will also continue to explore opportunities to diversify the Group's operations.

OTHER INFORMATION

Corporate Governance Practices

The Board recognises that the transparency and accountability are important to a listed company. As such, the Company is committed in establishing and maintaining good corporate governance practices and procedures. The Directors believe that good corporate governance provides a framework that is essential for effective management, successful business growth and healthy corporate culture in return for the benefits of the Company's stakeholders as a whole.

The Company has adopted the provisions of the Corporate Governance Code and Corporate Governance Report (the "CG Code") as set out in Appendix 14 to the Listing Rules. The Directors will continue to review its corporate governance practices in order to enhance its corporate governance standard, to comply with the increasingly tightened regulatory requirements from time to time, and to meet the rising expectation of shareholders and other stakeholders of the Company.

During the reporting period, the Group has complied with all the code provisions of the CG Code save as the deviation from the code provision A.2.1 of the CG Code. Mr. Chan is the chairman of the Board and the chief executive officer of the Company and he has been managing the Group's business and supervising the overall operations of the Group since 2001. The Directors consider that vesting the roles of the chairman of the Board and the chief executive officer of the Company in Mr. Chan is beneficial to the management and the business developments of the Group and will provide a strong and consistent leadership to the Group. The Board will continue to review and consider splitting the roles of the chairman of the Board and the chief executive officer of the Company at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole.

Model Code for Directors' Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules as its code of conduct for securities transactions by the Directors. Having been made specific enquiry by the Company, all Directors confirmed that they have complied with the required standard of dealings and the code of conduct concerning securities transactions by the Directors for the year ended 31 March 2021.

Purchase, Sale or Redemption of the Company's Listed Securities

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities for the year ended 31 March 2021.

Directors' Interests in Competing Businesses

During the year ended 31 March 2021, none of the Directors nor any of their respective close associates (as defined in the Listing Rules), engaged in any business that competes or might compete with the business of the Group, or had any other conflict of interest with the Group.

Events After the Reporting Period

Change of Controlling Shareholder and Mandatory Unconditional Cash Offer

On 26 April 2021, EPS Holdings, Inc. (the "**Purchaser**" or the "**Offeror**"), Speed Development (the "**Vendor**") and Mr. Chan (the "**Guarantor**") entered into the sales and purchase agreement (the "**S&P Agreement**") pursuant to which the Vendor has agreed to sell and the Purchaser has agreed to acquire a total of 375,000,000 shares (the "**Sale Shares**") of the Company, representing 75% of the issued share capital of the Company as at the date of the S&P Agreement for a total cash consideration of HK\$370,500,000 (equivalent to HK\$0.988 per Sale Share) (the "**Change of Controlling Shareholder**"). The S&P Agreement was unconditional and completion of the S&P Agreement took place upon the execution of the S&P Agreement on 26 April 2021 (the "**S&P Completion**"). The Vendor and the Guarantor provided the profit guarantee in favour of the Purchaser under the S&P Agreement.

Immediately before the S&P Completion, the Purchaser and the parties acting in concert with it were not interested in any shares of the Company (the "**Shares**"). Immediately upon the S&P Completion, the Purchaser and the parties acting in concert with it are interested in 375,000,000 Shares, representing 75% of the total issued share capital of the Company. Pursuant to Rule 26.1 of the Hong Kong Code on Takeovers and Mergers (the "**Takeovers Code**"), the Offeror was therefore required to make a mandatory unconditional cash offer (the "**Offer**" or the "**Mandatory Unconditional Cash Offer**") for all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and the parties acting in concert with it).

The Offer was made in compliance with the Takeovers Code on the basis of HK\$0.988 in cash for every Share not already owned by the Offeror and parties acting in concert with it (the “**Offer Shares**”). The price of HK\$0.988 per Offer Share payable by the Offeror to the shareholders of the Company for each Offer Share accepted under the Offer is the same as the price per Sale Share paid by the Purchaser under the S&P Agreement. The Offer was unconditional in all respects. The Offer was closed on 16 June 2021 (the “**Closing Date**”) and was not revised or extended by the Offeror.

The Offeror had received valid acceptances in respect of a total of 10,000 Offer Shares under the Offer, representing approximately 0.002% of the entire issued share capital of the Company as at the Closing Date. Accordingly, the minimum public float requirement of 25% as set out under Rule 8.08(1) of the Listing Rules was not satisfied. An application was made to the Stock Exchange for a temporary waiver from strict compliance with Rule 8.08(1)(a) of the Listing Rules for a period from 16 June 2021 to 17 June 2021 and the waiver was granted on 22 June 2021.

Subsequently, the Board was informed by the Offeror that the Offeror has disposed 10,000 Shares, representing approximately 0.002% of the entire issued share capital of the Company as at the date of such disposal, on open market on 17 June 2021 (the “**Disposal**”) for the purpose of restoring the public float of the Company. Immediately after completion of the Disposal, 125,000,000 Shares were held by the public, representing 25% of the entire issued share capital of the Company as at the date of the Disposal. Accordingly, the minimum public float of the Company has been restored to not less than 25% of the issued share capital of the Company and the Company is in compliance with Rule 8.08(1)(a) of the Listing Rules.

Formation of Joint Venture

On 5 May 2021, the Company entered into the joint venture agreement (the “**JV Agreement**”) with Mr. Tai Hei, an independent third party not connected with the Company and its connected persons, the Vendor and the Guarantor and parties acting in concert with any one of them and not acting in concert with the Offeror, the Vendor and any of their respective concert parties (the “**JV Partner**”), to form a joint venture (the “**Joint Venture**” or “**Formation of Joint Venture**”) to be owned as to 51% by the Company and 49% by the JV Partner. The Joint Venture will be principally engaged in a screening business in Japan and the PRC on drugs for Parkinson’s disease and brown adipose cell relating to weight loss and screening of functional food business, and business relating to the application of autologous brown adipose cell in the treatment of weight loss cells.

The Proposed Change of Company Name

The Board proposes to change the English name of the Company from “Speed Apparel Holding Limited” to “EPS Creative Health Technology Group Limited” and the Chinese name of the Company from “尚捷集團控股有限公司” to “EPS 創健科技集團有限公司” (the “**Proposed Change of Company Name**”). The Proposed Change of Company Name is subject to the fulfilment of the conditions as set out in the paragraph headed “Conditions for the Proposed Change of Company Name” in the joint announcement of the Company and the Offeror dated 5 May 2021. An extraordinary general meeting of the Company will be convened and held for the purposes of considering and, if thought fit, approving the special resolution in respect of the Proposed Change of Company Name.

Details of the Change of Controlling Shareholder and Mandatory Unconditional Cash Offer, Formation of Joint Venture and the Proposed Change of Company Name were disclosed in the joint announcement of the Company and the Offeror dated 5 May 2021, the composite document jointly issued by the Company and the Offeror on 26 May 2021, and the announcements of the Company dated 16 June 2021 and 17 June 2021, respectively.

Appointment of Executive Directors and Non-executive Directors

Mr. Gao Feng and Mr. Haribayashi Keikyo have been appointed as executive Directors, and Mr. Liang Fei and Mr. Okoso Satoshi have been appointed as non-executive Directors with effect from 1 June 2021.

Pursuant to the articles of association of the Company, all Directors appointed as addition to the existing Board should be subject to re-election by shareholders of the Company at the next following annual general meeting after appointment. All the above Directors appointed by the Board with effect from 1 June 2021 shall retire at the forthcoming 2021 AGM and be eligible for re-election pursuant to the articles of association of the Company.

Details of the above mentioned appointment of executive Directors and non-executive Directors were disclosed in the announcement of the Company dated 1 June 2021.

Save as disclosed above, the Directors are not aware of any significant events requiring disclosure that has taken place subsequent to 31 March 2021 and up to the date of this announcement.

Closure of Register of Members

The Company will make further announcement when the close date of the transfer books and the register of members of the Company for determining shareholders’ entitlement to attend and vote at the forthcoming annual general meeting is fixed.

Audit Committee

The audit committee (the “**Audit Committee**”) of the Company was established with terms of reference in compliance with Rules 3.21 to 3.23 of the Listing Rules and code provision C.3 of the CG Code. The primary duties of the Audit Committee are to (i) assist the Board in reviewing the Company’s financial information; (ii) oversee the Group’s financial reporting system, risk management and internal control systems; (iii) review and monitor the effectiveness of the scope of audit; and (iv) make recommendations to the Board on the appointment of external auditors.

The Audit Committee currently consists of three members, namely Mr. Kwok Chi Shing (the Chairman of the Audit Committee), Ms. Chan Siu Lai and Mr. Ma Kwok Fai, Edwin, all being independent non-executive Directors. No member of the Audit Committee is a member of the former or existing independent auditor of the Company. The Audit Committee has reviewed this announcement and the audited consolidated results of the Group for the year ended 31 March 2021.

Scope of Work of Zhonghui Anda CPA Limited

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 March 2021 as set out in the annual results announcement have been agreed by the Group’s auditor, ZHONGHUI ANDA CPA Limited, to the amounts set out in the Group’s audited consolidated financial statements for the year ended 31 March 2021. The work performed by ZHONGHUI ANDA CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by The Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by ZHONGHUI ANDA CPA Limited on the annual results announcement.

Publication of the Annual Results Announcement and Annual Report for the Year Ended 31 March 2021 on the Websites of the Stock Exchange and the Company

This announcement is published on the website of the Stock Exchange at <http://www.hkexnews.hk> and the website of the Company at <http://www.speedapparel.com.hk>. The annual report of the Company for the year ended 31 March 2021 will be despatched to shareholders of the Company and published on the respective websites of the Stock Exchange and the Company in due course.

By order of the Board
Speed Apparel Holding Limited
Chan Wing Kai
Chairman and executive Director

Hong Kong, 30 June 2021

As at the date of this announcement, the executive Directors are Mr. Chan Wing Kai, Mr. Gao Feng, Mr. Haribayashi Keikyo and Mr. Ng Ming Ho; the non-executive Directors are Mr. Liang Fei and Mr. Okoso Satoshi; and the independent non-executive Directors are Ms. Chan Siu Lai, Mr. Kwok Chi Shing and Mr. Ma Kwok Fai, Edwin.