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Fujikon Industrial Holdings Limited

富士高實業控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 927)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2021

FINANCIAL HIGHLIGHTS

- **Revenue: HK\$890.8 million, down 28.7% (2020: HK\$1,250.2 million)**
- **Gross profit margin: 19.4% (2020: 19.4%)**
- **Profit attributable to equity holders of the Company: HK\$10.3 million, down 64.6% (2020: HK\$29.0 million)**
- **Basic earnings per share: HK2.4 cents (2020: HK6.8 cents)**
- **Final dividend (per share): HK3.0 cents (2020: HK3.0 cents)**

The board of directors (the "Board") of Fujikon Industrial Holdings Limited (the "Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries ("Fujikon" or the "Group") for the year ended 31 March 2021.

The annual results have been reviewed by the audit committee of the Company.

** for identification purpose only*

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 March 2021

	Note	2021 HK\$'000	2020 HK\$'000
Revenue	3	890,820	1,250,173
Cost of sales		(717,784)	(1,007,807)
Gross profit		173,036	242,366
Other (losses)/gains - net		(16,188)	1,433
Distribution and selling expenses		(8,080)	(9,789)
General and administrative expenses		(124,252)	(163,735)
Reversal of provision/(provision) for impairment of trade receivables		5,193	(5,067)
Operating profit	4	29,709	65,208
Finance income - net		3,337	4,720
Profit before income tax		33,046	69,928
Income tax expenses	5	(12,660)	(18,047)
Profit for the year		20,386	51,881
Other comprehensive income: <i>Items that have been reclassified or may be subsequently reclassified to profit or loss:</i>			
- Currency translation differences		27,580	(23,987)
- Fair value gains on financial assets at fair value through other comprehensive income		145	84
- Release of exchange reserve upon deregistration of a subsidiary		(4,207)	-
Other comprehensive income for the year, net of tax		23,518	(23,903)
Total comprehensive income for the year		43,904	27,978
Profit attributable to:			
Equity holders of the Company		10,266	28,991
Non-controlling interests		10,120	22,890
		20,386	51,881
Total comprehensive income attributable to:			
Equity holders of the Company		32,123	6,968
Non-controlling interests		11,781	21,010
		43,904	27,978
Earnings per share for profit attributable to the equity holders of the Company for the year:			
- Basic (HK cents per share)	7	2.4	6.8
- Diluted (HK cents per share)	7	2.4	6.8

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2021

	Note	2021 HK\$'000	2020 HK\$'000
Non-current assets			
Property, plant and equipment		97,861	113,119
Investment property		1,500	1,500
Right-of-use assets		27,079	24,419
Non-current deposits and other assets		2,085	2,417
Financial assets at fair value through other comprehensive income		4,208	4,063
Deferred income tax assets		7,684	8,543
Total non-current assets		140,417	154,061
Current assets			
Inventories		141,090	172,582
Trade receivables	8	129,700	168,276
Other receivables		23,028	30,021
Financial assets at fair value through profit or loss		1,423	1,448
Current income tax recoverable		6,365	316
Cash and cash equivalents		487,350	421,768
Total current assets		788,956	794,411
Current liabilities			
Trade payables	9	94,808	108,809
Contract liabilities, accruals and other payables		84,967	106,429
Lease liabilities		6,511	6,880
Current income tax liabilities		11,232	4,714
Total current liabilities		197,518	226,832
Net current assets		591,438	567,579
Total assets less current liabilities		731,855	721,640
Non-current liabilities			
Lease liabilities		7,177	3,940
Deferred income tax liabilities		891	1,825
Total non-current liabilities		8,068	5,765
Net assets		723,787	715,875
Equity			
Capital and reserves attributable to the Company's equity holders			
Share capital		42,584	42,584
Other reserves		169,407	151,280
Retained earnings			
- Proposed dividends		12,775	12,775
- Others		436,317	443,613
Non-controlling interests		661,083	650,252
		62,704	65,623
Total equity		723,787	715,875

NOTES

1. Basis of preparation

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”) and disclosure requirements of the Hong Kong Companies Ordinance Cap. 622. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment property, financial assets at fair value through other comprehensive income, and financial assets at fair value through profit or loss, which are carried at fair value.

2. Accounting policies

(a) Amended standards and conceptual framework adopted by the Group

The Group has applied the following amended standards and conceptual framework for the first time for its financial year commencing on 1 April 2020:

- | | |
|---|--|
| • HKFRS 3 (Amendments) | Definition of a business |
| • HKFRS 9, HKAS 39 and HKFRS 7 (Amendments) | Interest rate benchmark reform |
| • HKAS 1 and HKAS 8 (Amendments) | Definition of material |
| • Conceptual framework for financial reporting 2018 | Revised conceptual framework for financial reporting |

The adoption of these amended standards and conceptual framework did not have any material impact on the Group’s consolidated financial statements for the current period or any prior period and is not likely to affect future periods.

(b) New and amended standards, interpretations to standards and annual improvements (collectively the “Amendments”) which have been issued but are not yet effective and not early adopted

The following Amendments have been issued, but are not effective for the Group’s financial year beginning on or after 1 April 2020 and have not been early adopted in preparing these consolidated financial statements:

- | | |
|---|--|
| • HKFRSs (Amendments) | Annual improvement to HKFRSs 2018-2020 cycle ³ |
| • HKFRS 3 (Amendments) | Reference to the conceptual framework ³ |
| • HKFRS 9 and HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16 (Amendments) | Interest rate benchmark reform – Phase 2 ² |
| • HKFRS 10 and HKAS 28 (Amendments) | Sale or contribution of assets between an investor and its associate or joint venture ⁵ |
| • HKFRS 16 (Amendments) | Covid-19 – Related rent concessions ¹ |
| • HKFRS 17 and HKFRS 17 (Amendments) | Insurance contracts ⁴ |
| • HKAS 1 (Amendments) | Classification of liabilities as current or non-current ⁴ |
| • HKAS 1 and HKFRS Practice Statement 2 (Amendments) | Disclosure of accounting policies ⁴ |
| • HKAS 8 (Amendments) | Definition of accounting estimates ⁴ |
| • HKAS 16 (Amendments) | Proceeds before intended use ³ |
| • HKAS 37 (Amendments) | Onerous contracts – cost of fulfilling a contract ³ |
| • Amendments to Accounting Guideline 5 | Merger accounting for common control combinations ³ |
| • HK Int 5 (2020) | Presentation of financial statements – Classification by the borrower of a term loan that contains a repayment on demand clause ⁴ |

2. Accounting policies (Continued)

- (b) New and amended standards, interpretations to standards and annual improvements (collectively the “Amendments”) which have been issued but are not yet effective and not early adopted (Continued)

- ¹ Effective for financial years beginning on or after 1 June 2020
- ² Effective for financial years beginning on or after 1 January 2021
- ³ Effective for financial years beginning on or after 1 January 2022
- ⁴ Effective for financial years beginning on or after 1 January 2023
- ⁵ No mandatory effective date yet determined

The Group is in the process of making an assessment of the impact of these Amendments upon initial application but is not yet in a position to state whether these Amendments would have any significant impact on its results of operations and financial positions.

3. Segment information

The chief operating decision-maker (the “CODM”) has been identified as the executive directors. CODM reviews the Group’s internal reports in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

CODM assesses the performance of the business from a product perspective, i.e. by headsets and headphones, and accessories and components.

CODM assesses the performance of the operating segments based on segment results before corporate expenses, other gains and losses, finance income and costs.

Revenue between segments is carried out in accordance with the terms mutually agreed by the respective parties. The revenue from external parties is derived from numerous external customers and is measured in a manner consistent with that in the consolidated statement of comprehensive income.

3. Segment information (Continued)

	Headsets and headphones		Accessories and components		Elimination		Total	
	2021 HK\$'000	2020 HK\$'000	2021 HK\$'000	2020 HK\$'000	2021 HK\$'000	2020 HK\$'000	2021 HK\$'000	2020 HK\$'000
Segment revenue								
- External revenue	646,967	913,816	243,853	336,357	-	-	890,820	1,250,173
- Inter-segment revenue	-	-	24,935	38,984	(24,935)	(38,984)	-	-
Total	646,967	913,816	268,788	375,341	(24,935)	(38,984)	890,820	1,250,173
Segment results	25,479	15,918	25,307	52,413	-	-	50,786	68,331
Corporate expenses							(4,889)	(4,556)
Other (losses)/gains								
- net							(16,188)	1,433
Finance income								
- net							3,337	4,720
Profit before income tax							33,046	69,928
Other segment information:								
Depreciation of property, plant and equipment	23,569	25,106	8,598	9,165	-	-	32,167	34,271
Depreciation of right-of-use assets	1,610	1,607	6,688	6,965	-	-	8,298	8,572
(Reversal of provision)/provision for inventory obsolescence	(5,399)	13,108	(184)	3,142	-	-	(5,583)	16,250
(Reversal of provision)/provision for impairment of trade receivables	(5,173)	5,030	(20)	37	-	-	(5,193)	5,067
Additions to non-current assets (other than financial instruments and deferred income tax assets)	7,586	15,189	12,144	8,328	-	-	19,730	23,517

For the year ended 31 March 2021, revenues of approximately HK\$639,475,000 (2020: HK\$921,654,000) were derived from three (2020: three) customers, amounting to approximately HK\$303,428,000, HK\$171,630,000 and HK\$164,417,000 respectively, which individually accounted for over 10% of the Group's total revenue. These revenues consisted of approximately HK\$484,220,000 (2020: HK\$645,157,000) and HK\$155,255,000 (2020: HK\$276,497,000) attributable to headsets and headphones segment and accessories and components segment respectively.

The Company is domiciled in Hong Kong. Revenue from external customers attributed to Hong Kong for the year ended 31 March 2021 was approximately HK\$844,205,000 (2020: HK\$1,181,480,000), and the total revenue from external customers from China was approximately HK\$46,615,000 (2020: HK\$68,693,000).

At 31 March 2021, the total non-current assets other than financial instruments and deferred income tax assets located in Hong Kong and China were approximately HK\$24,821,000 (2020: HK\$28,267,000) and HK\$103,704,000 (2020: HK\$113,188,000) respectively.

4. Operating profit

Operating profit is stated after charging/(crediting) the following:

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Depreciation of property, plant and equipment	32,167	34,271
Depreciation of right-of-use assets	8,298	8,572
Fair value losses on financial assets at fair value through profit or loss	24	661
Net losses/(gains) on disposal of property, plant and equipment	212	(253)
Net foreign exchange losses/(gains)	20,159	(1,741)
(Reversal of provision)/provision for inventory obsolescence	(5,583)	16,250
Staff costs (including directors' emoluments)	269,572	361,667

5. Income tax expenses

The Company is exempted from taxation in Bermuda until March 2035.

Hong Kong profits tax has been provided at the rate of 16.5% (2020: 16.5%) on the estimated assessable profits arising in or derived from Hong Kong for the year. The Group's subsidiaries in China are subject to China Corporate Income Tax at a rate of 25% (2020: 25%) on estimated assessable profits.

Pursuant to the New Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between China and the jurisdiction of the foreign investors. Withholding taxes are payable on dividends distributed/to be distributed by those subsidiaries established in China in respect of earnings generated from 1 January 2008.

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Current income tax		
- Current tax on profits for the year	8,284	19,388
- Under-provision in prior years	3,792	17
- Withholding tax on dividends	-	1,389
	12,076	20,794
Deferred income tax charge/(credit)	584	(2,747)
	12,660	18,047

6. Dividends

The Board recommended a final dividend of HK3.0 cents (2020: HK3.0 cents) for the year ended 31 March 2021. The proposed dividend is not reflected as a dividend payable in these consolidated financial statements, and will be reflected as appropriation of retained earnings for the year ending 31 March 2022.

7. Earnings per share

The calculation of basic and diluted earnings per share is based on the following:

For the year ended 31 March 2021, no adjustment has been made to the weighted average number of shares as the exercise of the Company's share options would have an anti-dilutive effect.

	2021	2020
Profit attributable to equity holders of the Company (HK\$'000)	<u>10,266</u>	<u>28,991</u>
Weighted average number of ordinary shares in issue (in thousands)	425,839	425,839
Adjustment for potential dilutive effect in respect of outstanding share options (in thousands)	-	373
Weighted average number of ordinary shares for diluted earnings per share (in thousands)	<u>425,839</u>	<u>426,212</u>

8. Trade receivables

The Group grants credit periods to customers ranging from 30 to 120 days. As at 31 March 2021 and 2020, the ageing analysis of the trade receivables by past due date is as follows:

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Current	113,389	126,793
1 to 30 days	8,869	27,977
31 to 60 days	5,274	12,477
61 to 90 days	2,260	1,697
Over 90 days	2,115	6,731
	<u>131,907</u>	<u>175,675</u>
Less: Loss allowance for trade receivables	<u>(2,207)</u>	<u>(7,399)</u>
Trade receivables - net	<u>129,700</u>	<u>168,276</u>

9. Trade payables

As at 31 March 2021 and 2020, the ageing analysis of the trade payables by past due date is as follows:

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Current	86,230	89,730
1 to 30 days	7,265	14,653
31 to 60 days	238	1,240
61 to 90 days	31	952
Over 90 days	1,044	2,234
Trade payables	<u>94,808</u>	<u>108,809</u>

FINAL DIVIDEND

The Board recommended the payment of a final dividend of HK3.0 cents per ordinary share (the “Dividend”) for the year ended 31 March 2021 to the shareholders whose names appeared on the Company’s register of members on 19 August 2021. Subject to the approval by the shareholders of the Company at the forthcoming annual general meeting, the proposed Dividend is expected to be paid on 3 September 2021 to the shareholders of the Company.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed as follows:

- (a) For the purpose of determining shareholders who are entitled to attend and vote at the annual general meeting, the register of members of the Company will be closed from Tuesday, 10 August 2021 to Friday, 13 August 2021 (both days inclusive), during which period no transfers of shares will be effected. To be entitled to attend and vote at the annual general meeting, all transfers accompanied by the relevant share certificates must be lodged with Company’s Hong Kong branch share registrar, Hong Kong Registrars Limited at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30p.m. on Monday, 9 August 2021.
- (b) In order to qualify for the proposed Dividend, the register of members of the Company will be closed from Thursday, 19 August 2021 to Monday, 23 August 2021 (both days inclusive), during which period no transfers of shares will be effected. All transfers accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong branch share registrar, Hong Kong Registrars Limited at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30p.m. on Wednesday, 18 August 2021.

BUSINESS REVIEW

For the year ended 31 March 2021 (the “Review Year”), the Group’s financial performance was inevitably affected by the struggling global economy due to the outbreak of COVID-19 (the “Pandemic”). With the constant erosion in consumer confidence, the Group’s customers have been taking a conservative approach when placing orders. Consequently, the Group’s total revenue declined by 28.7% to HK\$890.8 million (2020: HK\$1,250.2 million). Gross profit also slipped to HK\$173.0 million (2020: HK\$242.4 million), while gross profit margin remained at 19.4% (2020: 19.4%). Despite the drop in gross profit and the recording of a net exchange loss of HK\$20.2 million arising from the appreciation of Renminbi during the Review Year, which was partly offset by the write-backs of provision of trade receivables and provision of inventory obsolescence, the Group recorded a profit attributable to equity holders of HK\$10.3 million (2020: HK\$29.0 million). Basic earnings per share were HK2.4 cents (2020: HK6.8 cents).

BUSINESS SEGMENT ANALYSIS

Headsets and Headphones

The performance of the headsets and headphones business during the Review Year was in line with that of the six months ended 30 September 2020 (the “Interim Period”), as customers continued to remain highly cautious about placing new orders with the Group. As a result, segmental revenue decreased by approximately 29.2% to HK\$647.0 million (2020: HK\$913.8 million), accounting for 72.6% of the Group’s total revenue. Segment profit was HK\$25.5 million (2020: HK\$15.9 million).

BUSINESS SEGMENT ANALYSIS (Continued)

Headsets and Headphones (Continued)

As mentioned in the Group's Interim Report, Call Centre & Office ("CC&O") products, which includes audio and video conferencing related products, have enjoyed a surge in demand, mainly due to the increasing prevalence of remote working practices as well as the "new normal" style of living in the wake of the Pandemic. During the Review Year, the Group has allocated more resources to capture opportunities that have arisen in this segment. The CC&O product segment places emphasis on software and hardware integration and possesses high entry barriers, as various certifications and stringent product testing are required. With nearly 40 years of experience in the electro-acoustic industry, the Group leveraged its strong fundamentals in product development, as well as its advanced engineering and manufacturing capabilities, to expand its offerings in this segment and tap the market demand.

Accessories and Components

As the Pandemic hampered consumption sentiment worldwide, the performance of the Group's packaging business for electro-acoustic products was inevitably affected. This segment recorded revenue of HK\$243.9 million (2020: HK\$336.4 million), and accounted for 27.4% of the Group's total revenue. Nevertheless, the business operation remained profitable, generating HK\$25.3 million (2020: HK\$52.4 million) in profit for the Review Year. Moreover, it continues to play an integral role in advancing Fujikon's vertical integration.

PROSPECTS

While the launch of a number of vaccines in the latter half of the Review Year should have signalled the beginning of the end for the Pandemic, the reality was a little less heartening, with further challenges such as the emergence of new COVID-19 variants continuing to cause concerns worldwide. Looking ahead to 2021, given the host of uncertainties surrounding the current Pandemic situation, the Group expects its customers will continue to adopt a wait-and-see approach in placing orders based on their diverse views on the pace and magnitude of the market's recovery. This, coupled with the global shortage of integrated circuit chips, is expected to create another set of challenges for the Group, as the macroeconomic environment is set to remain unpredictable and challenging. Fujikon will thus continue to work tirelessly to refine its operations, so as to be fully prepared for both challenges and opportunities going forward.

The Group will also continue to dedicate resources to advance its engineering and manufacturing capabilities, both of which are essential to its strategy to explore and tap the demand from segments with growth potential and market value. In the face of the "new normal" brought about by the Pandemic, the Group expects video and conferencing related products, as well as those related to gaming, will remain in strong demand in the short to medium term. In light of this, the Group will direct energies toward expanding its capacity and enhancing its capabilities in order to offer high-quality CC&O products to address market needs in an effective manner. With a well-established customer portfolio covering the world's top-tier audio brands, Fujikon's existing customers include the largest CC&O product providers in the world. The Group thus enjoys the potential advantage of cross-selling CC&O products to its customers.

In addition, the Group will maintain its practice of engaging in co-development projects that result in mutual advantages, enrichment of its product portfolio and even stronger relations with top-tier customers. The Group is also fully aware of the importance of cost efficiency, particularly amid such adverse market conditions. Consequently, implementing efficient cost control measures, increasing automation and optimising human resources will be key priorities in the coming year.

As a veteran of the electro-acoustic industry, the Group has weathered numerous ups and downs since its inception. Having proved itself to be robust and resilient, Fujikon remains committed to its mission of providing sophisticated and customised products to its customers. The Group will continue to prevail over adversity and pave its own way to long-term sustainable growth while generating greater value for its shareholders.

FINANCIAL REVIEW

Liquidity and Financial Resources

The Group maintained at a strong financial position. Net current assets as at 31 March 2021 amounted to approximately HK\$591.4 million (2020: HK\$567.6 million). The Group's current and quick ratios were approximately 4.0 times (2020: 3.5 times) and 3.3 times (2020: 2.7 times), respectively.

The Group had cash and cash equivalents of approximately HK\$487.4 million as at 31 March 2021, representing an increase of approximately 15.5% against approximately HK\$421.8 million as at 31 March 2020. Approximately 36.1%, 58.4% and 5.0% of the total cash and cash equivalents were denominated in US dollars, Renminbi and Hong Kong dollars respectively, and the remainders were in other currencies. As at 31 March 2021, the Group had aggregated banking facilities of approximately HK\$160.6 million (2020: HK\$160.6 million) for loans and trade financing, with an unused balance of approximately HK\$159.0 million (2020: HK\$160.6 million).

Foreign Exchange Exposure

The Group mainly operates in Hong Kong and China with most transactions settled in Hong Kong dollars, Renminbi and US dollars. The Group is mainly exposed to foreign exchange risk arising from future commercial transactions, recognised assets and liabilities denominated in currencies other than the functional currency of the group entities to which they relate.

During the year, the Group had recorded a net foreign exchange loss of approximately HK\$20.2 million mainly due to the appreciation of Renminbi, while a net foreign exchange gain of approximately HK\$1.7 million was recorded during the last year.

The recent fluctuation of Renminbi directly affected our operating costs. The Group will continuously monitor and enter foreign exchange forward contracts where appropriate.

Employee Information

As at 31 March 2021, the Group employed a total of approximately 2,600 (2020: 3,300) employees. The staff costs (including the directors' emoluments) accounted for approximately HK\$269.6 million during the year (2020: HK\$361.7 million).

The Group has developed its human resources policies and procedures based on performance and merit. Employees are rewarded on a performance-related basis within the general framework of its salary and bonus system. Discretionary bonus is linked to the profit performance of the Group as well as individual performance. Benefits include staff accommodation, medical schemes, share option scheme, Mandatory Provident Fund for employees in Hong Kong and state-sponsored retirement plans for employees in China. The Group has also developed training programs to its management and employees to ensure they are properly trained.

Financial Guarantee

As at 31 March 2021, the Company had provided corporate guarantees of approximately HK\$155.7 million (2020: HK\$155.7 million) to secure banking facilities of its subsidiaries. The facilities utilised by a subsidiary as at 31 March 2021 were approximately HK\$0.8 million (2020: Nil).

DEALING IN COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the year.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by directors and senior management of the Group on terms no less exacting than the required standard set out in Appendix 10 to the Listing Rules (the "Model Code"). Having made specific enquiry of all directors and senior management of the Group, all directors and senior management of the Group have complied with the required standard set out in the Model Code and the Company's code of conduct regarding securities transactions by directors and senior management of the Group throughout the year.

CORPORATE GOVERNANCE

The Board is committed to maintaining high standards of corporate governance and endeavours in following the code provisions (the "Code Provisions") of the "Corporate Governance Code" (the "CG Code") as set out in Appendix 14 to the Rules (the "Listing Rules") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Throughout the year ended 31 March 2021, the Company has complied with the CG Code save the deviation from the Code Provisions A.2.1 and the reasons for deviation of which are explained below.

CG Code provision A.2.1

According to the Code Provision A.2.1 of CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Yeung Chi Hung, Johnny, the chairman of the Company, is also the chief executive officer of the Company. Mr. Yeung is a co-founder of the Group and he has extensive experience in the electronics and acoustics industry and is responsible for the overall strategic planning and business development of the Group. The Board believes that vesting the roles of both chairman and chief executive officer in Mr. Yeung provides the Group with strong and consistent leadership to improve the Company's efficiency in decision-making and execution, and effectively capture business opportunities. Going forward, the Board will periodically review the effectiveness of this arrangement and consider the separation of the roles of the chairman and the chief executive officer when it thinks appropriate.

BOARD OF DIRECTORS

As at the date of this announcement, the Board comprises six executive directors, namely, Mr. Yeung Chi Hung, Johnny, Mr. Yuen Yee Sai, Simon, Mr. Chow Man Yan, Michael, Mr. Yuen Chi King, Wyman, Mr. Yeung Siu Chung, Ben and Ms. Chow Lai Fung; and three independent non-executive directors, namely, Dr. Chung Chi Ping, Roy, Mr. Che Wai Hang, Allen and Mr. Lee Yiu Pun.

By Order of the Board
Fujikon Industrial Holdings Limited
Yeung Chi Hung, Johnny
Chairman & Chief Executive Officer

Hong Kong, 22 June 2021