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## **Lapco Holdings Limited**

### **立高控股有限公司**

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

**(Stock code: 8472)**

#### **SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO THE ANNUAL REPORTS FOR THE YEARS ENDED 31 DECEMBER 2021, 2022 AND 2023**

Reference is made to the annual reports (each a “**2021 Annual Report**”, “**2022 Annual Report**” and “**2023 Annual Report**” together, the “**Annual Reports**”) of Lapco Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) for the years ended 31 December 2021, 2022 and 2023 (each “**FY2021**”, “**FY2022**” and “**FY2023**”). Unless otherwise defined or the context requires otherwise, capitalised terms used herein shall have the same meanings as those defined in the Annual Reports.

The Company wishes to clarify the following disclosure (“**Disclosure**”) set out in note 8 “Directors’ and Chief Executive’s Emoluments” (“**Note 8**”) to the consolidated financial statements of the Company for FY2021, FY2022 and FY2023 contained in the Annual Reports:

Details of the relevant Disclosure are as follows:

<b>Annual Reports</b>		<b>Disclosure in Note 8</b>
<b>Financial Years</b>	<b>Page</b>	
2021	87	Mr. Choi Chung Yin (“ <b>Mr. Choi</b> ”) was appointed as “ <i>chief executive</i> ” of the Company on 31 December 2021.
2022	87	The amounts of emoluments paid or payable to Mr. Choi as “ <i>chief executive</i> ”.
	88	Mr. Choi was appointed as “ <i>chief executive</i> ” of the Company on 31 December 2021.
2023	90	The amounts of emoluments paid or payable to Mr. Choi as “ <i>chief executive</i> ”.

Rule 1.01 of the GEM Listing Rules defines “*chief executive*” as a person who either alone or together with one or more other persons is or will be responsible under the immediate authority of the board of directors for the conduct of the business of a listed issuer. The Company wishes to clarify that the Disclosure of Mr. Choi as “*chief executive*” of the Company and his emoluments in the Annual Reports was an inadvertent mistake. Mr. Choi was in fact employed by Lapco Service Limited (“**Lapco Service**”), a wholly-owned subsidiary of the Company as chief executive officer of Lapco Service on 21 October 2021. Mr. Choi is not under the immediate authority of the Board for the conduct of the business of the Company.

The above Disclosure about Mr. Choi and his emoluments was not required in the Annual Reports in accordance with the GEM Listing Rules and the Companies Ordinance (Cap. 622 of the laws of Hong Kong). The Company also wishes to clarify that such Disclosure should be removed from the Annual Reports to avoid any misleading disclosure about Mr. Choi’s position in the Group.

The Directors would like to highlight that the exclusion of Mr. Choi’s emoluments in Note 8 has consequential effect on the disclosure of the five highest paid individuals and the range of emoluments paid and payable to them during the respective financial years as set out in note 9 (“**Employees’ Emoluments**”) (“**Note 9**”) as well as the breakdown of employees’ emoluments and directors’ and chief executive’s emoluments in note 10 (“**Profit before taxation**”) (“**Note 10**”) due to the classification of Mr. Choi as chief executive of the Company in the respective Annual Reports. Should the disclosure on Mr. Choi’s emoluments be removed from Note 8, the consequential effect resulting from reclassification of Mr. Choi’s emoluments as directors’ and chief executive’s emoluments to employees’ emoluments (the “**Potential Reclassification**”) are as follows:

	<b>2022 Annual Report</b>		<b>2023 Annual Report</b>
		<b>Note 8</b>	
		Page 87	Page 90
	<b>Total Emoluments for FY2022 HK\$’000</b>		<b>Total Emoluments for FY2023 HK\$’000</b>
Total	<u>2,823</u>	Total	<u>1,972</u>
			Page 91
			<b>Total Emoluments for FY2022 HK\$’000</b>
		Total	<u>2,823</u>

## Note 9

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The five highest paid individuals included two directors (2021: three directors) for the year ended 31 December 2022 whose emoluments are included in the disclosures in note 8. The emoluments of the remaining three (2021: two) non-director employees for the year ended December 2022 were as follows:

	<b>2022</b>	
	<i>HK\$'000</i>	
Salaries and other benefits	4,626	
Discretionary bonus	319	
Retirement benefits scheme contributions	60	
	<u>5,005</u>	

The five highest paid individuals included one director (2022: two directors) for the year ended 31 December 2023 whose emoluments are included in the disclosures in note 8. The emoluments of the remaining four (2022: three) non-director employees for the year ended December 2023 were as follows:

	<b>2023</b>	<b>2022</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>
Salaries and other benefits	5,309	4,626
Discretionary bonus	2,275	319
Retirement benefits scheme contributions	72	60
	<u>7,656</u>	<u>5,005</u>

Their emoluments were within the following bands:

	<b>2022</b>	
	<i>Number of employees</i>	
HK\$2,000,001 to HK\$2,500,000	1	

Their emoluments were within the following bands:

	<b>2023</b>	<b>2022</b>
	<i>Number of employees</i>	<i>Number of employees</i>
HK\$2,000,001 to HK\$2,500,000	–	1
HK\$3,500,001 to HK\$4,000,000	1	–

## Note 10

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	<b>2022</b>	
	<i>HK\$'000</i>	
Directors' remuneration ( <i>note 8</i> )	2,823	
Other staff costs		
Salaries, bonuses and other benefits	746,644	
Retirement benefits scheme contributions	22,447	

	<b>2023</b>	<b>2022</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>
Directors' remuneration ( <i>note 8</i> )	1,972	2,823
Other staff costs		
Salaries, bonuses and other benefits	712,846	746,644
Retirement benefits scheme contributions	42,971	22,447

The Directors are of the view that, given the disclosure about Mr. Choi's emoluments merely provides additional information about the Group's emoluments for the respective financial years, the Potential Reclassification will have no financial effect on the consolidated financial statements for the respective years.

The above supplementary information does not affect other information contained in each of the 2021 Annual Report, 2022 Annual Report and 2023 Annual Report. Save as disclosed above, all other information in the Annual Reports remains unchanged. The Company's auditors acknowledged the above changes.

As the chief executive officer of Lapco Service, Mr. Choi is responsible for preparing tenders and securing new contracts at the subsidiary level and plays a critical role in generating business and revenue for the Group. The Group constantly reviews its remuneration policy and recognises the importance of remuneration to attract talents for its business operation. Mr. Choi's remuneration is therefore commensurate with the performance of the Group. Nevertheless, Mr. Choi is not involved in any strategic and developmental decisions, nor does he conduct any business, at the listed issuer level. Mr. Choi's remuneration has been accounted for at the subsidiary level and consolidated to the Group's consolidated financial statements. No remuneration has been provided by the Company to Mr. Choi at the listed issuer level.

Under Rule 18.39 of the GEM Listing Rules, the listed issuer shall include a brief biographical details in respect of the directors and senior managers of the listed issuer. In addition, Rule 18.39 of the GEM Listing Rules further provides that it is the responsibility of the directors of the listed issuer to determine which individual or individuals constitute senior management and that senior management may include directors of subsidiaries, head of divisions, departments or other operating units within the group as, in the opinion of the listed issuer's directors, is appropriate.

Given that (i) Mr. Choi does not hold any job position in the Company or conduct any business at the listed issuer level; (ii) Mr. Choi does not hold any shares in the Company or its subsidiaries; (iii) Mr. Choi's job duties do not require him to make strategic and developmental decisions at the listed issuer level; and (iv) Mr. Choi is not required to participate in Board meetings of the Company and give advice to the Board, based on the Board's assessment, Mr. Choi was not determined to be senior management of the Company.

By order of the Board of  
**Lapco Holdings Limited**  
**Tam Yiu Shing, Billy**  
*Executive Director and Joint Company Secretary*

Hong Kong, 19 July 2024

*As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Tam Yiu Shing, Billy; Mr. Au Pak Lun, Patrick and Mr. Wang Rong and three independent non-executive Directors, namely Mr. Mak Kwok Kei, Mr. Chow Yun Cheung and Mr. Leung Ka Wai.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no matters the omission of which would make any statement in this announcement misleading.*

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