

TARGET

Intelligence Report

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S A T U R D A Y

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**ECI TECHNOLOGY HOLDINGS LTD:
THIS COMPANY IS MANAGED AND CONTROLLED
BY THE CHAIRMAN, HIS WIFE, AND HIS BROTHER-IN-LAW !**

The principal activity of ECI Technology Holdings Ltd (Code: 8013, The Growth Enterprise Market – The **GEM** – The Stock Exchange of Hongkong Ltd) is the provision of extra-low voltage (**ELV**) solutions.

The Company's solutions include central control monitoring systems, such as security systems, car park systems and clubhouse management systems, and telecommunications and broadcasting services systems, such as **CABD** System (**C**ommunal **A**erial **B**roadcast **D**istribution) and **SMATV** (**S**atellite **M**aster **A**ntenna **T**ele**V**ision) system.

The Company sources hardware, such as security cameras, display devices, cables and wires, and electronic and electrical components, as well as systems, such as smartcard and access control system, from local and overseas suppliers.

The Company provides total security systems, including access control, burglar alarm, time attendance, elevator control, and door phone entry system.

Its customers, in the private sector, are property developers and property management companies in the **Hongkong Special Administrative Region (HKSAR)** of the **People's Republic of China (PRC)**.

Its customers, in the public sector, are **HKSAR Government Departments**, such as the **Drainage Services Department**, **Leisure and Cultural Services Department**, and **Electrical and Mechanical Services Department**.

ECI Technology Holdings Ltd sought and obtained the right to have its entire Issued Share Capital listed on the Secondary Equity Market of **HKSAR** – The **GEM** – on or about March 10, 2017.

The Company's 2022 Annual Report, in respect of the Financial Year, ended August 31, was published and disseminated in the **HKSAR** on or about Tuesday, November 29, 2022.

Three days after the publication of the 2022 Annual Report, Senior Management of ECI Technology Holdings Ltd caused to publish an announcement, under the headline,

**‘VOLUNTARY ANNOUNCEMENT
BUSINESS UPDATE**

‘This announcement is made by ECI Technology Holdings Limited (the “Company”, together with its subsidiaries as the “Group”) on a voluntary basis. The purpose of this announcement is to keep the shareholders of the Company and potential investors informed of the latest business development of the Group.

‘The board of directors (the “Board”) of the Company is pleased to announce that the Group has recently been awarded new contracts from the public sector. These projects include, inter alia, a three-year contract for the maintenance, repair, alternations, additions and improvement of broadcast reception installation and satellite master antenna television system for the Government of the Hong Kong Special Administrative Region, a four-year contract for the maintenance and repair of burglar alarm and security installations at various disciplined services venues, the provision of closed circuit television systems in Stonecutters Island Sewage Treatment Works for the Drainage Services Department and replacement of security system for the Hong Kong Police Force. The aggregate amount of contract sum awarded is approximately HK\$52,000,000.

‘The Board believes that the Group may gain reputation for the quality of our work by undertaking these projects, thereby bringing more business opportunities of public sector projects to the Group as well as widening its revenue stream.’

Reverting to the 2022 Annual Report of the Company, at Page Five, Mr Ng Tai Wing, the Chairman of the Board of Directors and the Chief Executive of the Company, had this to impart to his shareholders and prospective investors:

‘... For the financial year under review, the Group reported revenue of approximately HK\$130,433,000, representing a decrease of approximately 5.62% as compared with approximately HK\$138,207,000 for the previous year. The consolidated profit for the year amounted to approximately HK\$6,344,000 as compared with a consolidated profit of approximately HK\$8,716,000 for the pervious (sic) year...

‘We have expanded our security guarding services to perform event security in the past years. Looking back in October 2021, we were the service provider of security guard of Standard Chartered Hong Kong Marathon 2021. I believe that being the service provider of this global event, we gain experience on handling temporary or short-term projects and improve our Group’s reputation on security guarding services.

‘The overall business environment remains challenging in 2022 and the world economy was stepping into post pandemic era. There is no major impact in our operations and we continue to benefit from government subsidies under the Employment Support Scheme...’.

At Page 75 of the 2022 Annual Report of the Company, the ‘**Consolidated Statement of Profit or Loss and Other Comprehensive Income**’ was presented as follows:

	For The Financial Year, Ended August 31		Percentage Increase/(Decrease)*
	2022	2021	
	All Figures Are Denominated In \$HK'000 (except where otherwise stipulated)		
Revenue	130,433	138,207	(5.62)
Gross Profit	31,933	30,947	3.19
Gross Profit Margin*	24.48 percent	22.39 percent	9.33
Profit From Operations	6,788	9,312	(27.10)
Profit Before Taxation	6,571	9,046	(27.36)
Profit For The Year	6,344	8,716	(27.21)
Net Profit Margin*	4.86 percent	6.31 percent	(22.98)
Earnings For The Year, Attributable To Shareholders Of The Company	0.40 cents	0.54 cents	(25.93)

* These are **TARGET**’s calculations.

ECI Technology Holdings Ltd, as at August 31, 2022, employed the services of 370 men and women.

THE SENIOR EXECUTIVES OF ECI TECHNOLOGY HOLDINGS LTD

Senior Executives ... [CLICK TO ORDER FULL ARTICLE](#)

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