

# Shen You Holdings Limited 申酉控股有限公司

(Incorporated in the Cayman Islands with limited liability)  
(於開曼群島註冊成立的有限公司)

**Stock Code 股份代號 : 8377**

# 2019

INTERIM REPORT  
中期報告





## CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

**GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.**

**Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.**

*Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this report, 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 report.*

*This report, for which the directors (the “**Directors**”) of Shen You Holdings Limited (the “**Company**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (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 report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.*

香港聯合交易所有限公司(「聯交所」)GEM的特色

GEM的定位，乃為中小型公司提供一個上市的市場，此等公司相比起其他在聯交所上市的公司帶有較高投資風險。有意投資的人士應了解投資於該等公司的潛在風險，並應經過審慎周詳的考慮後方作出投資決定。

由於GEM上市公司普遍為中小型公司，在GEM買賣的證券可能會較於主板買賣之證券承受較大的市場波動風險，同時無法保證在GEM買賣的證券會有高流通量的市場。

香港交易及結算所有限公司及聯交所對本報告之內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示概不會就因本報告全部或任何部分內容而產生或因倚賴該等內容而引致之任何損失承擔任何責任。

本報告乃遵照聯交所GEM證券上市規則(「GEM上市規則」)而刊載，旨在提供有關申西控股有限公司(「本公司」)的資料；本公司的董事(「董事」)願就本報告的資料共同及個別地承擔全部責任。各董事在作出一切合理查詢後，確認就其所深知及確信，本報告所載資料在各重大方面均屬準確完備，且無誤導或欺詐成分，及並無遺漏任何其他事項，致使本報告或其所載任何陳述產生誤導。

# Financial Highlights

## 財務摘要

For the six months ended 30 June 2019, the unaudited operating results of the Company and its subsidiaries (collectively, the “Group”) were as follows:

- revenue recorded for the six months ended 30 June 2019 amounted to approximately HK\$28.9 million;
- loss after taxation for the six months ended 30 June 2019 amounted to approximately HK\$2.7 million; and
- basic and diluted loss per share of the Company for the six months ended 30 June 2019 was approximately HK0.34 cents.

截至二零一九年六月三十日止六個月，本公司及其附屬公司(統稱「本集團」)的未經審核經營業績載列如下：

- 截至二零一九年六月三十日止六個月，錄得收益約28.9百萬港元；
- 截至二零一九年六月三十日止六個月的除稅後虧損約為2.7百萬港元；及
- 本公司截至二零一九年六月三十日止六個月的每股基本及攤薄虧損約為0.34港仙。

# Financial Information

## 財務資料

The board of Directors (the “**Board**”) is pleased to announce the unaudited condensed consolidated results of the Group for the six months ended 30 June 2019 together with the comparative unaudited figures for the corresponding period in 2018, which are presented in Hong Kong dollars (“**HK\$**”) as follows:

董事會(「**董事會**」)欣然宣佈本集團截至二零一九年六月三十日止六個月的未經審核簡明綜合業績，連同二零一八年同期的未經審核比較數字，均以港元(「**港元**」)列示如下：

## Unaudited Condensed Consolidated Statements of Profit or Loss

### 未經審核簡明綜合損益表

For the six months ended 30 June 2019

截至二零一九年六月三十日止六個月

		Notes 附註	For the three months ended 30 June 截至六月三十日止三個月		For the six months ended 30 June 截至六月三十日止六個月	
			2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)	2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)
Revenue	收益	4, 5	15,831	17,234	28,894	29,455
Cost of sales	銷售成本		(11,686)	(13,564)	(22,496)	(23,097)
Gross profit	毛利		4,145	3,670	6,398	6,358
Other income and gains	其他收入及增益	5	923	1,422	972	874
Selling and distribution expenses	銷售及分銷開支		(1,605)	(1,911)	(3,095)	(3,468)
Administrative expenses	行政開支		(2,725)	(4,417)	(6,623)	(9,067)
Other expenses	其他開支		(26)	–	(179)	(360)
Finance costs	融資成本	6	(313)	(159)	(618)	(404)
PROFIT/(LOSS) BEFORE TAX	除稅前溢利/(虧損)	7	399	(1,395)	(3,145)	(6,067)
Income tax credit/(expense)	所得稅抵免/(開支)	8	(144)	–	440	857
PROFIT/(LOSS) FOR THE PERIOD	期內溢利/(虧損)		255	(1,395)	(2,705)	(5,210)
PROFIT/(LOSS) ATTRIBUTABLE TO OWNERS OF THE PARENT	母公司擁有人應佔溢利/(虧損)		255	(1,395)	(2,705)	(5,210)
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT	母公司擁有人應佔每股盈利/(虧損)	10				
Basic and diluted (expressed in HK cents per share)	基本及攤薄(以每股港仙列示)		0.03	(0.17)	(0.34)	(0.65)

# Unaudited Condensed Consolidated Statement of Comprehensive Income

## 未經審核簡明綜合全面收入表

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

		For the three months ended 30 June		For the six months ended 30 June	
		截至六月三十日止三個月		截至六月三十日止六個月	
		2019	2018	2019	2018
		二零一九年	二零一八年	二零一九年	二零一八年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
PROFIT/(LOSS) FOR THE PERIOD	期內溢利/(虧損)	255	(1,395)	(2,705)	(5,210)
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	(1,858)	(4,587)	(287)	(642)
OTHER COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX	期內其他全面虧損 (已扣除稅項)	(1,858)	(4,587)	(287)	(642)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	期內全面虧損總額	(1,603)	(5,982)	(2,992)	(5,852)
ATTRIBUTABLE TO OWNERS OF THE PARENT	母公司擁有人應佔	(1,603)	(5,982)	(2,992)	(5,852)



# Consolidated Statement of Financial Position

## 綜合財務狀況表

As at 30 June 2019 於二零一九年六月三十日

		Notes 附註	As at 30 June 2019 於二零一九年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	As at 31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
<b>NON-CURRENT ASSETS</b> 非流動資產				
Property, plant and equipment	物業、廠房及設備	11	10,186	10,685
Right-of-use assets	使用權資產		5,436	–
Financial assets at fair value through profit or loss	按公允值計入損益的金融資產		4,681	4,632
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	12	4,778	5,971
Deferred tax assets	遞延稅項資產		3,103	2,648
<b>Total non-current assets</b>	<b>非流動資產總值</b>		<b>28,184</b>	23,936
<b>CURRENT ASSETS</b> 流動資產				
Inventories	存貨	13	14,955	14,761
Trade receivables	應收交易款項	14	12,161	17,441
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	12	7,344	5,426
Tax recoverable	可收回稅項		129	129
Cash and cash equivalents	現金及現金等價物		33,619	30,938
<b>Total current assets</b>	<b>流動資產總值</b>		<b>68,208</b>	68,695
<b>CURRENT LIABILITIES</b> 流動負債				
Trade payables	應付交易款項	15	5,145	5,122
Other payables and accruals	其他應付款項及應計費用	16	5,161	6,729
Interest-bearing bank borrowings	計息銀行借款	17	19,482	15,217
Tax payable	應付稅項		1,231	1,234
<b>Total current liabilities</b>	<b>流動負債總額</b>		<b>31,019</b>	28,302
<b>NET CURRENT ASSETS</b>	<b>流動資產淨值</b>		<b>37,189</b>	40,393
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>資產總值減流動負債</b>		<b>65,373</b>	64,329

# Consolidated Statement of Financial Position (Continued)

## 綜合財務狀況表(續)

As at 30 June 2019 於二零一九年六月三十日

		Notes 附註	As at 30 June 2019 於二零一九年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	As at 31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
<b>NON-CURRENT LIABILITIES</b> 非流動負債				
Lease liabilities	租賃負債		<b>5,259</b>	–
Other payables and accruals	其他應付款項及應計費用	16	–	1,223
Total non-current liabilities			<b>5,259</b>	1,223
<b>Net assets</b> 資產淨值				
EQUITY 權益			<b>60,114</b>	63,106
Share capital	股本	18	<b>8,000</b>	8,000
Reserves	儲備		<b>52,114</b>	55,106
Total equity			<b>60,114</b>	63,106

# Unaudited Condensed Consolidated Statement of Changes in Equity

## 未經審核簡明綜合權益變動表

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

		Share capital	Share premium	Merger reserve	Statutory surplus reserve	Available-for-sale investment revaluation reserve	Exchange fluctuation reserve	Retained profits/(Accumulated losses)	Total equity
		股本	股份溢價	合併儲備	法定盈餘儲備	可供出售投資重估儲備	匯兌波動儲備	保留溢利/(累計虧損)	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
As at 1 January 2018	於二零一八年一月一日	8,000	57,751	(1,000)	5,670	(825)	11,290	(2,802)	78,084
HKFRS 9 adjustment on retained earnings	保留盈利的香港財務報告準則第9號調整	-	-	-	-	825	-	(825)	-
As at 1 January 2018 (after adjustment)	於二零一八年一月一日 (調整後)	8,000	57,751	(1,000)	5,670	-	11,290	(3,627)	78,084
Loss for the period	期內虧損	-	-	-	-	-	-	(5,210)	(5,210)
Other comprehensive loss for the period:	期內其他全面虧損：								
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	-	-	-	-	-	(642)	-	(642)
Total comprehensive loss for the period	期內全面虧損總額	-	-	-	-	-	(642)	(5,210)	(5,852)
As at 30 June 2018 (unaudited)	於二零一八年六月三十日 (未經審核)	8,000	57,751	(1,000)	5,670	-	10,648	(8,837)	72,232
As at 1 January 2019	於二零一九年一月一日	8,000	57,751	(1,000)	5,670	-	7,452	(14,767)	63,106
Loss for the period	期內虧損	-	-	-	-	-	-	(2,705)	(2,705)
Other comprehensive loss for the period:	期內其他全面虧損：								
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	-	-	-	-	-	(287)	-	(287)
Total comprehensive loss for the period	期內全面虧損總額	-	-	-	-	-	(287)	(2,705)	(2,992)
As at 30 June 2019 (unaudited)	於二零一九年六月三十日 (未經審核)	8,000	57,751	(1,000)	5,670	-	7,165	(17,472)	60,114



# Unaudited Condensed Consolidated Statement of Cash Flows

## 未經審核簡明綜合現金流量表

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

		For the six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)
CASH FLOWS FROM OPERATING ACTIVITIES	經營活動所得現金流量		
Loss before tax	除稅前虧損	<b>(3,145)</b>	(6,067)
Adjustments for:	調整：		
Finance costs	融資成本	6	404
Fair value gain on financial assets at fair value through profit or loss	按公允值計入損益的 金融資產的公允值 增益	<b>(49)</b>	57
Bank interest income	銀行利息收入	5	(10)
Depreciation of right-of-use assets	使用權資產折舊	<b>637</b>	-
Depreciation of fixed assets	固定資產折舊	7	174
Recognition of prepaid lease payments for buildings	確認樓宇預付租賃款項	7	164
(Gain)/loss on disposal of items of property, plant and equipment	出售物業、廠房及設備 項目之(增益)/虧損	7	322
		<b>(1,374)</b>	(4,956)
Increase in inventories	存貨增加	<b>(194)</b>	(4,003)
Decrease in trade receivables	應收交易款項減少	<b>5,280</b>	5,497
Increase in prepayments, other receivables and other assets	預付款項、其他應收款項及 其他資產增加	<b>(2,277)</b>	(1,825)
Increase/(decrease) in trade payables	應付交易款項增加/(減少)	<b>23</b>	(2,294)
Decrease in other payables and accruals	其他應付款項及應計費用 減少	<b>(1,569)</b>	(8,285)
Cash used in operations	經營所用現金	<b>(111)</b>	(15,866)
Interest received	已收利息	<b>1</b>	10
Interest paid	已付利息	<b>(618)</b>	(404)
PRC taxes paid	已付中國稅項	<b>(107)</b>	(1,363)
Net cash flows used in operating activities	經營活動所用現金流量 淨額	<b>(835)</b>	(17,623)

# Unaudited Condensed Consolidated Statement of Cash Flows (Continued)

## 未經審核簡明綜合現金流量表(續)

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

		For the six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動所得現金流量		
Purchases of items of property, plant and equipment	購買物業、廠房及設備項目	(145)	(6,962)
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備項目 所得款項	31	2,461
Decrease in pledged deposits	抵押存款減少	-	9,000
Net cash flows (used in)/from investing activities	投資活動(所用)/所得 現金流量淨額	(114)	4,499
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動所得現金流量		
New bank loans	新增銀行貸款	10,693	14,300
Repayments of bank loans	償還銀行貸款	(10,804)	(21,556)
Principal portion of lease payment	租賃付款本金部分	(544)	-
Net cash flows used in financing activities	融資活動所用現金流量淨額	(655)	(7,256)
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物減少淨額	(1,604)	(20,380)
Cash and cash equivalents at beginning of period	期初現金及現金等價物	30,938	57,920
Effect of foreign exchange rate changes, net	匯率變動的影響，淨額	(91)	(775)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	期末現金及現金等價物	29,243	36,765

# Unaudited Condensed Consolidated Statement of Cash Flows (Continued)

## 未經審核簡明綜合現金流量表(續)

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

		For the six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS 現金及現金等價物結餘之分析			
Cash and bank balances 現金及銀行結餘		<b>33,619</b>	37,517
Cash and cash equivalents as stated in the consolidated statement of financial position 列入綜合財務狀況表之現金及現金等價物		<b>33,619</b>	37,517
Bank overdrafts 銀行透支		<b>(4,376)</b>	(752)
Cash and cash equivalents as stated in the consolidated statement of cash flows 列入綜合現金流量表之現金及現金等價物		<b>29,243</b>	36,765



# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

### 1. CORPORATE AND GROUP INFORMATION

The Company was incorporated as an exempted company with limited liability in the Cayman Islands under the Companies Law (as revised) of the Cayman Islands on 18 August 2016. The registered office address of the Company is Clifton House, 75 Fort Street, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands.

The Company is an investment holding company. During the year, the Company's subsidiaries were principally engaged in the manufacture and trading of high performance sewing threads and broad categories of garment accessories.

The ultimate holding company of the Group is Three Gates Investment Limited, which was incorporated in the British Virgin Islands ("BVI") with limited liability and is controlled by Mr. Wong Kwok Wai, Albert.

As at the date of this report, the Company has direct and indirect interests in its subsidiaries, all of which are private limited liability companies (or, if incorporated outside Hong Kong, have substantially similar characteristics to a private company incorporated in Hong Kong), the particulars of which are set out below:

### 1. 公司及集團資料

本公司於二零一六年八月十八日根據開曼群島公司法(經修訂)在開曼群島註冊成立為獲豁免有限公司，註冊辦事處位於Clifton House, 75 Fort Street, P.O.Box 1350, Grand Cayman KY1-1108, Cayman Islands。

本公司為投資控股公司。本公司附屬公司年內主要從事優質縫紉線和各類服裝輔料生產及貿易。

本集團最終控股公司為Three Gates Investment Limited，乃於英屬處女群島(「英屬處女群島」)註冊成立的有限公司，由黃國偉先生控制。

於本報告日期，本公司擁有其附屬公司的直接及間接權益，該等附屬公司均為私營有限公司(或倘於香港境外註冊成立，擁有於香港註冊成立私營公司之大致類似性質)，詳情載列如下：

Name 名稱	Place of incorporation/ registration and operations 註冊成立/註冊 及經營地點	Nominal value of issued ordinary/ paid-up/registered share capital 已發行普通/ 繳足/註冊股本面值	Percentage of equity attributable to the Company 本公司應佔權益百分比		
			Direct 直接	Indirect 間接	Principal activities 主要業務
Strat Tech Holdings Limited 英屬處女群島	BVI 英屬處女群島	US\$1 1美元	100%	-	Investment holding 投資控股
Shen You (China) Limited 申酉(中國)有限公司	Hong Kong 香港	HK\$10,000,000 10,000,000港元	100%	-	Investment holding 投資控股
Tseyu International Trading Company Limited 至裕國際貿易有限公司	Hong Kong 香港	HK\$5,000,000 5,000,000港元	-	100%	Trading of sewing threads and broad categories of garment accessories 縫紉線和各類服裝輔料 貿易
Newchamp Industries Limited 新中港實業有限公司	Hong Kong 香港	HK\$30,000,000 30,000,000港元	-	100%	Trading of sewing threads 縫紉線貿易

# Notes to the Condensed Consolidated Financial Statements (Continued)

## 簡明綜合財務報表附註(續)

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

### 1. CORPORATE AND GROUP INFORMATION (Continued)

### 1. 公司及集團資料(續)

Name 名稱	Place of incorporation/ registration and operations 註冊成立/註冊 及經營地點	Nominal value of issued ordinary/ paid-up/registered share capital 已發行普通/ 繳足/註冊股本面值	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Clolab International Limited 研衣人國際有限公司	Hong Kong 香港	HK\$10,000 10,000港元	–	100%	Dormant 暫無業務
Cheerful Keen Limited 置富健有限公司	BVI 英屬處女群島	US\$1 1美元	–	100%	Trading of sewing threads and broad categories of garment accessories 縫紉線和各類服裝 輔料貿易
Guangzhou Xinhua Thread Company Limited *	People's Republic of China (the "PRC")/ Mainland China	HK\$56,250,000	–	100%	Manufacture and trading of sewing threads and broad categories of garment accessories
廣州新華線業有限公司 *	中華人民共和國 (「中國」)/ 中國內地	56,250,000港元			縫紉線和各類服裝 輔料生產及貿易
申西辰鑫企業(上海)有限公司 *	PRC/Mainland China 中國/中國內地	HK\$5,000,000 5,000,000港元	–	100%	Investment holding 投資控股
杭州新裕線業有限公司	PRC/Mainland China  中國/中國內地	RMB500,000  人民幣500,000元	–	100%	Trading of sewing threads and broad categories of garment accessories 縫紉線和各類服裝輔料貿易

\* Registered as wholly-foreign-owned enterprises under PRC law.

\* 根據中國法律註冊為外商獨資企業

# Notes to the Condensed Consolidated Financial Statements (Continued)

## 簡明綜合財務報表附註(續)

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

### 2. BASIS OF PREPARATION

The unaudited interim condensed consolidated financial statements of the Group for the six months ended 30 June 2019 (the “**period**”) have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and the applicable disclosure requirements of the Companies Ordinance (Cap. 622) and to the Rules Governing the Listing of Securities on GEM of the Stock Exchange.

The unaudited interim condensed consolidated financial statements of the Group do not include all the information and disclosures required in annual consolidated financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2018.

The accounting policies and methods of computation used in the preparation of these financial statements are consistent with the consolidated financial statements of the Group for the year ended 31 December 2018, except for the adoption of new and revised standards with effect from 1 January 2018 as detailed in note 3 below.

### 2. 編製基準

此等本集團截至二零一九年六月三十日止六個月(「**期內**」)的未經審核中期簡明綜合財務報表乃按香港會計師公會(「**香港會計師公會**」)頒佈的香港會計準則第34號「中期財務報告」和第622章公司條例及聯交所GEM證券上市規則的適用披露規定而編製。

此等本集團未經審核中期簡明綜合財務報表並不包括年度綜合財務報表所規定的所有資料和披露，故應與本集團截至二零一八年十二月三十一日止年度的綜合財務報表一併閱讀。

除採納自二零一八年一月一日起生效的新訂和經修訂準則(詳情載於下文附註3)外，編製此等財務報表所採用的會計政策和計算方法與本集團截至二零一八年十二月三十一日止年度的綜合財務報表所採用者一致。



# Notes to the Condensed Consolidated Financial Statements (Continued)

## 簡明綜合財務報表附註(續)

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

### 3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised Hong Kong Financial Reporting Standards (“**HKFRSs**”) (which include all Hong Kong Financial Reporting Standards, HKASs and Interpretations) issued by the HKICPA for the first time for these Financial Statements.

Amendments to HKFRS 9	<i>Prepayment Features with Negative Compensation</i>
HKFRS 16	<i>Leases</i>
Amendments to HKAS 19	<i>Plan Amendment, Curtailment or Settlement</i>
Amendments to HKAS 28	<i>Long-term Interests in Associates and Joint Ventures</i>
HK(IFRIC)-Int 23	<i>Uncertainty over Income Tax Treatments</i>
<i>Annual Improvements 2015–2017 Cycle</i>	Amendments to HKFRS 3, HKFRS 11, HKAS 12 and HKAS 23

Other than as explained below regarding the impact of HKFRS 16 Leases, the new and revised standards are not relevant to the preparation of the Group’s interim condensed consolidated financial information. The nature and impact of HKFRS 16 are described below:

HKFRS 16 replaces HKAS 17 Leases, HK(IFRIC)-Int 4 Determining whether an Arrangement contains a Lease, HK(SIC)-Int 15 Operating Leases — Incentives and HK(SIC)-Int 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model. Lessor accounting under HKFRS 16 is substantially unchanged from HKAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in HKAS 17. Therefore, HKFRS 16 did not have any financial impact on leases where the Group is the lessor.

### 3. 會計政策和披露的變動

本集團已就此等財務報表採納下列由香港會計師公會頒佈的新訂和經修訂香港財務報告準則(「**香港財務報告準則**」)(包括所有香港財務報告準則、香港會計準則和詮釋)。

香港財務報告準則第9號(修訂本)	具有負補償的提前還款特性
香港財務報告準則第16號	租賃
香港會計準則第19號(修訂本)	計劃修訂、縮減或支付
香港會計準則第28號(修訂本)	聯營公司及合營企業的長期權益
香港(國際財務報告詮釋委員會)—詮釋第23號	所得稅處理方法的不確定性
二零一五年至二零一七年週期的年度改進	對香港財務報告準則第3號、香港財務報告準則第11號、香港會計準則第12號及香港會計準則第23號的修訂

除下文所述有關香港財務報告準則第16號租賃，新訂及經修訂準則與編製本集團的中期簡明綜合財務資料並無關聯。有關香港財務報告準則第16號的性質和影響闡述如下：

香港財務報告準則第16號取代香港會計準則第17號租賃、香港(國際財務報告詮釋委員會)—詮釋第4號釐定安排是否包括租賃、香港(常務詮釋委員會)—詮釋第15號經營租賃—優惠及香港(常務詮釋委員會)—詮釋第27號評估涉及租賃法律形式的交易內容。該準則載列確認、計量、呈列及披露租賃的原則，要求承租人在單一資產負債表內模型中計算所有租賃。香港財務報告準則第16號大致維持香港會計準則第17號的出租人會計處理方式。承租人將繼續按照與香港會計準則第17號相類似的分類原則對租賃進行分類，並對經營租賃和金融租賃作出區分。因此，香港財務報告準則第16號對本集團為出租人的租賃並無影響。

# Notes to the Condensed Consolidated Financial Statements (Continued)

## 簡明綜合財務報表附註(續)

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

### 3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

The Group adopted HKFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 January 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initial adoption as an adjustment to the opening balance of retained earnings at 1 January 2019, and the comparative information for 2018 was not restated and continues to be reported under HKAS 17.

#### New definition of a lease

Under HKFRS 16, a contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to obtain substantially all of the economic benefits from use of the identified asset and the right to direct the use of the identified asset. The Group elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 at the date of initial application. Contracts that were not identified as leases under HKAS 17 and HK(IFRIC)-Int 4 were not reassessed. Therefore, the definition of a lease under HKFRS 16 has been applied only to contracts entered into or changed on or after 1 January 2019.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their standard-alone prices. A practical expedient is available to a lessee, which the Group has adopted, not to separate non-lease components and to account for the lease and the associated non-lease components (e.g., property management services for leases of properties) as a single lease component.

### 3. 會計政策和披露的變動(續)

本集團透過採用經修訂的追溯法採納香港財務報告準則第16號，並於二零一九年一月一日首次應用。在此方法下，初次採納的累計影響為二零一九年一月一日的保留盈利期初結餘調整，二零一八年的比較資料並無重列，並繼續沿用香港會計準則第17號。由於本集團按預付或累計租賃付款金額調整後的租賃負債金額確認使用權資產，保留盈利並無影響。

#### 租賃的新定義

根據香港財務報告準則第16號，倘一份合約在一段時間內為換取代價而讓渡一項可識別資產使用的控制權，則該合約為一項租賃或包含一項租賃。倘客戶有權從可識別資產的使用中獲取幾乎全部的經濟收益及有權主導可識別資產的使用，則控制權屬已讓渡。本集團選擇過渡時使用可行權宜方法，允許初次採納時僅將準則應用於之前根據香港會計準則第17號及香港(國際財務報告詮釋委員會)－詮釋第4號識別為租賃的合約。根據香港會計準則第17號及香港(國際財務報告詮釋委員會)－詮釋第4號沒有識別為租賃的合約並無進行重新評估。因此，香港財務報告準則第16號的租賃定義僅應用於二零一九年一月一日或之後簽訂或修改的合約。

在包含租賃組成部分的合約開始時或該等合約獲重新評估時，本集團將該等合約訂明的代價按獨立價格基準分別分配至租賃組成部分和非租賃組成部分。承租人可採用可行權宜方法(而本集團已採用此方法)不將非租賃組成部分獨立分開，而將租賃組成部分與相關的非租賃組成部分(如租賃物業的物業管理服務)作為一項單一租賃組成部分入賬。

# Notes to the Condensed Consolidated Financial Statements (Continued)

## 簡明綜合財務報表附註(續)

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

### 3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

#### New definition of a lease (Continued)

##### As a lessee — Leases previously classified as operating leases

##### *Nature of the effect of adoption of HKFRS 16*

The Group has a lease contract for buildings. As a lessee, the Group previously classified the lease as either finance leases or operating leases based on the assessment of whether the lease transferred substantially all the rewards and risks of ownership of assets to the Group. Under HKFRS 16, the Group applies a single approach to recognise and measure right-of-use assets and lease liabilities for all leases, except for two elective exemptions for leases of low value assets (elected on a lease by lease basis) and short-term leases (elected by class of underlying asset). The Group has elected not to recognise right-of-use assets and lease liabilities for (i) leases of low-value assets; and (ii) leases, that at the commencement date, have a lease term of 12 months or less. Instead, the Group recognises the lease payments associated with those leases as an expense on a straight-line basis over the lease term.

##### *Impacts on transition*

Lease liabilities at 1 January 2019 were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at 1 January 2019 and included in interest-bearing bank and other borrowings.

The right-of-use assets were measured at the amount of the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to the lease recognised in the statement of financial position immediately before 1 January 2019. All these assets were assessed for any impairment based on HKAS 36 on that date. The Group elected to present the right-of-use assets separately in the statement of financial position.

### 3. 會計政策和披露的變動(續)

#### 租賃的新定義(續)

##### 作為承租人 — 先前分類為經營租賃的租賃

##### *採納香港財務報告準則第16號的影響性質*

本集團擁有一項樓宇租賃合約。作為承租人，本集團先前根據有關租賃是否已將其資產所有權的絕大部分回報及風險轉予本集團的評估將租賃分類為融資租賃或經營租賃。根據香港財務報告準則第16號，本集團就所有租賃應用單一的方法確認及計量使用權資產及租賃負債，惟就低價值資產租賃(按個別租賃基準選擇)和短期租賃(按相關資產類別選擇)選擇豁免。本集團已選擇不就(i)低價值資產租賃；及(ii)於開始日期租賃期為十二個月或以下的租賃確認使用權資產及租賃負債。取而代之，本集團會將有關該等租賃的租賃付款在租賃期內按直線法確認為開支。

##### *過渡影響*

於二零一九年一月一日之租賃負債按剩餘租賃付款的現值予以確認，使用二零一九年一月一日的遞增借款利率貼現，並計入計息銀行及其他借款。

使用權資產按租賃負債金額計量，並就於緊接二零一九年一月一日前於財務狀況表中確認的租賃有關的任何預付或應計租賃付款金額進行調整。所有該等資產於當日均根據香港會計準則第36號就任何減值作出評估。本集團選擇於財務狀況表中單獨呈列使用權資產。



# Notes to the Condensed Consolidated Financial Statements (Continued)

## 簡明綜合財務報表附註(續)

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

### 3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

#### New definition of a lease (Continued)

#### As a lessee — Leases previously classified as operating leases (Continued)

#### Impacts on transition (Continued)

The Group has used the following elective practical expedients when applying HKFRS 16 at 1 January 2019:

- Applied the short-term lease exemptions to leases with a lease term that ends within 12 months from the date of initial application
- Used hindsight in determining the lease term where the contract contains options to extend/terminate the lease

The impacts arising from the adoption of HKFRS 16 as at 1 January 2019 are as follows:

### 3. 會計政策和披露的變動(續)

#### 租賃的新定義(續)

#### 作為承租人 — 先前分類為經營租賃的租賃(續)

#### 過渡影響(續)

於二零一九年一月一日應用國際財務報告準則第16號時，本集團使用以下選擇性可行權宜方法：

- 對租賃期於首次應用日期起計十二個月內結束的租賃應用短期租賃豁免
- 倘合約包含延長／終止租賃的選擇權，則於事後釐定租賃期

於二零一九年一月一日採納香港財務報告準則第16號的影響如下：

		Increase/(decrease) 增加／(減少) HK\$'000 千港元 (unaudited) (未經審核)
<b>Assets</b>		
Increase in right-of-use assets	使用權資產增加	5,992
Decrease in prepaid lease payments for buildings	樓宇預付租賃款項減少	(1,608)
Increase in total assets	資產總值增加	4,384
<b>Liabilities</b>		
Increase in lease liabilities	租賃負債增加	5,827
Decrease in other payables and accruals	其他應付款項及應計費用減少	(1,443)
Increase in total liabilities	負債總額增加	4,384

# Notes to the Condensed Consolidated Financial Statements (Continued)

## 簡明綜合財務報表附註(續)

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

### 3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

#### New definition of a lease (Continued)

#### As a lessee — Leases previously classified as operating leases (Continued)

#### Impacts on transition (Continued)

The lease liabilities as at 1 January 2019 reconciled to the operating lease commitments as at 31 December 2018 are as follows:

### 3. 會計政策和披露的變動(續)

#### 租賃的新定義(續)

#### 作為承租人 — 先前分類為經營租賃的租賃(續)

#### 過渡影響(續)

於二零一九年一月一日的租賃負債與二零一八年十二月三十一日的經營租賃承擔對賬如下：

		HK\$'000 千港元 (unaudited) (未經審核)
<b>Operating lease commitments as at 31 December 2018</b>	於二零一八年十二月三十一日的經營租賃承擔	8,501
Weighted average incremental borrowing rate as at 1 January 2019	於二零一九年一月一日的加權平均增量借貸利率	4.75%
Discounted operating lease commitments as at 1 January 2019	於二零一九年一月一日的貼現經營租賃承擔	7,602
Less: Commitments relating to short-term leases and those leases with a remaining lease term ending on or before 31 December 2019	減：有關短期租賃及該等餘下租期於二零一九年十二月三十一日或之前終止的租賃承諾	(1,775)
Lease liabilities as at 1 January 2019	於二零一九年一月一日的租賃負債	5,827

# Notes to the Condensed Consolidated Financial Statements (Continued)

## 簡明綜合財務報表附註(續)

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

### 3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

#### New definition of a lease (Continued)

##### Summary of new accounting policies

The accounting policy for leases as disclosed in the annual financial statements for the year ended 31 December 2018 is replaced with the following new accounting policies upon adoption of HKFRS 16 from 1 January 2019:

##### **Right-of-use assets**

Right-of-use assets are recognised at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of the estimated useful life and the lease term.

##### **Lease liabilities**

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

### 3. 會計政策和披露的變動(續)

#### 租賃的新定義(續)

##### 新會計政策概要

截至二零一八年十二月三十一日止年度的年度財務報表所披露的租賃會計政策將於二零一九年一月一日採納香港財務報告準則第16號時被以下新會計政策取代：

##### **使用權資產**

使用權資產於租賃開始日期確認。使用權資產按成本減任何累計折舊及任何減值虧損計量，並就重新計量租賃負債作出調整。使用權資產的成本包括已確認的租賃負債金額，已發生的初始直接成本，以及於開始日期或之前作出的租賃付款減已收取的任何租賃優惠。除非本集團合理確定在租期屆滿時取得租賃資產的所有權，否則已確認的使用權資產在估計使用年期及租期(以較短者為準)內按直線法計提折舊。

##### **租賃負債**

於租賃開始日期，租賃負債按租賃期內作出的租賃付款之現值計予以確認。租賃付款包括固定付款(包括實質固定付款)減去任何應收租賃優惠、取決於某一指數或比率的可變租賃付款，以及預期在剩餘價值擔保下支付的金額。不取決於某一指數或比率的可變租賃付款於觸發付款的事件或條件發生的期間確認為支出。



# Notes to the Condensed Consolidated Financial Statements (Continued)

## 簡明綜合財務報表附註(續)

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

### 3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

#### New definition of a lease (Continued)

##### Lease liabilities (Continued)

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in future lease payments arising from change in an index or rate, a change in the lease term, a change in the in-substance fixed lease payments or a change in assessment to purchase the underlying asset.

##### Amounts recognised in the interim condensed consolidated statement of financial position and profit or loss

		Right-of-use assets 使用權資產 (unaudited) (未經審核) HK\$'000 千港元	Lease liabilities 租賃負債 (unaudited) (未經審核) HK\$'000 千港元
As at 1 January 2019	於二零一九年一月一日	5,992	5,827
Depreciation charge	折舊開支	(637)	-
Interest expense	利息開支	-	140
Payments	付款	-	(684)
Exchange realignment	匯兌調整	81	(24)
As at 30 June 2019	於二零一九年六月三十日	5,436	5,259

### 3. 會計政策和披露的變動(續)

#### 租賃的新定義(續)

##### 租賃負債(續)

在計算租賃付款的現值時，如果租賃中所隱含的利率不易確定，則本集團在租賃開始日期使用增量借貸利率。在開始日期之後，租賃負債的金額將會增加以反映利息的增加及就已作出的租賃付款作出扣減。此外，如有修改、租賃付款日後因指數或比率變動出現變動、租賃期限發生變化、實質固定租賃付款變化或購買相關資產的評估變更，租賃負債的賬面價值將重新計量。

##### 中期簡明綜合財務狀況表及損益表中確認的金額

# Notes to the Condensed Consolidated Financial Statements (Continued)

## 簡明綜合財務報表附註(續)

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

### 4. OPERATING SEGMENT INFORMATION

The Group is principally engaged in the manufacturing and trading of high performance sewing threads and broad categories of garment accessories. For management purposes, the Group operates in one business unit and has one reportable operating segment, which is the thread segment that manufactures and sells sewing threads and garment accessories. Accordingly, no further operating segment information is presented.

#### Geographical information

##### (a) Revenue from external customers

		Three months ended 30 June 截至六月三十日止三個月		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)	2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)
Mainland China	中國內地	8,825	10,473	16,114	17,589
Overseas	海外	6,083	5,767	10,998	10,042
Hong Kong	香港	923	994	1,782	1,824
		15,831	17,234	28,894	29,455

The revenue information is based on the locations of the customers.

### 4. 經營分部資料

本集團主要從事生產及銷售優質縫紉線和各類服裝輔料。就管理目的而言，本集團經營一個業務單位並擁有一個呈報經營分部，即生產及銷售縫紉線及服裝輔料的線料分部。因此並無呈報經營分部的其他資料。

#### 地區資料

##### (a) 來自外部客戶的收益

收益資料乃基於客戶所在地劃分。

# Notes to the Condensed Consolidated Financial Statements (Continued)

## 簡明綜合財務報表附註(續)

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

### 4. OPERATING SEGMENT INFORMATION (Continued)

#### Geographical information (Continued)

##### (b) Non-current assets

		<b>30 June 2019</b>	31 December 2018
		二零一九年 六月三十日	二零一八年 十二月三十一日
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
		<b>(unaudited)</b>	(audited)
		(未經審核)	(經審核)
Mainland China	中國內地	<b>17,254</b>	11,782
Hong Kong	香港	<b>178</b>	230
		<b>17,432</b>	12,012

The non-current asset information is based on the locations of the assets and excludes deferred tax assets, financial assets at fair value through profit or loss, long-term rental deposits and loan to a vendor included in the prepayments, other receivables and other assets.

上述非流動資產資料基於資產所在地劃分，不包括遞延稅項資產、按公允值計入損益的金融資產、以及計入預付款項、其他應收款項及其他資產的長期租金按金及向供應商貸款。

### 4. 經營分部資料(續)

#### 地區資料(續)

##### (b) 非流動資產



# Notes to the Condensed Consolidated Financial Statements (Continued)

## 簡明綜合財務報表附註(續)

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

### 5. REVENUE, OTHER INCOME AND GAINS

Revenue represents the net invoiced value of goods sold, after trade discounts and sales taxes.

An analysis of revenue is as follows:

### 5. 收益、其他收入及增益

收益指已售貨品的發票價值淨額(已扣除交易折扣及營業稅)。

收益的分析如下：

	For the three months ended 30 June		For the six months ended 30 June	
	截至六月三十日止三個月		截至六月三十日止六個月	
	2019	2018	2019	2018
	二零一九年	二零一八年	二零一九年	二零一八年
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
	(未經審核)	(未經審核)	(未經審核)	(未經審核)
Revenue from contracts with customers				
來自客戶合約的收益				
Sales of goods	15,831	17,234	28,894	29,455
銷售貨品				

# Notes to the Condensed Consolidated Financial Statements (Continued)

## 簡明綜合財務報表附註(續)

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

### 5. REVENUE, OTHER INCOME AND GAINS (Continued)

#### Revenue from contracts with customers

##### (i) Disaggregated revenue information

### 5. 收益、其他收入及增益(續)

#### 來自客戶合約的收益

##### (i) 收益分拆資料

		For the three months ended 30 June		For the six months ended 30 June	
		截至六月三十日止三個月		截至六月三十日止六個月	
		2019	2018	2019	2018
		二零一九年	二零一八年	二零一九年	二零一八年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
<b>Type of goods</b>	<b>貨品種類</b>				
Sewing threads and garment accessories	縫紉線及服裝輔料	15,831	17,234	28,894	29,455
<b>Geographical markets</b>	<b>地區市場</b>				
Mainland China	中國內地	8,825	10,473	16,114	17,589
Overseas	海外	6,083	5,767	10,998	10,042
Hong Kong	香港	923	994	1,782	1,824
Total revenue from contracts with customers	來自客戶合約的總收益	15,831	17,234	28,894	29,455
<b>Timing of revenue recognition</b>	<b>確認收益的時間</b>				
Goods transferred at a point in time	於某一時間點轉讓的貨物	15,831	17,234	28,894	29,455

# Notes to the Condensed Consolidated Financial Statements (Continued)

## 簡明綜合財務報表附註(續)

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

### 5. REVENUE, OTHER INCOME AND GAINS (Continued)

#### Revenue from contracts with customers (Continued)

##### (i) Disaggregated revenue information (Continued)

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period:

### 5. 收益、其他收入及增益(續)

#### 來自客戶合約的收益(續)

##### (i) 收益分拆資料(續)

下表載列於本報告期內確認收益的期初合約負債金額：

		For the three months ended 30 June 截至六月三十日止三個月		For the six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)	2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)
Sales of goods	銷售貨品	-	-	187	39



# Notes to the Condensed Consolidated Financial Statements (Continued)

## 簡明綜合財務報表附註(續)

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

### 5. REVENUE, OTHER INCOME AND GAINS (Continued)

#### Revenue from contracts with customers (Continued)

##### (ii) Performance obligations

Information about the Group's performance obligations is summarised below:

##### Sale of industrial products

The performance obligation is satisfied upon delivery of the sewing threads and garment accessories and payment is generally due within 30 to 90 days from delivery, except for certain customers where payment in advance is required.

### 5. 收益、其他收入及增益(續)

#### 來自客戶合約的收益(續)

##### (ii) 履行責任

有關本集團履行責任的資料概述如下：

##### 銷售工業產品

履行責任於交付縫紉線及服裝輔料後達成，而付款通常自交付起計30至90日內到期，須預付款項的若干客戶除外。

		For the three months ended 30 June 截至六月三十日止三個月		For the six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)	2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)
<b>Other income and gains</b>	<b>其他收入及增益</b>				
Bank interest income	銀行利息收入	-	8	1	10
Exchange gains, net	匯兌增益淨值	625	877	36	207
Fair value gain on financial assets at fair value through profit or loss	按公允價值計入損益的金融資產的公允價值增益	-	-	49	57
Gain on disposal of items of property, plant and equipment	出售物業、廠房及設備項目之增益	-	261	19	-
Gross rental income	租金收入總額	201	276	770	600
Other	其他	97	-	97	-
		<b>923</b>	<b>1,422</b>	<b>972</b>	<b>874</b>

# Notes to the Condensed Consolidated Financial Statements (Continued)

## 簡明綜合財務報表附註(續)

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

### 6. FINANCE COSTS

An analysis of finance costs is as follows:

		For the three months ended 30 June 截至六月三十日止三個月		For the six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)	2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)
Interest on lease liabilities	租賃負債利息	70	–	140	–
Interest on bank loans and overdrafts	銀行貸款利息及透支	243	159	478	404
		<b>313</b>	159	<b>618</b>	404

### 6. 融資成本

融資成本分析如下：

### 7. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

		For the three months ended 30 June 截至六月三十日止三個月		For the six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)	2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)
Cost of inventories sold	已售存貨成本	11,686	13,564	22,496	23,097
Depreciation of fixed assets	固定資產折舊	302	94	585	174
Depreciation of right-of-use assets	使用權資產折舊	317	–	637	–
Recognition of prepaid lease payments for buildings	確認樓宇預付租賃款項	–	82	–	164
Auditor's remuneration	核數師酬金	298	490	732	790
Employees' benefit expenses (excluding directors' remuneration)	僱員福利開支 (不包括董事薪酬)	4,309	4,662	9,055	10,142
Net exchange gain	外匯增益淨額	(625)	(877)	(36)	(207)
(Gain)/Loss on disposal of fixed assets	出售固定資產之(增益)/虧損	–	(261)	(19)	322
Fair value (gain)/loss on financial assets at fair value through profit or loss	按公允值計入損益的金融資產的公允值(增益)/虧損	–	1	(49)	(57)

### 7. 除稅前虧損

本集團的除稅前虧損已扣除/(計入)下列各項：

# Notes to the Condensed Consolidated Financial Statements (Continued)

## 簡明綜合財務報表附註(續)

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

### 8. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which subsidiaries of the Group are domiciled and operate. Pursuant to the rules and regulations of the Cayman Islands and BVI, the Group is not subject to any income tax in the Cayman Islands and BVI.

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during the six months ended 30 June 2018 and 2019.

Pursuant to the PRC Income Tax Law and the respective regulations, the subsidiaries which operate in Mainland China are subject to corporate income tax at a rate of 25% on the taxable income.

### 8. 所得稅

本集團須按實體基準就產生或源於本集團附屬公司註冊及經營所在司法管轄區的溢利繳納所得稅。根據開曼群島及英屬處女群島的規則及法規，本集團毋須繳納開曼群島及英屬處女群島的任何所得稅。

香港利得稅乃按照截至二零一八年及二零一九年六月三十日止六個月於香港產生的估計應課稅溢利按稅率 16.5% 作出撥備。

根據中國所得稅法及相關規定，於中國內地經營之附屬公司須按應課稅收入的 25% 繳納企業所得稅。

		For the three months ended 30 June 截至六月三十日止三個月		For the six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)	2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)
Current — Hong Kong and Mainland China	即期 — 香港及中國內地	33	-	33	-
Deferred	遞延	111	-	(473)	(857)
Tax (credit)/expense	稅項(抵免)/支出	144	-	(440)	(857)

### 9. DIVIDENDS

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2019.

### 9. 股息

董事會不建議就截至二零一九年六月三十日止六個月派發中期股息。



# Notes to the Condensed Consolidated Financial Statements (Continued)

## 簡明綜合財務報表附註(續)

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

### 10. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT

### 10. 母公司擁有人應佔每股盈利/(虧損)

		For the three months ended 30 June		For the six months ended 30 June	
		截至六月三十日止三個月		截至六月三十日止六個月	
		2019	2018	2019	2018
		二零一九年	二零一八年	二零一九年	二零一八年
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
Profit/(loss) attributable to owners of the parent (HK\$'000)	母公司擁有人應佔溢利/(虧損) (千港元)	255	(1,395)	(2,705)	(5,210)
Number of shares	股份數目	800,000,000	800,000,000	800,000,000	800,000,000
Basic and diluted earnings/(loss) per share (HK cents)	每股基本及攤薄盈利/(虧損) (港仙)	0.03	(0.17)	(0.34)	(0.65)

### 11. PROPERTY, PLANT AND EQUIPMENT

### 11. 物業、廠房及設備

		Production machinery	Office equipment	Leasehold improvements	Motor vehicles	Total
		生產機械	辦公設備	租賃改良	汽車	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Net carrying amount at 1 January 2019 (audited)	於二零一九年一月一日的賬面淨值(經審核)	9,218	593	31	843	10,685
Additions	添置	-	145	-	-	145
Disposals	出售	-	(11)	-	-	(11)
Charge for the period	本期開支	(406)	(66)	(10)	(103)	(585)
Exchange adjustment	匯兌調整	(41)	(3)	-	(4)	(48)
Net carrying amount at 30 June 2019 (unaudited)	於二零一九年六月三十日的賬面淨值(未經審核)	8,771	658	21	736	10,186

# Notes to the Condensed Consolidated Financial Statements (Continued)

## 簡明綜合財務報表附註(續)

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

### 12. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

### 12. 預付款項、其他應收款項及其他資產

	<b>As at 30 June 2019</b>	As at 31 December 2018
	於二零一九年 六月三十日	於二零一八年 十二月三十一日
	<b>HK\$'000</b>	HK\$'000
	千港元	千港元
	<b>(unaudited)</b>	(audited)
	(未經審核)	(經審核)
Prepaid lease payments for buildings <sup>(Note)</sup> 樓宇預付租賃款項 <sup>(附註)</sup>	–	1,608
Other prepayments 其他預付款項	<b>4,687</b>	2,066
Loans to a vendor 向供應商貸款	<b>4,665</b>	4,630
Deposits and other receivables 按金及其他應收款項	<b>2,770</b>	3,093
	<b>12,122</b>	11,397
Portion classified as non-current assets 列為非流動資產的部分	<b>(4,778)</b>	(5,971)
Current portion included in prepayments, deposits and other receivables 計入預付款項、按金及其他應收款項的即期部分	<b>7,344</b>	5,426

Note: It represents prepaid lease payments for buildings held under operating leases for 15 to 20 years. It was recognised in profit or loss over the lease term and the portion to be recognised within 1 year is classified as a current asset.

附註：指就根據經營租賃持有15至20年的樓宇預付租賃款項，於租期內確認於損益，而一年內將確認的部分分類為流動資產。

### 13. INVENTORIES

### 13. 存貨

	<b>As at 30 June 2019</b>	As at 31 December 2018
	於二零一九年 六月三十日	於二零一八年 十二月三十一日
	<b>HK\$'000</b>	HK\$'000
	千港元	千港元
	<b>(unaudited)</b>	(audited)
	(未經審核)	(經審核)
Raw materials 原材料	<b>6,671</b>	6,842
Work in progress 在製品	<b>3,388</b>	2,606
Finished goods 製成品	<b>4,896</b>	5,313
	<b>14,955</b>	14,761

# Notes to the Condensed Consolidated Financial Statements (Continued)

## 簡明綜合財務報表附註(續)

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

### 14. TRADE RECEIVABLES

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of provisions, is as follows:

		<b>As at 30 June 2019</b> 於二零一九年 六月三十日 <b>HK\$'000</b> 千港元 <b>(unaudited)</b> (未經審核)	As at 31 December 2018 於二零一八年 十二月三十一日 <b>HK\$'000</b> 千港元 <b>(audited)</b> (經審核)
Within 1 month	不足一個月	<b>7,061</b>	5,682
1 to 2 months	一至兩個月	<b>3,684</b>	7,771
2 to 3 months	兩至三個月	<b>620</b>	1,624
Over 3 months	超過三個月	<b>796</b>	2,364
		<b>12,161</b>	17,441

### 15. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of each reporting period, based on the transaction date, is as follows:

		<b>As at 30 June 2019</b> 於二零一九年 六月三十日 <b>HK\$'000</b> 千港元 <b>(unaudited)</b> (未經審核)	As at 31 December 2018 於二零一八年 十二月三十一日 <b>HK\$'000</b> 千港元 <b>(audited)</b> (經審核)
Within 1 month	不足一個月	<b>1,311</b>	1,930
1 to 2 months	一至兩個月	<b>1,052</b>	1,085
2 to 3 months	兩至三個月	<b>1,298</b>	679
Over 3 months	超過三個月	<b>1,484</b>	1,428
		<b>5,145</b>	5,122

### 14. 應收交易款項

於報告期末基於發票日期應收交易款項(已扣除撥備)的賬齡分析如下:

### 15. 應付交易款項

於各報告期末,應付交易款項基於交易日期的賬齡分析如下:



# Notes to the Condensed Consolidated Financial Statements (Continued)

## 簡明綜合財務報表附註(續)

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

### 16. OTHER PAYABLES AND ACCRUALS

### 16. 其他應付款項及應計費用

		As at 30 June 2019 於二零一九年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	As at 31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
Other payables and accruals	其他應付款項及應計費用	4,624	7,765
Contract liabilities	合同性義務	537	187
		<b>5,161</b>	7,952
Portion classified as non-current liabilities	列為非流動負債的部分	-	(1,223)
Current portion included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收款項的即期部分	<b>5,161</b>	6,729

The current portion of other payables and accruals are unsecured, interest-free and repayable on an average term of three months.

The non-current portion of other payables and accruals represents the differences between contractual minimum lease payments and accrued minimum lease payments on a straight-line basis for the Group's leasehold land over the lease term. The non-current portion of other payables and accruals is unsecured and interest-free and would be subsequently settled upon the gradual maturity of the lease agreements.

其他應付款項及應計費用的即期部分為無抵押、不計息，平均還款期為三個月。

其他應付款項及應計費用的非即期部分，即本集團所租賃土地在租期的合約最低租金及以直線法計算的應計最低租金的差額。其他應付款項及應計費用的非即期部分為無抵押及不計息，將隨租賃協議到期逐步結清。

# Notes to the Condensed Consolidated Financial Statements (Continued)

## 簡明綜合財務報表附註(續)

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

### 17. INTEREST-BEARING BANK BORROWINGS

### 17. 計息銀行借款

		30 June 2019 二零一九年六月三十日		
		Effective interest rate (%) 實際利率 (%)	Maturity 到期	HK\$'000 千港元
Current	即期			
Bank loans and overdrafts	銀行貸款及透支			
— secured	— 有抵押	4.3 to 5.1 4.3至5.1	On demand 於要求時	19,482

		31 December 2018 二零一八年十二月三十一日		
		Effective interest rate (%) 實際利率 (%)	Maturity 到期	HK\$'000 千港元
Current	即期			
Bank loans — secured	銀行貸款 — 有抵押	4.6 to 6.2 4.6至6.2	On demand 於要求時	15,217

All the interest-bearing bank borrowings are repayable on demand as at 30 June 2019 and 31 December 2018, respectively.

於二零一九年六月三十日及二零一八年十二月三十一日，所有計息銀行借款均為按要求償還。

Interest-bearing bank borrowings are denominated in:

計息銀行借款以下列貨幣計值：

		30 June 2019 於二零一九年六月三十日 HK\$'000 千港元	31 December 2018 於二零一八年十二月三十一日 HK\$'000 千港元
HK\$	港元	11,376	7,000
United States Dollar ("US\$")	美元(「美元」)	8,106	8,217
		19,482	15,217

# Notes to the Condensed Consolidated Financial Statements (Continued)

## 簡明綜合財務報表附註(續)

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

### 17. INTEREST-BEARING BANK BORROWINGS (Continued)

Notes:

- (a) HK Interpretation 5 Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause issued by the HKICPA requires that a loan which includes a clause that gives the lender the unconditional right to call in the loan at any time (“**repayment on demand clause**”) shall be classified in total by the borrower as current in the statement of financial position. Interest-bearing bank loans and overdrafts of the Group in the amount of approximately HK\$19,482,000 (2018: HK\$15,217,000) include a repayment on demand clause under the relevant loan agreements, among which balances amounting to HK\$193,000 (2018: HK\$3,190,000) that are repayable after one year from 30 June 2019 have been classified as current liabilities. For the purpose of the above analysis, such loans are included within current secured bank loans and analysed into bank loans repayable on demand.
- (b) The Group’s bank facilities (including overdraft facilities) amounted to HK\$20,196,000 (2018: HK\$20,445,000), of which HK\$19,482,000 (2018: HK\$15,217,000) had been utilised as at 30 June 2019.
- (c) The following assets were pledged as security for interest-bearing bank borrowings:

### 17. 計息銀行借款(續)

附註：

- (a) 香港會計師公會頒佈的香港詮釋第5號財務報表之呈報 — 借款方對載有須按要求償還條款之定期貸款之分類規定，借款方須於財務狀況表內將包含授予貸款方無條件可隨時要求償還貸款的權利的條款(「**按要求償還條款**」)之貸款總體分類為即期。根據有關貸款協議，包含按要求償還條款的本集團計息銀行貸款及透支約為19,482,000港元(二零一八年：15,217,000港元)，其中自二零一九年六月三十日起計一年後須償還之結餘193,000港元(二零一八年：3,190,000港元)已分類為流動負債。就上述分析而言，該等貸款計入即期有抵押銀行貸款，分類為須按要求償還的銀行貸款。
- (b) 於二零一九年六月三十日，本集團銀行融資(包括透支融資)為20,196,000港元(二零一八年：20,445,000港元)，其中已動用19,482,000港元(二零一八年：15,217,000港元)。
- (c) 下列資產乃抵押為計息銀行借款之擔保品：

	30 June 2019 二零一九年 六月三十日 HK\$'000 千港元	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元
Financial assets at fair value through profit or loss 按公允值計入損益的金融資產	4,681	4,632
Trade receivables 應收交易款項	3,875	7,355
	<b>8,556</b>	11,987



# Notes to the Condensed Consolidated Financial Statements (Continued)

## 簡明綜合財務報表附註(續)

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

### 18. SHARE CAPITAL

Movements of the share capital of the Company during the reporting period are as follows:

		30 June 2019 二零一九年 六月三十日 HK\$'000 千港元	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元
<b>Authorised:</b>	<b>法定：</b>		
5,000,000 Ordinary shares at HK\$0.01 each	5,000,000 股每股面值 0.01 港元的普通股	50,000	50,000
<b>Issued and fully paid:</b>	<b>已發行並繳足：</b>		
800,000,000 Ordinary shares at HK\$0.01 each	800,000,000 股每股面值 0.01 港元的普通股	8,000	8,000

### 18. 股本

本公司於報告期內的股本變動如下：

### 19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The Group's financial assets include cash and cash equivalents, pledged deposits, trade receivables, financial assets included in prepayments, deposits and other receivables, available-for-sale investments and financial assets at fair value through profit or loss. The Group's financial liabilities include trade payables, interest-bearing bank borrowings and financial liabilities included in other payables.

#### Management has assessed that:

- the fair values of the Group's financial assets at amortised cost and financial liabilities were approximate to their carrying amounts largely due to the short term maturities of these instruments; and
- the fair value of the Group's financial assets at fair value through profit or loss was categorised within Level 3 of the fair value hierarchy which is measured based on significant unobservable inputs and has been estimated based on the surrender value of the insurance policy.

There were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 during the six months ended 30 June 2019.

### 19. 金融工具的公允值及公允值層級

本集團的金融資產包括現金及現金等價物、抵押存款、應收交易款項、計入預付款項、按金及其他應收款項的金融資產、可供出售投資以及按公允值計入損益的金融資產。本集團的金融負債包括應付交易款項、計息銀行借款及計入其他應付款項的金融負債。

#### 根據管理層的評估：

- 本集團按攤銷成本列賬的金融資產及金融負債的公允值與賬面價值相若，很大程度上由於該等工具於短期內到期所致；及
- 本集團按公允值計入損益的金融資產公允值屬於公允值層級第三級，乃基於重大不可觀察輸入數據計量，並基於保單退保金額估計。

於截至二零一九年六月三十日止六個月，第一級與第二級公允值計量之間並無轉移，亦無轉入或轉出自第三級。

# Management Discussion and Analysis

## 管理層討論及分析

### BUSINESS REVIEW

The Group is principally engaged in the manufacturing and selling of sewing threads. It currently manufactures polyester sewing threads, which are mainly used for garments. The major product of the Group is 100% spun polyester sewing threads. Other types of sewing threads are also offered, including textured polyester series, elastic filament sewing threads and weft yarn. The Group's customers are located in the People's Republic of China (the "PRC"), Hong Kong as well as overseas countries, including United Arab Emirates ("UAE"), Mauritius, Switzerland and the United Kingdom. While the Group's customers in the PRC and Hong Kong are mainly garment manufacturers, its overseas customers are mainly wholesalers. The production facilities of the Group, where the sewing threads manufacturing process is conducted, are located in Liwan, Guangzhou (the "**Guangzhou Production Facilities**").

For the six months ended 30 June 2019, the Group's revenue decreased slightly by approximately 1.9% as compared with that for the six months ended 30 June 2018. The gross profit margin increased to approximately 22.1% for the six months ended 30 June 2019 from approximately 21.6% for the corresponding period in the preceding year. The increase in gross profit margin was mainly attributable to the slight decrease in direct material costs during the six months ended 30 June 2019.

### 業務回顧

本集團主營業務為生產及銷售縫紉線。本集團現時生產主要用於服裝的滌綸線。本集團的重點產品為100%滌綸線。本集團亦提供其他類型的縫紉線，包括滌綸長絲系列、高彈絲縫紉線及低彈絲。本集團的客戶位於中華人民共和國（「中國」）、香港及世界各地，包括阿拉伯聯合酋長國（「阿聯酋」）、毛里裘斯、瑞士及英國。本集團位於中國及香港的客戶主要為服裝製造商，而海外客戶則主要為批發商。本集團的生產設施位於廣州荔灣區（「廣州生產基地」），縫紉線的製造流程均於基地中進行。

截至二零一九年六月三十日止六個月，本集團的收益較截至二零一八年六月三十日止六個月輕微下跌約1.9%。截至二零一九年六月三十日止六個月的毛利率由去年同期的約21.6%上升至約22.1%。毛利率上升乃主要由於截至二零一九年六月三十日止六個月的直接材料成本輕微下跌。

# Management Discussion and Analysis (Continued)

## 管理層討論及分析(續)

### FINANCIAL REVIEW

#### Revenue

The Group's products are sold in the PRC, Hong Kong as well as overseas. The following table sets out a breakdown of the Group's revenue attributable to domestic and overseas sales of the Group's sewing threads for each of the six months ended 30 June 2018 and 2019:

		Six months ended 30 June 截至六月三十日止六個月				Rate of change 變動比率
		2019 二零一九年		2018 二零一八年		
		% of total revenue		% of total revenue		%
		HK\$'000 千港元	佔總收益 %	HK\$'000 千港元	佔總收益 %	%
PRC	中國	16,114	55.7	17,589	59.7	(8.4)
Overseas <sup>(Note)</sup>	海外 <sup>(附註)</sup>	10,998	38.1	10,042	34.1	9.5
Hong Kong	香港	1,782	6.2	1,824	6.2	(2.3)
		<b>28,894</b>	<b>100.0</b>	29,455	100.0	(1.9)

Note: For the six months ended 30 June 2018 and 2019, the Group exported its products to countries including but not limited to UAE, Mauritius, Switzerland and the United Kingdom.

The Group's revenue decreased to approximately HK\$28.9 million for the six months ended 30 June 2019 from approximately HK\$29.5 million for the six months ended 30 June 2018, representing a decrease of approximately 1.9%. Such decrease in the Group's revenue was mainly attributable to the decreased sales in the PRC market.

### 財務回顧

#### 收益

本集團的產品於中國、香港及海外銷售。下表載列本集團於截至二零一八年及二零一九年六月三十日止六個月各期間本集團縫紉線國內外銷售額應佔收益明細：

附註：截至二零一八年及二零一九年六月三十日止六個月，本集團將產品出口至多個國家，包括(但不限於)阿聯酋、毛里裘斯、瑞士及英國。

本集團的收益由截至二零一八年六月三十日止六個月約29.5百萬港元，下跌至截至二零一九年六月三十日止六個月約28.9百萬港元，下跌約1.9%。本集團收益下跌乃主要由於中國市場的銷售下跌。



# Management Discussion and Analysis (Continued)

## 管理層討論及分析(續)

### Cost of sales

The Group's cost of sales primarily consists of direct material costs, processing fees and staff costs. The cost of sales decreased to approximately HK\$22.5 million for the six months ended 30 June 2019 from approximately HK\$23.1 million for the six months ended 30 June 2018, representing a decrease of approximately 2.6%. The Group's cost of sales decreased as a result of the decrease in revenue and direct material costs.

### Gross profit and gross profit margin

The Group's gross profit remained stable at approximately HK\$6.4 million for the six months ended 30 June 2019 and 2018. The Group's gross profit margin increased slightly to approximately 22.1% for the six months ended 30 June 2019 from approximately 21.6% for the six months ended 30 June 2018, which was as a result of the aforementioned reasons.

### Other gains, net

The Group's other gains, net increased to approximately HK\$0.8 million for the six months ended 30 June 2019 from approximately HK\$0.5 million for the six months ended 30 June 2018. The significant change was mainly attributable to decrease in loss of disposal of fixed assets for the six months ended 30 June 2019.

### Selling expenses

Selling expenses mainly consist of staff costs and transportation expenses. Selling expenses decreased to approximately HK\$3.1 million for the six months ended 30 June 2019 from approximately HK\$3.5 million for the six months ended 30 June 2018, representing a decrease of approximately 10.8%. The decrease in the Group's selling expenses was mainly attributable to the decrease in staff costs for the six months ended 30 June 2019.

### 銷售成本

本集團的銷售成本主要包括直接材料成本、加工費及員工成本。銷售成本由截至二零一八年六月三十日止六個月約23.1百萬港元，下跌至截至二零一九年六月三十日止六個月約22.5百萬港元，下跌約2.6%。本集團的銷售成本下跌是由於收入和直接材料成本下跌所致。

### 毛利及毛利率

本集團的毛利於截至二零一九年及二零一八年六月三十日止六個月維持穩定，約為6.4百萬港元。本集團的毛利率由截至二零一八年六月三十日止六個月約21.6%，輕微上升至截至二零一九年六月三十日止六個月約22.1%，此乃由於上述原因所致。

### 其他增益淨值

本集團於截至二零一九年六月三十日止六個月其他增益淨值由截至二零一八年六月三十日止六個月約0.5百萬港元上升至約0.8百萬港元。相關重大變動乃主要由於截至二零一九年六月三十日止六個月的出售固定資產虧損下跌所致。

### 銷售開支

銷售開支主要包括員工成本及運輸費。銷售開支由截至二零一八年六月三十日止六個月約3.5百萬港元，下跌至截至二零一九年六月三十日止六個月約3.1百萬港元，下跌約10.8%。本集團銷售開支下跌乃主要由於截至二零一九年六月三十日止六個月的員工成本下跌。

# Management Discussion and Analysis (Continued)

## 管理層討論及分析(續)

### Administrative expenses

Administrative expenses primarily consist of staff costs, directors' remuneration, depreciation and audit fee. Administrative expenses decreased to approximately HK\$6.6 million for the six months ended 30 June 2019 from approximately HK\$9.1 million for the six months ended 30 June 2018, representing a decrease of approximately 27.0%. Such decrease was mainly attributable to the decrease in staff costs for the six months ended 30 June 2019.

### Loss before income tax

As a result of the foregoing, the Group's loss before income tax decreased by approximately 48.2%, or approximately HK\$2.9 million, from approximately HK\$6.1 million for the six months ended 30 June 2018.

### Total comprehensive loss attributable to owners of the parent

The total comprehensive loss attributable to owners of the Company decreased to approximately HK\$3.0 million for the six months ended 30 June 2019 from approximately HK\$5.9 million for the six months ended 30 June 2018, representing a decrease of approximately 48.9%.

### Basic and diluted loss per Share

The basic loss per share of the Company (the "Share(s)") for the six months ended 30 June 2019 was approximately HK0.34 cents (2018: HK0.65 cents), representing a decrease of approximately HK0.31 cents, or approximately 47.7%, which is in line with the loss for the period attributable to the owners of the parent, when compared to the six months ended 30 June 2018.

### 行政開支

行政開支主要包括員工成本、董事酬金、折舊及審核費用。行政開支由截至二零一八年六月三十日止六個月約9.1百萬港元，下跌至截至二零一九年六月三十日止六個月約6.6百萬港元，下跌約27.0%。有關下跌乃主要由於截至二零一九年六月三十日止六個月的員工成本下跌。

### 除所得稅前虧損

由於前述各項，本集團除所得稅前虧損由截至二零一八年六月三十日止六個月約6.1百萬港元下跌約48.2%或約2.9百萬港元。

### 母公司擁有人應佔全面虧損總額

本公司擁有人應佔全面虧損總額由截至二零一八年六月三十日止六個月約5.9百萬港元，下跌至截至二零一九年六月三十日止六個月約3.0百萬港元，下跌約48.9%。

### 每股基本及攤薄虧損

截至二零一九年六月三十日止六個月，本公司每股股份(「股份」)基本虧損約為0.34港仙(二零一八年：0.65港仙)，較截至二零一八年六月三十日止六個月下跌約0.31港仙(或約47.7%)，與母公司擁有人應佔期內虧損一致。

# Management Discussion and Analysis (Continued)

## 管理層討論及分析(續)

### Interim dividend

The Board did not recommend the payment of interim dividend for the six months ended 30 June 2019 (2018: Nil).

### Liquidity and financial resources

For the six months ended 30 June 2019, the Group's operations were primarily financed through its financing activities. The Directors believe that in the long term, the Group's operations will continue to be funded by a combination of cash generated from the Group's operating activities and financing activities.

The Group's cash and bank balances amounted to approximately HK\$33.6 million and approximately HK\$30.9 million as at 30 June 2019 and 31 December 2018, respectively. The functional currency of the Group is Hong Kong dollars. As at 30 June 2019, 98.4% of the Group's cash and bank balances were denominated in the functional currency (31 December 2018: 92.8%) and the remaining 1.6% (31 December 2018: 7.2%) in other currencies, mainly Renminbi.

As at 30 June 2019 and 31 December 2018, the Group had net current assets of approximately HK\$37.2 million and approximately HK\$40.4 million, respectively, which included trade receivables, prepayments, other receivables other assets, inventories, cash and cash equivalents and pledged deposits. The Group's current ratio decreased to approximately 2.2 as at 30 June 2019 from approximately 2.4 as at 31 December 2018 due to the decrease in trade receivables and increase in bank loans.

### Gearing ratio

The Group's gearing ratio is calculated based on net debt (including interest-bearing bank borrowings, trade payables and other payables and accruals, less cash and cash equivalents) divided by the total equity plus net debt at the respective reporting date. The gearing ratio was not applicable to the Group as at 30 June 2019 and 31 December 2018 as its cash and bank balances were more than its bank borrowings. The Group believes that the cash at banks and the bank borrowings provide adequate liquidity to satisfy the Group's funding requirements.

### Commitments

As at 30 June 2019, the Group did not have any significant capital commitments (as at 31 December 2018: Nil).

### 中期股息

董事會不建議就截至二零一九年六月三十日止六個月派付中期股息(二零一八年：無)。

### 流動資金及財務資源

截至二零一九年六月三十日止六個月，本集團主要透過其融資活動為其營運提供資金。董事相信，長遠而言，本集團將繼續以本集團經營活動及融資活動所產生現金的組合為營運提供資金。

本集團於二零一九年六月三十日及二零一八年十二月三十一日的現金及銀行結餘分別約33.6百萬港元及約30.9百萬港元。本集團的功能貨幣為港元。於二零一九年六月三十日，本集團98.4% (二零一八年十二月三十一日：92.8%) 的現金及銀行結餘以功能貨幣計值，而餘下1.6% (二零一八年十二月三十一日：7.2%) 則以其他貨幣計值，主要為人民幣。

於二零一九年六月三十日及二零一八年十二月三十一日，本集團流動資產淨值分別約為37.2百萬港元及約40.4百萬港元，包括應收交易款項、預付款項、其他應收款項、其他資產、存貨、現金及現金等價物以及抵押存款。本集團的流動比率由二零一八年十二月三十一日約2.4下跌至二零一九年六月三十日約2.2，乃由於應收交易款項下跌及銀行貸款上升。

### 資產負債比率

本集團的資產負債比率乃以各報告日期的淨債務(包括計息銀行借款、應付交易款項及其他應付款項及應計費用，減現金及現金等價物)除以權益總額加淨債務之和計算。於二零一九年六月三十日及二零一八年十二月三十一日，資產負債比率不適用於本集團，原因在於其現金及銀行結餘超過其銀行借款。本集團認為銀行現金及銀行借款提供足夠流動資金應付本集團的資金需要。

### 承擔

於二零一九年六月三十日，本集團並無任何重大資本承擔(於二零一八年十二月三十一日：無)。



# Management Discussion and Analysis (Continued)

## 管理層討論及分析(續)

### Capital structure

There has been no change in the capital structure of the Group during the six months ended 30 June 2019. The share capital of the Group only comprises ordinary Shares.

As at 30 June 2019, the Company's issued share capital amounted to HK\$8.0 million, divided by 800,000,000 shares of HK\$0.01 each.

Details of changes in the Company's share capital for the six months ended 30 June 2019 are set out in note 18 to the condensed consolidated financial statements of this report.

### Significant investments

As at 30 June 2019, the Group did not hold any significant investments (as at 31 December 2018: Nil).

### Material acquisitions or disposals of subsidiaries and affiliated companies

On 22 June 2017, the Group completed a group reorganisation (the "Reorganisation"), details of which are set out in the section headed "History, Reorganisation and Corporate Structure" of the prospectus of the Company dated 30 November 2017 (the "Prospectus"). Subsequent to the completion of the Reorganisation and up to 30 June 2019, the Group did not have any acquisitions or disposals of subsidiaries and affiliated companies.

### Future plans for material investments and capital assets

Save as those disclosed in the Prospectus, the Group currently has no other plans for material investments and capital assets.

### Contingent liabilities

As at 30 June 2019, the Group did not have material contingent liabilities (as at 31 December 2018: Nil).

### 資本架構

截至二零一九年六月三十日止六個月，本集團的資本架構並無變動。本集團的股本僅包括普通股。

於二零一九年六月三十日，本公司的已發行股本為8.0百萬港元，分為800,000,000股每股面值0.01港元的股份。

本公司截至二零一九年六月三十日止六個月的股本變動詳情載列於本報告簡明綜合財務報表附註18。

### 重大投資

於二零一九年六月三十日，本集團並無持有任何重大投資(於二零一八年十二月三十一日：無)。

### 重大收購或出售附屬公司及聯屬公司

於二零一七年六月二十二日，本集團完成集團重組(「重組」)，詳情載於本公司日期為二零一七年十一月三十日的招股章程(「招股章程」)「歷史、重組及公司架構」一節。於完成重組後及直至二零一九年六月三十日，本集團並無收購或出售任何附屬公司及聯屬公司。

### 重大投資及資本資產的未來計劃

除招股章程所披露者外，本集團現時並無其他重大投資及資本資產的計劃。

### 或然負債

於二零一九年六月三十日，本集團並無重大或然負債(於二零一八年十二月三十一日：無)。

# Management Discussion and Analysis (Continued)

## 管理層討論及分析(續)

### Foreign exchange exposure

The Group is exposed to foreign currency risk when it enters into transactions which are not denominated in the Group's functional currency. Such exposure mainly relates to the distribution and sale of the Group's products and purchases of raw materials in the PRC. The Group currently does not have a foreign currency hedging policy. Nevertheless, the Group's management will continue to closely the foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

### Pledge of assets

As at 30 June 2019 and 31 December 2018, the following assets were pledged to banks to secure certain banking borrowings granted to the Group:

### 外匯風險

本集團於訂立並非以本集團功能貨幣計值的交易時承受外匯風險。有關風險主要與於中國分銷及銷售本集團的產品及購買原材料有關。本集團目前並無外幣對沖政策。然而，本集團管理層將繼續密切監察外匯風險，並於有需要時將考慮對沖重大外匯風險。

### 資產抵押

於二零一九年六月三十日及二零一八年十二月三十一日，以下資產已質押予銀行，以擔保本集團獲授的若干銀行借款：

		As at 30 June 2019 於二零一九年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	As at 31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
Financial asset at fair value through profit or loss	按公允值計入損益的金融資產	4,681	4,632
Trade receivables	應收交易款項	3,875	7,355
		<b>8,556</b>	11,987

# Management Discussion and Analysis (Continued)

## 管理層討論及分析(續)

### Employees and remuneration policies

As at 30 June 2019, the Group employed a total of 175 employees (2018: 178), of whom 169 were located in the PRC and 6 were located in Hong Kong. The Group's staff costs mainly comprised salary, social insurance and housing provident fund. For the six months ended 30 June 2019 and 2018, the Group's total staff costs (excluding Directors' emoluments) amounted to approximately HK\$9.1 million and HK\$10.1 million, respectively. The Group offers remuneration packages comprising basic salaries, discretionary bonuses and allowances to its management and office staff. For the workers at the Guangzhou Production Facilities, the Group offers them with salaries above the minimum wage, provides them with promotion opportunities and allows them budgets for social events such as birthday celebrations.

The remuneration committee of the Company is responsible for reviewing and determining the remuneration packages of the Directors and senior management members with reference to the salaries paid by comparable companies, time commitment and responsibilities of Directors, employment conditions elsewhere in the Group and desirability of performance-based remuneration. Any discretionary bonus and other merit payments are linked to the profit performance of the Group and the individual performance of the Directors and senior management members. The Company adopted a share option scheme (the "**Share Option Scheme**") on 24 November 2017, under which the Company may grant options to, among others, any employee (full-time or part-time) or Directors with a view to rewarding them for their contributions to the Group, giving incentives to them for optimising their performance and efficiency and attracting as well as retaining those whose future contributions are important to the long-term growth and profitability of the Group. Since the adoption of the Share Option Scheme and up to the date of this report, no share options have been granted pursuant to the Share Option Scheme.

### 僱員及薪酬政策

於二零一九年六月三十日，本集團共僱用175名僱員(二零一八年：178名)，當中169人位於中國，6人位於香港。本集團的員工成本主要包括薪金、社會保險及住房公積金。於截至二零一九年及二零一八年六月三十日止六個月，本集團的總員工成本(不包括董事酬金)分別約為9.1百萬港元及10.1百萬港元。本集團向其管理層及辦公室僱員所提供的薪酬組合包括基本薪金、酌情花紅及津貼。至於廣州生產基地的工人，本集團給予彼等高於最低工資的薪金及晉升機會，亦會向彼等提供津貼舉辦社交活動(如生日慶祝)。

本公司薪酬委員會負責審閱及釐定董事及高級管理層的薪酬組合，當中會參考可資比較公司所支付的薪金、董事所投放的時間及責任、本集團內其他職位的僱用條件，以及職效掛鉤酬金是否合適。任何酌情花紅及其他獎勵報酬乃與本集團的溢利表現及董事和高級管理層成員的個人表現掛鉤。本公司於二零一七年十一月二十四日採納一項購股權計劃(「**購股權計劃**」)，據此，本公司可向(其中包括)任何僱員(全職或兼職)或董事授出購股權，以就彼等對本集團所作出的貢獻給予獎勵、激勵彼等提升表現及效率，以及吸引及挽留日後可對本集團的長遠增長及盈利能力作出重大貢獻的僱員及董事。自採納購股權計劃起及直至本報告日期，概無根據購股權計劃授出購股權。



# Management Discussion and Analysis (Continued)

## 管理層討論及分析(續)

### USE OF PROCEEDS

The Shares were successfully listed on GEM of the Stock Exchange (the “**Listing**”) on 15 December 2017 (the “**Listing Date**”) by way of share offer (the “**Share Offer**”). The Group raised net proceeds of approximately HK\$40.7 million from the Share Offer after deducting commission and expenses borne by the Company in connection with the Share Offer (the “**Net Proceeds**”). The Net Proceeds are intended to be used in accordance with the proposed implementation plans as disclosed under the section headed “Future Plans and Use of Proceeds” in the Prospectus. As at 30 June 2019, the unutilised Net Proceeds amounted to approximately HK\$29.1 million.

As at 30 June 2019, the Net Proceeds had been applied and utilised as follows:

### 所得款項用途

股份於二零一七年十二月十五日(「**上市日期**」)成功以股份發售(「**股份發售**」)方式於聯交所GEM上市(「**上市**」)。於扣除本公司就股份發售所承擔的佣金及開支後，本集團自股份發售籌得所得款項淨額約40.7百萬港元(「**所得款項淨額**」)。本集團擬根據招股章程「未來計劃及所得款項用途」一節所披露的建議動用計劃使用所得款項淨額。於二零一九年六月三十日，未動用的所得款項淨額約為29.1百萬港元。

於二零一九年六月三十日，所得款項淨額已應用及動用，如下：

		<b>Net proceeds available 可動用的 所得款項淨額 HK\$ million 百萬港元</b>	<b>Utilised 已動用 HK\$ million 百萬港元</b>	<b>Unutilised 未動用 HK\$ million 百萬港元</b>
Upgrading the Group's machinery for the production of 100% spun polyester sewing threads for industrial use	升級本集團工業用100%滌綸線生產機器	20.3	3.1	17.2
Upgrading the Group's machinery for the production of 100% spun polyester sewing threads for domestic use	升級本集團家用100%滌綸線生產機器	7.7	2.2	5.5
Acquiring new cone winding machines	購買新筒子絡紗機	4.1	0.5	3.6
Acquiring new machinery for the production of nylon threads	購買新尼龍線生產機器	3.7	1.3	2.4
Setting up a sales office in Zhejiang province	在浙江省設立銷售辦事處	1.2	0.8	0.4
Working capital and other general corporate purposes of the Group	本集團的營運資金及其他一般企業用途	3.7	3.7	-
		<b>40.7</b>	<b>11.6</b>	<b>29.1</b>

# Management Discussion and Analysis (Continued)

## 管理層討論及分析(續)

An analysis comparing the future plans and use of proceeds contained in the Prospectus with the Group's actual business progress for the period from the Listing Date up to the date of this report:

招股章程所載未來計劃及所得款項用途與本集團自上市日期起直至本報告日期期間之實際業務進度比較分析如下：

<b>Business strategy</b> 業務策略	<b>Implementation plan</b> 實施計劃	<b>Actual progress</b> 實際進度
Upgrade the Group's machinery for the production of 100% spun polyester sewing threads for industrial use 升級本集團的工業用100%滌綸線生產機器	— Purchase eight waxing and winding machines for the production of 100% spun polyester sewing threads for industrial use 採購八台上蠟和絡紗機，用於生產工業用100%滌綸線	The Group has purchased and is operating two waxing and winding machines for the production of 100% spun polyester sewing threads for industrial use. 本集團已採購並正使用兩台上蠟和絡紗機，用於生產工業用100%滌綸線。
Upgrade the Group's machinery for the production of 100% spun polyester sewing threads for domestic use 升級本集團的家用100%滌綸線生產機器	— Purchase two machines for the production of 100% spun polyester sewing threads for domestic use 採購兩台機器，用於生產家用100%滌綸線	The Group has purchased and is operating one machine for the production of 100% spun polyester sewing threads for domestic use. 本集團已採購並正使用一台機器，用於生產家用100%滌綸線。
Acquire new machinery for the production of nylon threads 購買新尼龍線生產機器	— Purchase five machines for the production of nylon threads 採購五台機器，用於生產尼龍線	The Group has purchased and is operating three machines for the production of nylon threads. 本集團已採購並正使用三台機器，用於生產尼龍線。
Set up a sales office in Zhejiang province 在浙江省設立銷售辦事處	— Lease suitable premises for the Group's sales office — Renovate the sales office — Purchase office equipment — 租用合適場所，用作本集團銷售辦事處 — 裝修銷售辦事處 — 採購辦公設備	The Group has leased premises in Zhejiang Province for its sales office and the renovation has been completed. 本集團已於浙江省租賃物業作為其銷售辦事處，而該銷售辦事處已經完成裝修。
Acquire new cone winding machines 購買新筒子絡紗機	— Order two cone winding machines to facilitate the Group's production lines for 100% spun polyester sewing threads and paying the deposit — 訂購兩台筒子絡紗機以促進本集團的100%滌綸線生產線運行及支付訂金	The Group has purchased and is operating one cone winding machine. 本集團已採購並正使用一台筒子絡紗機。

# Management Discussion and Analysis (Continued)

## 管理層討論及分析(續)

### FUTURE PROSPECTS

The future plans and use of proceeds schedule disclosed in the Prospectus were formulated based on the best estimation of the market conditions after the Listing. The discrepancy between the planned use of the Net Proceeds and the actual use mainly arose as a result of the actual market conditions affecting the Group after the Listing. In light of the protectionist trade measures implemented by the United States and the continued economic downturn, the Directors believe that by strictly adhering to the implementation plan set out in the Prospectus, the production capacity of the Group will be unnecessarily enhanced, while the additional machinery may lead to a provision for impairment for such machinery to be made in the future.

In the course of its operations, the Group strongly emphasises the importance of satisfying customers' needs in respect of high quality and product differentiation and thus has continued to maintain long-term business relationships with its customers. The Directors believe that there are considerable business opportunities in the sewing threads industry in the long term. To satisfy its customers' potential demands and to take advantage of the business opportunities in the sewing threads industry, the Group will not deviate from the expansion plans set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus. The Directors intend for the expansion plans to be implemented in a prudent and conservative manner with consideration of the market conditions at the time.

The Directors will continue to carefully monitor and assess the situation and, if the expansion plans no longer become feasible for the operation of the Group, the plans may be evaluated and modified so as to ensure that the Group's business strategies are in the best interests of the Company and the Shareholders as a whole.

### 未來展望

招股章程所披露的未來計劃及所得款項用途時間表為根據上市後對市場狀況的最佳估計而制定。使用所得款項淨額的計劃與實際使用之間的差異主要是由於上市後影響本集團的實際市況。鑑於美國實施的貿易保護主義措施及持續的經濟衰退，董事認為，嚴格遵守招股章程所載的實施計劃，會不必要地增加本集團的產能，而額外的機器可能導致將來本集團須對該等機器作出減值撥備。

於經營業務過程中，本集團著重強調滿足客戶對優質及特色產品需求的重要性，從而繼續與客戶保持長遠的業務關係。董事相信，縫紉線行業長遠而言仍有大量的商機。為滿足客戶的潛在要求，及把握縫紉線行業的業務機遇，本集團將不會偏離招股章程「未來計劃及所得款項用途」一節所載的擴展計劃。董事擬於考慮當時市況後，以審慎及保守的態度實施有關擴展計劃。

董事將繼續監控及評估有關情況，倘擴展計劃對本集團業務而言不再可行，董事可能須評估及修訂有關計劃，以確保本集團業務策略符合本公司及股東的整體最佳利益。



# Other Information

## 其他資料

### INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVE IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ANY ASSOCIATED CORPORATION

As at 30 June 2019, the interests or short positions of each of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (the “SFO”), which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); (b) recorded in the register required to be kept under section 352 of the SFO; or (c) to be notified to the Company and the Stock Exchange pursuant to rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

### 董事及主要行政人員於本公司及任何相聯法團的股份、相關股份及債權證中的權益及淡倉

於二零一九年六月三十日，本公司各董事及主要行政人員於本公司及其相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份及債權證中擁有(a)根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益或淡倉（包括根據證券及期貨條例的有關條文彼等被當作或視作擁有的權益及淡倉）；(b)須記入根據證券及期貨條例第352條須存置的登記冊的權益或淡倉；或(c)根據GEM上市規則第5.46至5.67條規定須知會本公司及聯交所的權益或淡倉如下：

Name of Director	Nature of interest/Holding capacity	Number of ordinary shares held	Percentage of issued share capital of the Company (Note 1)
董事姓名	權益性質／持股身份	所持普通股數目	佔本公司已發行股本的百分比（附註1）
Mr. Wong Kwok Wai, Albert	Interest of a controlled corporation	600,000,000 (L) (Notes 2, 3)	75%
黃國偉先生	受控制法團權益	600,000,000 股股份 (L) (附註2、3)	75%

Notes:

- As at the date of this report, the Company's issued ordinary share capital was HK\$8,000,000 divided into 800,000,000 Shares of HK\$0.01 each.
- Three Gates Investment Limited (“Three Gates Investment”), a company incorporated in the British Virgin Islands on 15 August 2016, is wholly and beneficially owned by Mr. Wong Kwok Wai, Albert, who is the chairman and an executive Director of the Company. Therefore, Mr. Wong is deemed to be interested in 600,000,000 Shares held by Three Gates Investment by virtue of his 100% shareholding interest in Three Gates Investment.
- The letter “L” denotes the person's long position in the Shares.

附註：

- 於本報告日期，本公司的已發行普通股股本為8,000,000港元，分為800,000,000股每股面值0.01港元的股份。
- Three Gates Investment Limited（「Three Gates Investment」）為一間於二零一六年八月十五日在英屬處女群島註冊成立的公司，由本公司主席兼執行董事黃國偉先生全資實益擁有。因此，黃先生被視為透過所持Three Gates Investment 100%股權擁有Three Gates Investment所持600,000,000股股份的權益。
- 字母「L」指該人士於股份中的好倉。

## Other Information (Continued)

### 其他資料(續)

#### INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVE IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ANY ASSOCIATED CORPORATION (Continued)

Except as disclosed above, as at 30 June 2019, none of the Directors or the chief executive of the Company had any other interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be recorded in the register kept by the Company pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange according to rules 5.46 to 5.67 of the GEM Listing Rules.

#### INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

To the best knowledge of the Directors, as at 30 June 2019, the following persons or corporations (other than the Directors and the chief executive of the Company) who had interests and/or short positions in the shares or underlying shares of the Company which would be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO were as follows:

董事及主要行政人員於本公司及任何相聯法團的股份、相關股份及債權證中的權益及淡倉(續)

除上文披露者外，於二零一九年六月三十日，本公司董事或主要行政人員於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份或債券證中概無須記入證券及期貨條例第352條規定本公司存置的登記冊或根據GEM上市規則第5.46至5.67條規定須知會本公司及聯交所的任何其他權益或淡倉。

主要股東於本公司股份及相關股份中的權益及淡倉

據董事所深知，於二零一九年六月三十日，於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部須披露予本公司或須記入根據證券及期貨條例第336條須存置的登記冊的權益及／或淡倉的人士或法團(本公司董事及主要行政人員除外)如下：

Name of Substantial Shareholder	Nature of interest/Holding capacity	Number of ordinary shares held	Percentage of issued share capital of the Company (Note 1)
主要股東名稱	權益性質／持股身份	所持普通股數目	佔本公司已發行股本的百分比(附註1)
Three Gates Investment	Beneficial owner	600,000,000(L) (Notes 2, 3)	75%
Three Gates Investment	實益擁有人	(附註2、3)	75%

## Other Information (Continued)

### 其他資料(續)

Name of Substantial Shareholder	Nature of interest/Holding capacity	Number of ordinary shares held	Percentage of issued share capital of the Company (Note 1)
主要股東名稱	權益性質/持股身份	所持普通股數目	佔本公司已發行股本的百分比(附註1)
Gold-Face Finance Limited 均來財務有限公司	Person having a security interest in Shares 擁有股份權益的人士	400,000,000 (L) (Notes 3, 4, 5) (附註3、4、5)	50%
Good Profit Development Limited 益利發展有限公司	Person having a security interest in Shares 擁有股份權益的人士	400,000,000 (L) (Notes 3, 4, 5) (附註3、4、5)	50%
Good Foundation Company Limited 開盛有限公司	Person having a security interest in Shares 擁有股份權益的人士	400,000,000 (L) (Notes 3, 4, 5) (附註3、4、5)	50%
Upbest Strategic Company Limited 美建策略有限公司	Person having a security interest in Shares 擁有股份權益的人士	400,000,000 (L) (Notes 3, 4, 5) (附註3、4、5)	50%
Upbest Financial Holdings Limited	Person having a security interest in Shares 擁有股份權益的人士	400,000,000 (L) (Notes 3, 4, 5) (附註3、4、5)	50%
Upbest Group Limited 美建集團有限公司	Person having a security interest in Shares 擁有股份權益的人士	400,000,000 (L) (Notes 3, 4, 5) (附註3、4、5)	50%



# Other Information (Continued)

## 其他資料(續)

### INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY (Continued)

Notes:

1. As at the date of this report, the Company's issued ordinary share capital was HK\$8,000,000 divided into 800,000,000 Shares of HK\$0.01 each.
2. Three Gates Investment, a company incorporated in the British Virgin Islands on 15 August 2016, is wholly and beneficially owned by Mr. Wong who is the chairman and an executive Director of the Company. Therefore, Mr. Wong is deemed to be interested in 600,000,000 Shares held by Three Gates Investment by virtue of his 100% shareholding interest in Three Gates Investment.
3. 400,000,000 Shares held by Three Gates Investment have been charged in favour of Gold-Face Finance Limited ("**Gold-Face**") as security for a loan granted in favour of Mr. Wong Kwok Wai, Albert, the chairman, chief executive officer, executive director and controlling shareholder of the Company.
4. As Gold-Face is wholly-owned by Good Profit Development Limited, which in turn is wholly-owned by Upbest Strategic Company Limited and Good Foundation Company Limited in equal parts, which in turn are both wholly-owned by Upbest Financial Holdings Limited, which in turn is wholly-owned by Upbest Group Limited, Good Profit Development Limited, Upbest Strategic Company Limited, Good Foundation Company Limited, Upbest Financial Holdings Limited and Upbest Group Limited are all deemed to be interested in the security interest in the 400,000,000 Shares charged in favour of Gold-Face by virtue of the SFO.
5. The letter "L" denotes the person's long position in the Shares.

Except as disclosed above, as at 30 June 2019, the Directors are not aware of any interests and short positions owned by any other parties, other than a Director or the chief executive of the Company who held interests or short positions in the shares and the underlying shares of the Company which were required to be recorded under the provision of Divisions 2 and 3 of Part XV of the SFO, or, who was interested, directly or indirectly, in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company.

### 主要股東於本公司股份及相關股份中的權益及淡倉(續)

附註：

1. 於本報告日期，本公司的已發行普通股股本為8,000,000港元，分為800,000,000股每股面值0.01港元的股份。
2. Three Gates Investment為一間於二零一六年八月十五日在英屬處女群島註冊成立的公司，由本公司主席兼執行董事黃先生全資實益擁有。因此，黃先生被視為透過所持Three Gates Investment 100%股權擁有Three Gates Investment所持600,000,000股股份的權益。
3. 由Three Gates Investment持有的400,000,000股股份已獲質押予前均來財務有限公司(「均來」)，以作為本公司主席、行政總裁執行董事兼控股股東黃國偉先生獲授貸款的抵押。
4. 由於均來為益利發展有限公司的全資附屬公司，而益利發展有限公司由美建策略有限公司及開盛有限公司全資同等擁有，而兩者由Upbest Financial Holdings Limited全資擁有，而Upbest Financial Holdings Limited則由美建集團有限公司全資擁有，故根據證券及期貨條例，益利發展有限公司、美建策略有限公司、開盛有限公司，及Upbest Financial Holdings Limited及美建集團有限公司均被視為於質押予均來的400,000,000股股份中擁有證券權益。
5. 字母「L」指該人士於股份中的好倉。

除上文披露者外，於二零一九年六月三十日，就董事所知，除在本公司股份及相關股份中擁有根據證券及期貨條例第XV部第2及3分部的規定須予記錄的權益或淡倉的本公司董事或主要行政人員，或直接或間接擁有附帶權利可於任何情況下在本公司股東大會上投票的任何類別股本面值10%或以上權益的本公司董事或主要行政人員外，概無任何其他人士擁有任何權益及淡倉。

## Other Information (Continued)

### 其他資料(續)

#### DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN COMPETING BUSINESSES

For the six months ended 30 June 2019 and up to the date of this report, none of the Directors, controlling shareholders of the Company or any of their respective close associates (as defined in the GEM Listing Rules), engaged in any businesses that competes or may compete with the business of the Group, or had any other conflict of interest with the Group.

#### CHANGES IN INFORMATION OF DIRECTORS

Pursuant to rule 17.50A of the GEM Listing Rules, the Company is required to disclose any changes to the information required to be disclosed under paragraphs (a) to (e) and (g) of rule 17.50A of the GEM Listing Rules. Mr. Wong Kwok Wai, Albert was appointed as an independent non-executive director of JBB Builders International Limited (stock code: 1903), a company listed on the main board of the Stock Exchange and Yi Hua Holdings Limited (stock code: 2213), a company listed on the main board of the Stock Exchange, on 11 April 2019 and 31 May 2019, respectively. Save as disclosed above, there are no other matters required to be disclosed pursuant to rule 17.50A of the GEM Listing Rules.

#### CORPORATE GOVERNANCE PRACTICES

The Board believes that cultivating and maintaining a culture focused on good corporate governance is essential to effect strong business growth and continue the efficient management of the Company. The Directors are of the view that strong corporate governance practices can safeguard the interests of and ensure accountability to the shareholders of the Company (the “Shareholders”) as a whole.

The corporate governance code (the “CG Code”) as set out in Appendix 15 to the GEM Listing Rules has been adopted by the Board. Nevertheless, the Directors of the Company are committed to regularly reviewing its corporate governance practices to ensure conformity with the standard set out in the CG Code, as well as meeting the rising expectation of the Shareholders and other stakeholders of the Company.

Except for the deviation from code provision A.2.1 of the CG Code as set out in Appendix 15 to the GEM Listing Rules, the Board is of the view that the Company has complied with the code provisions of the CG code for the period from the Listing Date up to the date of this report (the “Relevant Period”).

#### 董事及控股股東於競爭業務的權益

於截至二零一九年六月三十日止六個月及直至本報告日期，概無董事、本公司控股股東或彼等各自的任何緊密聯繫人(定義見GEM上市規則)進行任何與本集團業務構成或可能構成競爭的業務，或與本集團有任何其他利益衝突。

#### 董事資料之變更

根據GEM上市規則第17.50A條，本公司須披露根據GEM上市規則第17.50A條(a)至(e)及(g)段項下須予披露的資料任何變動。黃國偉先生獲委任為JBB Builders International Limited(股份代號：1903)及益華控股有限公司(股份代號：2213)之獨立非執行董事，該等公司分別於二零一九年四月十一日及二零一九年五月三十一日於聯交所主板上市。除上文所披露者外，概無其他事項須根據GEM上市規則第17.50A條予以披露。

#### 企業管治常規

董事會相信，為本公司使業務穩健增長及延續管理效益，有必要培養及維持專注良好企業管治的文化。董事認為穩健的企業管治常規可保障本公司股東(「股東」)整體的利益，並確保對整體股東的問責性。

董事會已採納GEM上市規則附錄十五所載的企業管治守則(「企管守則」)。儘管如此，本公司董事承諾會定期檢討企業管治常規，確保遵循企管守則所載的標準，以及符合股東及本公司其他持份者不斷上升的期望。

除偏離GEM上市規則附錄十五所載企管守則的守則條文A.2.1條外，董事會認為本公司自上市日期起直至本報告日期止期間(「有關期間」)內已遵守企管守則的守則條文。

# Other Information (Continued)

## 其他資料(續)

### CORPORATE GOVERNANCE PRACTICES (Continued)

Mr. Wong Kwok Wai, Albert is the chairman of the Board and the chief executive officer of the Company and has been involved in the daily operations management of the Group since 2008. The Directors believe that vesting the roles of the chairman of the Board and the chief executive officer of the Company in Mr. Wong will ensure strong and consistent leadership, facilitate the Group's business strategies and boost the effectiveness of its operation. The Board will continue to review and consider splitting the roles of chairman of the Board and the chief executive officer of the Company when such role splitting is beneficial to the Group as a whole.

### MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the standard of dealings regarding securities transactions by the Directors equivalent to the required standard of dealings as set out in rules 5.48 to 5.67 of the GEM Listing Rules. The Directors have all confirmed, having been made specific enquiry by the Company, that they have complied with the required standard of dealings and the required standard concerning securities transactions by the Directors during the Relevant Period.

### INTERESTS OF THE COMPLIANCE ADVISER

In compliance with rule 6A.19 of the GEM Listing Rules, the Company has appointed Advent Corporate Finance Limited ("**Advent**") to be the compliance adviser. The Company has been informed by Advent that neither Advent nor its directors or employees or close associates has, or may have, any interest in the share capital of the Company or any member of the Group (including options or rights to subscribe for such securities), which is required to be notified to the Company pursuant to rule 6A.32 of the GEM Listing Rules, except for the compliance adviser agreement entered into between the Company and Advent dated 23 May 2019.

### 企業管治常規(續)

黃國偉先生為本公司董事會主席兼行政總裁，並自二零零八年起參與本集團的日常營運管理。董事認為由黃先生兼任本公司董事會主席及行政總裁將可確保強大及一致的領導，有助推動本集團的業務戰略，以及可提升營運效益。董事會將繼續就拆分本公司董事會主席及行政總裁之職務進行檢討，並將於拆分有關職務對本集團整體有利時考慮拆分有關職務。

### 董事進行證券交易的標準守則

本公司已採納董事進行證券交易的標準，有關標準相當於GEM上市規則第5.48條至5.67條所載的交易標準規定。在本公司作出特定查詢後，全體董事均已確認彼等於有關期間內已遵守所規定的交易標準及董事進行證券交易所規定的標準。

### 合規顧問的權益

按照GEM上市規則第6A.19條，本公司已委任宏智融資有限公司(「宏智」)為合規顧問。本公司已獲宏智知會，宏智及其董事或僱員或緊密聯繫人概無於本公司或本集團任何成員公司的股本中擁有或可能擁有任何須根據GEM上市規則第6A.32條知會本公司的權益(包括購股權或認購有關證券的權利)，惟本公司與宏智所訂立日期為二零一九年五月二十三日的合規顧問協議除外。



# Other Information (Continued)

## 其他資料(續)

### PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor its subsidiaries purchased, sold or redeemed any of the Company's listed securities since the Listing Date and up to the date of this report.

### EVENTS AFTER THE REPORTING PERIOD

There are no material subsequent events undertaken by the Company or the Group after 30 June 2019 and up to the date of this report.

### AUDIT COMMITTEE

The Audit Committee was established pursuant to rules 5.28 to 5.33 of the GEM Listing Rules and code provision C.3.3 of the CG Code. The Audit Committee is mainly responsible for reviewing financial information, monitoring the Company's financial reporting system and internal control procedures and maintaining the relationship with the Company's auditors.

The Audit Committee consists of three independent non-executive Directors, namely, Mr. Sung Alfred Lee Ming (the chairman of the Audit Committee), Dr. Yeung Ngai Man, John and Mr. Zhang Guofu. No member of the current Audit Committee is a member of the previous independent auditor of the Company. The Audit Committee has reviewed this report as well as the consolidated results of the Group for the six months ended 30 June 2019.

Hong Kong, 9 August 2019

### 購買、出售或贖回本公司上市證券

自上市日期起及直至本報告日期，本公司及其附屬公司均並無購買、出售或贖回本公司任何上市證券。

### 報告期後事項

本公司或本集團於二零一九年六月三十日後及直至本報告日期概無進行任何重大期後事項。

### 審核委員會

本公司已根據GEM上市規則第5.28至5.33條及企管守則的守則條文第C.3.3條成立審核委員會。審核委員會主要負責審閱財務資料、監察本公司的財務報告系統及內部監控程序，以及維持與本公司核數師的關係。

審核委員會包括三名獨立非執行董事，即宋理明先生(審核委員會主席)、楊毅敏醫生及章國富先生。現任審核委員會成員中概無人士為本公司過往獨立核數師的成員。審核委員會已審閱本報告及本集團截至二零一九年六月三十日止六個月的綜合業績。

By order of the Board  
承董事會命

**Shen You Holdings Limited**

申酉控股有限公司

**Wong Kwok Wai, Albert**

主席、行政總裁兼執行董事  
Chairman, chief executive officer  
and executive Director

黃國偉

香港，二零一九年八月九日

# Corporate Information

## 公司資料

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Wong Kwok Wai, Albert (*Chairman*)  
Mr. Yu Miaogen (*retired as a Director on 10 May 2019*)

#### Non-executive Director

Mr. Gao Biao  
Mr. Shi Guixiang (*retired as a Director on 10 May 2019*)

#### Independent non-executive Directors

Dr. Yeung Ngai Man, John  
Mr. Sung Alfred Lee Ming  
Mr. Zhang Guofu

### COMPLIANCE OFFICER

Mr. Chan Yiu Tung, Enoch

### AUTHORISED REPRESENTATIVES

Mr. Wong Kwok Wai, Albert  
Mr. Chan Yiu Tung, Enoch

### CHIEF FINANCIAL OFFICER

Mr. Lee Wing Hong

### COMPANY SECRETARY

Mr. Chan Yiu Tung, Enoch

### AUDIT COMMITTEE

Mr. Sung Alfred Lee Ming (*Chairman*)  
Dr. Yeung Ngai Man, John  
Mr. Zhang Guofu

### REMUNERATION COMMITTEE

Dr. Yeung Ngai Man, John (*Chairman*)  
Mr. Sung Alfred Lee Ming  
Mr. Zhang Guofu

### 董事會

#### 執行董事

黃國偉先生(主席)  
俞妙根先生(於二零一九年五月十日  
退任董事職務)

#### 非執行董事

高彪先生  
石桂祥先生(於二零一九年五月十日  
退任董事職務)

#### 獨立非執行董事

楊毅敏醫生  
宋理明先生  
章國富先生

### 合規主任

陳耀東先生

### 授權代表

黃國偉先生  
陳耀東先生

### 財務總監

李永康先生

### 公司秘書

陳耀東先生

### 審核委員會

宋理明先生(主席)  
楊毅敏醫生  
章國富先生

### 薪酬委員會

楊毅敏醫生(主席)  
宋理明先生  
章國富先生

# Corporate Information (Continued)

## 公司資料(續)

### NOMINATION COMMITTEE

Mr. Wong Kwok Wai, Albert (*Chairman*)  
Mr. Sung Alfred Lee Ming  
Mr. Zhang Guofu

### AUDITORS

Ernst & Young  
Certified Public Accountants

### COMPLIANCE ADVISER

Advent Corporate Finance Limited

### HONG KONG LEGAL ADVISERS

K.B. Chau & Co.

### PRINCIPAL BANK

The Hongkong and Shanghai Banking Corporation Limited

### REGISTERED OFFICE

Clifton House  
75 Fort Street, PO Box 1350  
Grand Cayman, KY1-1108  
Cayman Islands

### PRINCIPAL PLACE OF BUSINESS IN THE PRC

No. 386 Zeng Nan Road  
Zeng Jiao Cun  
Fang Cun  
Liwán District  
Guangzhou  
China

### 提名委員會

黃國偉先生(主席)  
宋理明先生  
章國富先生

### 核數師

安永  
執業會計師

### 合規顧問

宏智融資有限公司

### 香港法律顧問

周啟邦律師事務所

### 主要往來銀行

香港上海滙豐銀行有限公司

### 註冊辦事處

Clifton House  
75 Fort Street, PO Box 1350  
Grand Cayman, KY1-1108  
Cayman Islands

### 中國主要營業地點

中國  
廣州市  
荔灣區  
芳村  
增滘村  
增南路386號



# Corporate Information (Continued)

## 公司資料(續)

### HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Units 2005-06, 20/F.  
Enterprise Square Two  
No. 3 Sheung Yuet Road  
Kowloon Bay  
Kowloon, Hong Kong

### 總部及香港主要營業地點

香港九龍  
九龍灣  
常悅道3號  
企業廣場二期  
20樓2005-06室

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited  
Level 54 Hopewell Centre  
183 Queen's Road East  
Hong Kong

### 香港股份過戶登記分處

卓佳證券登記有限公司  
香港  
皇后大道東183號  
合和中心54樓

### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Estera Trust (Cayman) Limited  
Clifton House  
75 Fort Street, PO Box 1350  
Grand Cayman, KY1-1108  
Cayman Islands

### 主要股份過戶登記處

Estera Trust (Cayman) Limited  
Clifton House  
75 Fort Street, PO Box 1350  
Grand Cayman, KY1-1108  
Cayman Islands

### COMPANY'S WEBSITE

[www.shenyouholdings.com](http://www.shenyouholdings.com)

### 公司網址

[www.shenyouholdings.com](http://www.shenyouholdings.com)

### STOCK CODE

8377

### 股份代號

8377



Shen You Holdings Limited  
申酉控股有限公司