



**CircuTech International
Holdings Limited**

訊智海國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

(Stock Code 股份代號 : 8051)

2020

**FIRST
QUARTERLY
REPORT**

**第一季度
業績報告**

香港聯合交易所有限公司 (「聯交所」) GEM之特色

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主板上市的公司可能帶有較高投資風險。有意投資之人士應了解投資於該等公司之潛在風險，並應經過審慎周詳的考慮後方作出投資決定。

由於在GEM上市的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之市場波動風險，同時無法保證在GEM買賣之證券會有高流通量之市場。

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本報告的資料乃遵照聯交所GEM證券上市規則（「GEM上市規則」）而刊載，旨在提供有關訊智海國際控股有限公司（「本公司」）之資料；本公司董事（「董事」）及各「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，確認就其所知及所信，本報告所載資料在各重要方面均屬準確完備，沒有誤導或欺詐成分，且並無遺漏任何其他事項，足以令致本報告或其所載任何陳述產生誤導。

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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.

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This report, for which the directors (“**Directors**” and each a “**Director**”) of CircuTech International 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.

摘要

HIGHLIGHTS

- 截至二零二零年三月三十一日止三個月，本公司及其附屬公司（統稱為「本集團」）錄得營業額約72,900,000港元（截至二零一九年三月三十一日止三個月：約50,400,000港元），較去年同期增加約22,500,000港元。
- 截至二零二零年三月三十一日止三個月，本集團錄得本公司擁有人應佔溢利約900,000港元（截至二零一九年三月三十一日止三個月：虧損約10,000港元），較去年同期轉虧為盈約900,000港元。董事會（「董事會」）認為上述本集團截至二零二零年三月三十一日止三個月的溢利增加主要歸因於第三方IT產品之分銷所得溢利。
- 董事會不建議派付截至二零二零年三月三十一日止三個月之中期股息（截至二零一九年三月三十一日止三個月：無）。
- The Company and its subsidiaries (collectively referred to as the “**Group**”) recorded a turnover of approximately HK\$72.9 million for the three months ended 31 March 2020 (three months ended 31 March 2019: approximately HK\$50.4 million), representing an increase of approximately HK\$22.5 million when compared with the same period last year.
- The Group recorded a profit attributable to the owners of the Company of approximately HK\$0.9 million for the three months ended 31 March 2020 (three months ended 31 March 2019: Loss of approximately HK\$0.01 million), representing a swing of approximately HK\$0.9 million when compared with the same period last year. The board (the “**Board**”) of Directors considers that the aforesaid swing to profit of the Group for the three months ended 31 March 2020 was mainly attributable to the profit from the distribution of third party IT products.
- The Board does not recommend the payment of an interim dividend for the three months ended 31 March 2020 (three months ended 31 March 2019: Nil).

季度業績

QUARTERLY RESULTS

董事會謹此宣佈，本集團截至二零二零年三月三十一日止三個月之未經審核簡明綜合季度業績連同二零一九年同期之未經審核比較數字如下：

The Board hereby announces the unaudited condensed consolidated quarterly results of the Group for the three months ended 31 March 2020, together with the comparative unaudited figures for the corresponding period in 2019, as follows:

未經審核簡明綜合全面收益表 UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		截至三月三十一日止三個月		
		Three months ended		
		31 March		
		二零二零年	二零一九年	
		2020	2019	
		千港元	千港元	
		HK\$'000	HK\$'000	
		(未經審核)	(未經審核)	
		(unaudited)	(unaudited)	
	附註			
	Notes			
收入	Revenue	3	72,877	50,433
銷售成本	Cost of sales		(66,629)	(45,599)
毛利	Gross profit		6,248	4,834
其他收入	Other income		773	767
銷售及分銷成本	Selling and distribution costs		(1,438)	(1,341)
行政費用	Administrative expenses		(4,313)	(3,893)
研究及發展支出	Research and development expenditure		(395)	(388)
財務成本	Finance costs		(8)	(25)
經營溢利／(虧損)	Operating profit/(loss)		867	(46)
使用權益法入賬之應佔一間 聯營公司純利	Share of net profit of an associate accounted for using the equity method		247	120
除所得稅前溢利	Profit before income tax	5	1,114	74
所得稅開支	Income tax expenses	6	(255)	(84)
本期間溢利／(虧損)	Profit/(loss) for the period		859	(10)

未經審核簡明綜合全面收益表 (續)

UNAUDITED CONDENSED CONSOLIDATED
STATEMENT OF COMPREHENSIVE INCOME (Continued)

		截至三月三十一日止三個月	
		Three months ended	
		31 March	
		二零二零年	二零一九年
		2020	2019
		千港元	千港元
		HK\$'000	HK\$'000
		(未經審核)	(未經審核)
		(unaudited)	(unaudited)
	附註		
	Notes		
本期間其他全面收益：	Other comprehensive income for the period:		
其後可能重新分類至損益之項目：	Item that may be reclassified subsequently to profit or loss:		
換算海外業務產生之匯兌差額	Exchange differences on translation of foreign operations	(138)	95
本期間其他全面收益	Other comprehensive income for the period	(138)	95
本期間全面收益總額	Total comprehensive income for the period	721	85
由下列人士應佔本期間溢利／(虧損)：	Profit/(loss) for the period attributable to:		
– 本公司擁有人	– Owners of the Company	859	(10)
– 非控股權益	– Non-controlling interests	-	-
		859	(10)
由下列人士應佔本期間全面收益總額：	Total comprehensive income for the period attributable to:		
– 本公司擁有人	– Owners of the Company	719	103
– 非控股權益	– Non-controlling interests	2	(18)
		721	85
本公司擁有人應佔每股盈利／(虧損) (每股港仙)	Earnings/(loss) per share attributable to owners of the Company (HK cents per share)		
– 基本及攤薄	– Basic and diluted	3.67	(0.04)

未經審核簡明綜合權益變動表

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

本公司擁有人應佔
Attributable to owners of the Company

		股本	股份溢價	匯兌儲備	特別儲備	透過其他	累計虧損	總計	非控股權益	總計
						全面收益按公平值列值之				
		Share capital	Share premium	Translation reserve	Special reserve	Financial asset at FVOCI	Accumulated losses	Total	Non-controlling interests	Total
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
於二零二零年一月一日之結餘(經審核)	Balance at 1 January 2020 (audited)	4,687	183,006	(2,424)	14,990	49	(66,448)	133,860	(495)	133,365
本期間溢利	Profit for the period	-	-	-	-	-	859	859	-	859
截至二零二零年三月三十一日止期間其他全面收益換算海外業務產生之匯兌差額	Other comprehensive income for the period ended 31 March 2020 Exchange differences on translation of foreign operations	-	-	(140)	-	-	-	(140)	2	(138)
本期間全面收益總額	Total comprehensive income for the period	-	-	(140)	-	-	859	719	2	721
於二零二零年三月三十一日之結餘(未經審核)	Balance at 31 March 2020 (unaudited)	4,687	183,006	(2,564)	14,990	49	(65,589)	134,579	(493)	134,086
於二零一九年一月一日之結餘(經審核)	Balance at 1 January 2019 (audited)	4,687	183,006	(1,731)	14,990	30	(68,889)	132,093	(491)	131,602
會計政策變動	Change in accounting policy	-	-	-	-	-	(48)	(48)	-	(48)
於二零一九年一月一日之結餘(經重列)	Balance at 1 January 2019 (restated)	4,687	183,006	(1,731)	14,990	30	(68,937)	132,045	(491)	131,554
本期間虧損	Loss for the period	-	-	-	-	-	(10)	(10)	-	(10)
截至二零一九年三月三十一日止期間其他全面收益換算海外業務產生之匯兌差額	Other comprehensive income for the period ended 31 March 2019 Exchange differences on translation of foreign operations	-	-	113	-	-	-	113	(18)	95
本期間全面收益總額	Total comprehensive income for the period	-	-	113	-	-	(10)	103	(18)	85
於二零一九年三月三十一日之結餘(未經審核)	Balance at 31 March 2019 (unaudited)	4,687	183,006	(1,618)	14,990	30	(68,947)	132,148	(509)	131,639

未經審核簡明綜合財務資料附註

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1. 一般資料

訊智海國際控股有限公司（「本公司」）及其附屬公司（統稱「本集團」）主要從事IT產品的銷售及分銷以及提供IT產品的維修及其他服務支援。

本公司為於開曼群島註冊成立的有限公司，其註冊辦事處地址為Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands。

本公司以香港聯合交易所有限公司GEM為第一上市地。

除另有所指外，該等未經審核簡明綜合財務資料乃以港元（「港元」）呈列。

2. 編製基準

截至二零二零年三月三十一日止三個月之本未經審核簡明綜合財務資料乃根據香港會計師公會（「香港會計師公會」）頒佈之香港財務報告準則（「香港財務報告準則」）及GEM上市規則之適用規定而編製。本未經審核簡明綜合財務資料並不包括年度財務報表所規定的所有資料及披露事項。

1. GENERAL INFORMATION

CircuTech International Holdings Limited (the “**Company**”) and its subsidiaries (together, the “**Group**”) is principally engaged in the sales and distribution of IT products, and the provision of repairs and other service support of IT products.

The Company is a limited liability company incorporated in the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company has its primary listing on GEM of The Stock Exchange of Hong Kong Limited.

These unaudited condensed consolidated financial information is presented in Hong Kong dollars (“**HK\$**”), unless otherwise stated.

2. BASIS OF PREPARATION

This unaudited condensed consolidated financial information for the three months ended 31 March 2020 has been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRS**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the applicable requirements of the GEM Listing Rules. This unaudited condensed consolidated financial information does not include all information and disclosures as required in the annual financial statements.

未經審核簡明綜合財務資料附註 (續)

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION (Continued)

2. 編製基準 (續)

除採納於截至二零二零年十二月三十一日止財政年度生效的新訂及經修訂準則及詮釋外，編製本未經審核簡明綜合財務資料所採用之主要會計政策與截至二零一九年十二月三十一日止年度之財務報表所採用者一致。以下新訂及經修訂準則及詮釋於二零二零年一月一日開始之財政年度首次強制生效。

香港財務報告準則 第3號修訂本	業務之定義
香港會計準則第1號及 香港會計準則 第8號修訂本	重大之定義

採納上述新訂及經修訂準則及詮釋並無對本集團截至二零二零年三月三十一日止三個月之未經審核簡明綜合財務資料造成重大影響。

3. 收入

本集團該等期間來自其主要產品及服務之收入分析如下：

		截至三月三十一日止三個月 Three months ended 31 March	
		二零二零年 2020 千港元 HK\$'000 (未經審核) (Unaudited)	二零一九年 2019 千港元 HK\$'000 (未經審核) (Unaudited)
銷售及分銷IT產品	Sales and distribution of IT products	72,805	50,346
維修及服務支援	Repairs and service support	72	87
		72,877	50,433

2. BASIS OF PREPARATION (Continued)

The principal accounting policies applied in the preparation of this unaudited condensed consolidated financial information are consistent with those of the financial statements for the year ended 31 December 2019, except for the adoption of new and amended standards and interpretation effective for the financial year ending 31 December 2020. The following new and amended standards and interpretation are mandatory for the first time for the financial year beginning on 1 January 2020.

Amendments to HKFRS 3	Definition of a business
Amendments to HKAS 1 and HKAS 8	Definition of material

The adoption of the above new and amended standards and interpretation did not have a material impact on the Group's unaudited condensed consolidated financial information for the three months ended 31 March 2020.

3. REVENUE

An analysis of the Group's revenue from its major products and services for the periods is as follows:

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION (Continued)

4. 分類資料

本集團主要從事銷售及分銷IT產品以及提供IT產品之維修及其他服務支援。

首席營運決策者已被確定為本公司之執行董事(「執行董事」)。執行董事已根據彼等所審閱用於作出策略決定之資料釐定營運分類。

執行董事從產品角度評估本集團之表現並已就本集團業務確認兩個可呈報分類：

- (i) 銷售及分銷IT產品：該業務分類設計、製造及營銷視像監控系統以及分銷第三方IT產品；及
- (ii) 維修及服務支援：該業務分類提供電子產品維修、維護及其他服務支援。

截至二零二零年及二零一九年三月三十一日止三個月，並無分類間銷售。來自外部各方之收入乃按與簡明綜合全面收益表相同之方式計量。

來自銀行存款之利息收入及公司開支並未分配至各分類，原因為此類活動乃由管理本集團現金狀況之中央司庫職能部門推動。

4. SEGMENT INFORMATION

The Group is principally engaged in the sales and distribution of IT products, and the provision of repairs and other service support of IT products.

The chief operating decision-makers have been identified as the executive directors of the Company (the “**Executive Directors**”). The Executive Directors have determined the operating segments based on the information reviewed by them that are used to make strategic decisions.

The Executive Directors examine the Group’s performance from a product perspective, and have identified two reportable segments of the Group’s business:

- (i) Sales and distribution of IT products: this part of business designs, manufactures and markets video surveillance systems and distributes third party IT products; and
- (ii) Repairs and service support: repairs, maintenance and other service support for electronic products are provided under this part of business.

No sales between segments are carried out during the three months ended 31 March 2020 and 2019. The revenue from external parties is measured in the same way as in the condensed consolidated statement of comprehensive income.

Interest income from bank deposits and corporate expenses are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the Group.

未經審核簡明綜合財務資料附註 (續)

NOTES TO THE UNAUDITED CONDENSED
CONSOLIDATED FINANCIAL INFORMATION (Continued)

4. 分類資料 (續)

分類收入及業績

截至二零二零年及二零一九年三月三十一日止三個月，就可呈報分類向執行董事提供之分類資料如下：

截至二零二零年三月三十一日止三個月

4. SEGMENT INFORMATION (Continued)

Segment revenue and results

The segment information provided to the Executive Directors for the reportable segments for the three months ended 31 March 2020 and 2019 is as follows:

Three months ended 31 March 2020

		銷售及 分銷IT產品 Sales and distribution of IT products 千港元 HK\$'000 (未經審核) (unaudited)	維修及 服務支援 Repairs and service support 千港元 HK\$'000 (未經審核) (unaudited)	總計 Total 千港元 HK\$'000 (未經審核) (unaudited)
收入	Revenue			
來自外部客戶之收入	Revenue from external customers	72,805	72	72,877
收入確認時間	Time of revenue recognition			
— 於某一時間點	– At a point in time	72,805	–	72,805
— 於一段時間	– Over time	–	72	72
分類溢利	Segment profit	2,988	19	3,007
其他收入	Other income			773
未分配公司開支 (附註)	Unallocated corporate expenses (Note)			(2,905)
財務成本	Finance costs			(8)
經營溢利	Operating profit			867
使用權益法入賬之應佔 一間聯營公司純利	Share of net profit of an associate accounted for using the equity method			247
除所得稅前溢利	Profit before income tax			1,114
所得稅開支	Income tax expenses			(255)
本期間溢利	Profit for the period			859

未經審核簡明綜合財務資料附註 (續)

NOTES TO THE UNAUDITED CONDENSED
CONSOLIDATED FINANCIAL INFORMATION (Continued)

4. 分類資料 (續)

分類收入及業績 (續)

截至二零一九年三月三十一日止
三個月

4. SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

Three months ended 31 March 2019

		銷售及 分銷IT產品 Sales and distribution of IT products 千港元 HK\$'000 (未經審核) (unaudited)	維修及 服務支援 Repairs and service support 千港元 HK\$'000 (未經審核) (unaudited)	總計 Total 千港元 HK\$'000 (未經審核) (unaudited)
收入	Revenue			
來自外部客戶之收入	Revenue from external customers	50,346	87	50,433
收入確認時間	Time of revenue recognition			
— 於某一時間點	— At a point in time	50,346	—	50,346
— 於一段時間	— Over time	—	87	87
分類溢利	Segment profit	1,795	23	1,818
其他收入	Other income			767
未分配公司開支 (附註)	Unallocated corporate expenses (Note)			(2,606)
財務成本	Finance costs			(25)
經營虧損	Operating loss			(46)
使用權益法入賬之應佔 一間聯營公司純利	Share of net profit of an associate accounted for using the equity method			120
除所得稅前溢利	Profit before income tax			74
所得稅開支	Income tax expenses			(84)
本期間虧損	Loss for the period			(10)

附註：

未分配公司開支指一般公司開支，如執行
人員薪金及其他未分配一般及行政開支。

Note:

Unallocated corporate expenses represent general corporate
expenses such as executive salaries and other unallocated general
and administrative expenses.

NOTES TO THE UNAUDITED CONDENSED
CONSOLIDATED FINANCIAL INFORMATION (Continued)

5. 除所得稅前溢利

除所得稅前溢利經扣除及計入下列項目後達致：

5. PROFIT BEFORE INCOME TAX

Profit before income tax is stated after charging and crediting the following:

		截至三月三十一日止三個月	
		Three months ended	
		31 March	
		二零二零年	二零一九年
		2020	2019
		千港元	千港元
		HK\$'000	HK\$'000
		(未經審核)	(未經審核)
		(Unaudited)	(Unaudited)
物業、廠房及設備之折舊	Depreciation of property, plant and equipment	591	590
使用權資產之折舊	Depreciation of right-of-use assets	325	339
租賃負債之利息	Interest on lease liabilities	8	25
利息收入	Interest income	(170)	(167)
匯兌虧損／(收益)淨額	Net foreign exchange losses/(gains)	102	(77)
存貨撥備(已列入銷售成本)	Provision for inventories (included in cost of sales)	1,527	203
租金收入	Rental income	(600)	(600)

6. 所得稅開支

香港及海外利得稅乃分別按16.5% (二零一九年：16.5%)之稅率及本集團經營所在國家之現行稅率計提撥備。

6. INCOME TAX EXPENSES

Hong Kong and overseas profits tax has been provided at the rate of 16.5% (2019: 16.5%) and at the rates of taxation prevailing in the countries in which the Group operates respectively.

		截至三月三十一日止三個月	
		Three months ended	
		31 March	
		二零二零年	二零一九年
		2020	2019
		千港元	千港元
		HK\$'000	HK\$'000
		(未經審核)	(未經審核)
		(Unaudited)	(Unaudited)
即期所得稅	Current income tax		
— 海外稅項	— Overseas taxation	255	84

**NOTES TO THE UNAUDITED CONDENSED
CONSOLIDATED FINANCIAL INFORMATION** (Continued)

7. 每股盈利／（虧損）

每股基本盈利／（虧損）

每股基本盈利／（虧損）乃按本公司擁有人應佔溢利／（虧損）除以於本期間內發行在外普通股之加權平均數計算：

7. EARNINGS/(LOSS) PER SHARE

Basic earnings/(loss) per share

Basic earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the period:

		截至三月三十一日止三個月	
		Three months ended	
		31 March	
		二零二零年	二零一九年
		2020	2019
		千港元	千港元
		HK\$'000	HK\$'000
		(未經審核)	(未經審核)
		(Unaudited)	(Unaudited)
計算每股基本盈利／（虧損）所用之本公司普通權益持有人應佔溢利／（虧損）	Profit/(loss) attributable to the ordinary equity holders of the Company used in calculating basic earnings/(loss) per share	859	(10)
計算每股基本盈利／（虧損）時用作分母之普通股加權平均數（千股）	Weighted average number of ordinary shares used as the denominator in calculating basic earnings/(loss) per share ('000)	23,434	23,434
本公司普通權益持有人應佔每股基本盈利／（虧損）（每股港仙）	Basic earnings/(loss) per share attributable to the ordinary equity holders of the Company (HK cents per share)	3.67	(0.04)

每股攤薄盈利／（虧損）

由於本期間並無發行在外潛在攤薄股份，故每股攤薄盈利／（虧損）等於每股基本盈利／（虧損）（截至二零一九年三月三十一日止三個月：相同）。

Diluted earnings/(loss) per share

Diluted earnings/(loss) per share is equal to basic earnings/(loss) per share as there was no dilutive potential share outstanding during the period (three months ended 31 March 2019: same).

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

中期股息

董事會不建議派付截至二零二零年三月三十一日止三個月之股息（截至二零一九年三月三十一日止三個月：無）。

業務回顧

銷售及分銷IT產品

本集團提供全面及廣泛的視像監控產品，其具備獨特技術，包括以其自有品牌名稱出售的五層黑客抵禦技術及最佳視像壓縮技術。該等技術相互補充，為客戶提供專門且具成本效益的解決方案。本集團在定價、資訊技術及服務範圍方面，直接及間接地與全球大型供應商競爭。然而，本集團將密切監察市場，以鞏固其市場地位及提高盈利能力。

本集團亦已透過分銷第三方IT產品，擴大其產品範圍，成功解決了視像監控系統的產品化問題。本集團與知名IT品牌簽署協議以透過在其建立良久的批發網絡（涵蓋北美、亞洲、歐洲、中東及非洲）分銷第三方IT產品。第三方IT產品是經翻新及已下架的部件，因此，本公司於售後循環經濟中延長該等產品的使用年期。於本期間，本集團已多元化及擴大客戶基礎以減少客戶集中風險。此外，本集團開發了自家網上換購平台，並與知名IT品牌（作為本集團若干智能設備的換購計劃夥伴）合作。管理層的專業知識及其良好的往績，加上身為富士康科技集團（其與該知名IT品牌有強大業務聯繫）的成員公司，是本集團與其他全球分銷商進行競爭的優勢。本集團將繼續透過改善存貨周轉天數及降低存貨風險管理其呆滯流動資本，旨在縮短現金周轉週期。

INTERIM DIVIDEND

The Board does not recommend the payment of a dividend for the three months ended 31 March 2020 (three months ended 31 March 2019: Nil).

BUSINESS REVIEW

Sales and distribution of IT products

The Group offers a comprehensive and broad range of video surveillance products which have unique technologies, including five layers hacker resistance and best-in-class video compression technology sold under its own brand name. These technologies are complementary to one another, and provide customers with dedicated cost efficient solutions. The Group directly and indirectly competes with large global vendors in form of pricing, information technology and range of services. Nevertheless, the Group will closely monitor the market in order to strengthen its market position and to improve profitability.

The Group has also addressed the commoditisation of video surveillance systems by broadening its products offering through distribution of third-party IT products. The Group signed an agreement with a renowned IT brand to distribute third party IT products through its well-established wholesale network covering the North America, Asia, Europe, Middle East and Africa. The third-party IT products are refurbished and end-of-life units, thus the Company extends the life of these products in the post-sales circular economy. During the period, the Group has diversified and grown its customer base to reduce customer concentration risk. In addition, the Group developed its online trade-in platform and cooperated with a renowned IT brand as its trade-in partner for certain smart devices. The Group's advantages to compete against other global distributors are management's expertise and proven track record, together with being a member of the Foxconn Technology Group that has strong business bond with this renowned IT brand. The Group will continue to manage its tied up working capital by improving the inventory turnover days and mitigating the inventory risk, with an aim to shorten the cash conversion cycle.

管理層討論及分析 (續)

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

於本期間，本集團繼續檢討及重新評估其業務模式，旨在提高效率，並從長遠達致較高利潤率。本集團將繼續密切監察市場狀況，並對其策略及營運作出必要調整。

提供IT產品的維修及其他服務支援

本集團為帶有其自有品牌名稱的視像監控產品提供全方位的售後維護服務。本集團亦開發智能設備應用程式，以提供遠程控制及監控視像監控產品服務。作為本集團維修及服務支援分類之延伸，本集團正接洽潛在客戶以提供維修服務。

於本期間，本集團與本公司控股股東之一間附屬公司訂立持續關連交易以提供若干維修服務，從而滿足客戶需求。此外，本集團將於考慮提供維修服務之相關費用、預期回報及效益後考慮於中國設立其自有維修中心。

財務回顧

收入

截至二零二零年三月三十一日止三個月，本集團總收入約為72,900,000港元，較截至二零一九年三月三十一日止三個月約50,400,000港元增加約44.6%。業務量增加乃歸因於擴大客戶基礎及拓寬產品組合，長遠而言實現上佳利潤。

During the period, the Group continued to review and re-evaluate its business model, with an aim to improve efficiency, and achieve a higher profit margin in the long run. The Group will continue to closely monitor the market situations and make necessary adjustments to its strategies and operations.

Provision of repairs and other service support of IT products

The Group provides full range of after sales maintenance for video surveillance products carrying its own brand name. Smart device applications were also developed by the Group to provide remote control and monitoring of the video surveillance products. As an extension of the Group's repair and service support segment, the Group is liaising with potential customers for provision of repair services.

During the period, the Group entered into a continuing connected transaction with a subsidiary of the Company's controlling shareholders for provision of certain repair services for the fulfillment of customers need. The Group will also consider setting up its own maintenance center in China after considering relevant costs, expected return and efficiency in providing the repair services.

FINANCIAL REVIEW

Revenue

The Group's total revenue was approximately HK\$72.9 million for the three months ended 31 March 2020, representing an increase of approximately 44.6% as compared to that of approximately HK\$50.4 million for the three months ended 31 March 2019. The increase in business volume was attributable to the growth in customer base and broadened product mix to achieve better profit in the long run.

銷售成本

銷售成本之主要部分為存貨成本。與業務量增加一致，截至二零二零年三月三十一日止三個月之銷售成本較二零一九年同期約45,600,000港元增加至約66,600,000港元。存貨撥備（已列入銷售成本）增加至約1,500,000港元，而二零一九年同期約為200,000港元，原因為滯銷存貨有所增加。

毛利及毛利率

與業務量增加一致，截至二零二零年三月三十一日止三個月之毛利增加約1,400,000港元。截至二零二零年三月三十一日止三個月之整體毛利率略減至約8.6%，此乃由於二零二零年第一季度銷售之產品組合變動。

行政費用

截至二零二零年三月三十一日止三個月之行政費用增加約10.8%至約4,300,000港元。該增加主要由於就提供若干維修服務與本公司控股股東之一間附屬公司進行持續關連交易所產生之專業費用及確認歐元貶值產生之匯兌虧損所致。

期內純利／（淨虧損）

截至二零二零年及二零一九年三月三十一日止三個月，本集團分別錄得純利約900,000港元及淨虧損約10,000港元。業績改善主要由於銷售及分銷IT產品分類產生更大利潤所致。董事會認為，第一季度盈利能力略微波動與本集團截至二零一九年十二月三十一日止年度之財務數據大體一致且可資比較。本集團於截至二零一九年十二月三十一日止年度錄得純利約2,500,000港元。

Cost of sales

A major component of the cost of sales was the cost of inventories. In line with the increase in business volume, the cost of sales for the three months ended 31 March 2020 increased to approximately HK\$66.6 million, as compared to that of approximately HK\$45.6 million for the same period in 2019. Provision of inventories, included in the cost of sales, increased to approximately HK\$1.5 million as compared to that of approximately HK\$0.2 million for the same period in 2019 to account for the increase in slow-moving inventories.

Gross profit and gross profit margin

Gross profit increased by approximately HK\$1.4 million for the three months ended 31 March 2020, which was in line with increase in the business volume. The overall gross profit margin slightly decreased to approximately 8.6% for the three months ended 31 March 2020 due to change in product mix sold in the first quarter of 2020.

Administrative expenses

Administrative expenses increased by approximately 10.8% to approximately HK\$4.3 million during the three months ended 31 March 2020. It was mainly due to the professional fee incurred in relation to a continuing connected transaction with a subsidiary of the Company's controlling shareholders for provision of certain repair services and the recognition of foreign currency exchange losses arising from the depreciation of the Euro.

Net profit/(loss) for the period

The Group recorded a net profit of approximately HK\$0.9 million and net loss of approximately HK\$0.01 million for the three months ended 31 March 2020 and 2019, respectively. The improved result was mainly due to a better profit generated from the sales and distribution of IT products segment. The Board considers that the gentle swing in profitability in the first quarter is generally in line with and comparable with the financial figures of the Group for the year ended 31 December 2019. The Group recorded a net profit of approximately HK\$2.5 million for the year ended 31 December 2019.

業務前景

本集團預計IT產品分銷業務將面臨激烈競爭，且管理層將密切監察IT產品分銷業務並可能會對本集團業務組合進行調整，以增加客戶基礎並為股東帶來更佳及更穩定的回報。

為多元化本集團之業務組合及避免過度集中於單一業務分類，鑒於維修及服務支援分類目前為本集團整體收入作出的貢獻，本集團相信維修及服務支援分類存在巨大的增長空間。本集團已吸引一名新客戶，該客戶乃總部位於美國的業內知名公司。預期新客戶將帶來經常性業務並可對本集團的收入產生正面影響。

本集團將繼續加強管理團隊、擴大國際覆蓋面及拓寬客戶基礎。管理層預期可能需不時進行其他集資活動，為有關業務發展提供營運資本開支。此舉意味著須投資擴展、重組海外組織架構及潛在資本開支（倘認為可策略性地提高實力）。

流動資金及財政資源

於回顧期內，本集團以內部產生之資源及於二零一七年十月二十日完成之供股之所得款項淨額為其日常營運撥付資金。於二零二零年三月三十一日，本集團流動資產淨值約為111,700,000港元（二零一九年三月三十一日：106,700,000港元）及現金及現金等價物約為83,200,000港元（二零一九年三月三十一日：84,000,000港元）。於二零二零年三月三十一日，本集團並無未償還借款。

BUSINESS OUTLOOK

The Group expects to face keen competition in the IT product distribution business and the management will closely monitor the IT product distribution business and may adjust the Group's business portfolio in a bid to increase customer base and generate better and more stable returns to the shareholders.

In order to diversify the business portfolio of the Group and to avoid overconcentration on a single business segment, given the current contribution of the repairs and service support segment to the overall revenue of the Group, the Group believes that there is plenty of room for growth of the repairs and service support segment. The Group has attracted a new customer which is a renowned industrial company headquartered in the US. It is expected that the new customer will generate recurring business and it may have a positive impact on the Group's revenue.

The Group will continuously strengthen the management team, expand the international footprint and broaden its customer base. The management anticipates additional fundraising may from time to time be required to support the working capital expenditure for such business growth. This entails investment in expanding and revamping overseas organization structure, and potential capital expenditures if it is deemed to strategically enhance its capabilities.

LIQUIDITY AND FINANCIAL RESOURCES

During the period under review, the Group financed its daily operations with internally generated resources and net proceeds from the rights issue completed on 20 October 2017. The Group had net current assets of approximately HK\$111.7 million (31 March 2019: HK\$106.7 million) and cash and cash equivalents amounted to approximately HK\$83.2 million as at 31 March 2020 (31 March 2019: HK\$84.0 million). The Group had no borrowings outstanding as at 31 March 2020.

管理層討論及分析 (續)

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

於二零二零年三月三十一日，資本負債率（按本集團總債務除總權益之基準計算）為27.8%（二零一九年三月三十一日：41.9%）。

董事及主要行政人員於股份之權益

截至二零二零年三月三十一日，概無董事及本公司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（「證券及期貨條例」）第XV部）之任何股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及8分部須予披露之權益或淡倉（包括根據證券及期貨條例相關條文被認為或視作擁有之權益及淡倉），或記錄於本公司根據證券及期貨條例第352條而存置之登記冊之權益或淡倉或根據GEM上市規則第5.46條須知會本公司及聯交所之權益或淡倉。

購買股份或債券之安排

於截至二零二零年三月三十一日止三個月內任何時間，本公司、其控股公司或其任何附屬公司概無參與任何能夠讓董事可藉著購入本公司或任何其他法人團體之股份或債券而獲得利益之安排，而董事、彼等之配偶或十八歲以下之子女於截至二零二零年三月三十一日止三個月內亦無擁有可認購本公司證券之任何權利或已行使任何該等權利。

As at 31 March 2020, the gearing ratio, which is calculating on the basis of total debts over total equity of the Group, was 27.8% (31 March 2019: 41.9%).

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES

As of 31 March 2020, none of the Directors and chief executives of the Company was interested in, or had short positions in, any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were required to be disclosed under 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), or which were recorded in the register required to be kept by the Company under section 352 of the SFO, or which were required under Rule 5.46 of the GEM Listing Rules to be notified to the Company and the Stock Exchange.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the three months ended 31 March 2020 was the Company, its holding company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate and none of the Directors, their spouses or children under the age of eighteen, had any rights to subscribe for securities of the Company, or had exercised any such right during the three months ended 31 March 2020.

主要股東及其他人士於股份之權益

截至二零二零年三月三十一日，就董事所知，以下人士或法團（董事或本公司主要行政人員除外）於本公司股份及相關股份中擁有證券及期貨條例第XV部第2及3分部條文項下之權益及淡倉或記錄於根據證券及期貨條例第336條須存置之登記冊之權益及淡倉：

於二零二零年三月三十一日之股份好倉

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SHARES

As of 31 March 2020, so far as is known to the Directors, the interests and short positions of the persons or corporations (other than a Director or chief executive of the Company) in the shares and underlying shares of 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:

Long position in shares as at 31 March 2020

股東名稱	身份	持有／擁有 權益之 股份數目	佔本公司 已發行股本 百分比 (概約) Percentage of the issued share capital of the Company (approximate)
Name of Shareholders	Capacity	Number of shares held/ interested	share capital of the Company (approximate)
Foxconn (Far East) Limited	Beneficial owner	11,853,524	50.58%
Foxconn (Far East) Limited	實益擁有人		
Hon Hai Precision Industry Co., Ltd.	Interest in controlled corporation	11,853,524	50.58%
鴻海精密工業股份有限公司	受控制法團權益		

附註：

Note:

Foxconn (Far East) Limited為鴻海精密工業股份有限公司（一間於台灣註冊成立之公司並於台灣證券交易所上市（股份代號：2317.TW））之全資附屬公司。根據證券及期貨條例，鴻海精密工業股份有限公司被視為於Foxconn (Far East) Limited持有之本公司股份中擁有權益。

Foxconn (Far East) Limited is a wholly-owned subsidiary of Hon Hai Precision Industry Co., Ltd., a company incorporated in Taiwan and listed on the Taiwan Stock Exchange (stock code: 2317.TW). Hon Hai Precision Industry Co., Ltd. is deemed to be interested in the shares of the Company held by Foxconn (Far East) Limited under the SFO.

管理層討論及分析 (續)

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

除上文所披露者外，於二零二零年三月三十一日，概無任何其他人士（董事或本公司主要行政人員除外）知會本公司其於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分部條文須予披露或記錄於根據證券及期貨條例第336條須存置之登記冊之權益或淡倉。

競爭及權益衝突

於截至二零二零年三月三十一日止三個月內，董事、控股股東或彼等各自緊密聯系人（定義見GEM上市規則）概無於與本集團在業務上直接或間接構成競爭或可能構成競爭之業務中擁有任何權益。

買賣或贖回證券

本公司於截至二零二零年三月三十一日止三個月概無贖回任何股份。本公司及其任何附屬公司於截至二零二零年三月三十一日止三個月概無買賣任何本公司股份。

審核委員會

本公司審核委員會由三位成員組成，乃為三位獨立非執行董事，即李傑靈先生（主席）、楊偉雄先生及苗華本先生。

審核委員會的主要職責為審閱及監督本集團的財務申報系統、風險管理及內部監控系統。審核委員會亦負責（其中包括）審閱本公司之年度報告及財務報表、季度報告及半年度報告、檢討當中所含之重大財務申報判斷，並就該等報告向董事會提供建議及意見。

Save as disclosed above, as at 31 March 2020, the Company had not been notified by any other persons (other than a Director or chief executive of the Company) who had interests or short positions in the shares and the underlying shares of the Company, which were required to be disclosed 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.

COMPETITION AND CONFLICT OF INTERESTS

During the three months ended 31 March 2020, none of the Directors, controlling shareholders or their respective close associates (as defined in the GEM Listing Rules) had any interests in a business that competes or may compete either directly or indirectly with the business of the Group.

PURCHASES, SALE OR REDEMPTION OF SECURITIES

The Company had not redeemed any of its shares during the three months ended 31 March 2020. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the three months ended 31 March 2020.

AUDIT COMMITTEE

The Audit Committee of the Company consists of three members, being the three independent non-executive Directors, namely Mr. Li Robin Kit Ling (chairman), Mr. Yeung Wai Hung Peter and Mr. Miao Benny Hua-ben.

The primary duties of the Audit Committee are to review and oversee the financial reporting system, risk management and internal control systems of the Group. The Audit Committee is also responsible for, among other things, reviewing the Company's annual report and financial statements, quarterly reports and half-yearly report, reviewing significant financial reporting judgments contained therein and providing advice and comments thereon to the Board.

管理層討論及分析 (續)

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

審核委員會已審閱本集團截至二零二零年三月三十一日止三個月之未經審核簡明綜合財務資料、本報告及季度業績公告，並已就此提供建議及意見。

承董事會命
訊智海國際控股有限公司
主席
洪松泰先生

香港，二零二零年五月十三日

於本報告日期，執行董事為洪松泰先生、陳靜洵女士、蔡秉翰先生及韓君偉先生；非執行董事為高照洋先生；及獨立非執行董事為楊偉雄先生、李傑靈先生及苗華本先生。

The Audit Committee has reviewed the unaudited condensed consolidated financial information of the Group for the three months ended 31 March 2020, this report and the quarterly results announcement, and has provided advice and comments thereon.

By order of the Board
CircuTech International Holdings Limited
Mr. Hong Sung-Tai
Chairman

Hong Kong, 13 May 2020

As at the date of this report, the executive Directors are Mr. Hong Sung-Tai, Ms. Chen Ching-Hsuan, Mr. Tsai Biing-Hann and Mr. Han Chun-Wei; the non-executive Director is Mr. Kao Chao Yang; and the independent non-executive Directors are Mr. Yeung Wai Hung Peter, Mr. Li Robin Kit Ling and Mr. Miao Benny Hua-ben.



**CircuTech International
Holdings Limited**

訊智海國際控股有限公司