

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

2020

FIRST QUARTERLY REPORT
第一季度業績報告



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.

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*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本報告之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(申酉控股有限公司(「本公司」)董事(「董事」)共同及個別對此負全責)乃遵照《聯交所GEM證券上市規則》(「**GEM上市規則**」)的規定而提供有關本公司的資料。董事經作出一切合理查詢後確認，就彼等所深知及確信，本報告所載資料在各重大方面均屬準確及完整，且無誤導或欺詐成分，及並無遺漏任何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 three months ended 31 March 2020, the unaudited operating results of the Company and its subsidiaries (collectively, the “**Group**”) were as follows:

- revenue recorded for the three months ended 31 March 2020 amounted to approximately HK\$8.1 million;
- loss after taxation for the three months ended 31 March 2020 amounted to approximately HK\$2.9 million; and
- basic and diluted loss per share of the Company for the three months ended 31 March 2020 was approximately HK0.36 cents.

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「**本集團**」）之未經審核經營業績如下：

- 截至二零二零年三月三十一日止三個月錄得收益約8.1百萬港元；
- 截至二零二零年三月三十一日止三個月的除稅後虧損約為2.9百萬港元；及
- 本公司截至二零二零年三月三十一日止三個月的每股基本及攤薄虧損約為0.36港仙。

Financial Highlights

財務資料

FINANCIAL INFORMATION

The board of Directors (the “Board”) is pleased to announce the unaudited condensed consolidated financial results of the Group for the three months ended 31 March 2020 together with the comparative unaudited figures for the corresponding period in 2019, which are presented in Hong Kong dollars (“HK\$”) as follows:

財務資料

董事會(「董事會」)欣然宣佈本集團於截至二零二零年三月三十一日止三個月的未經審核簡明綜合財務業績，連同二零一九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 Statement of Profit or Loss

未經審核簡明綜合損益表

For the three months ended 31 March 2020
截至二零二零年三月三十一日止三個月

		For the three months ended 31 March 截至三月三十一日止三個月		
		Notes 附註	2020 二零二零年 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)
Revenue	收益	4、5	8,114	13,064
Cost of sales	銷售成本		(6,843)	(10,810)
Gross profit	毛利		1,271	2,254
Other income and gains	其他收入及增益	5	939	637
Selling and distribution expenses	銷售及分銷開支		(1,354)	(1,490)
Administrative expenses	行政開支		(3,273)	(3,898)
Other expenses	其他開支		(237)	(742)
Finance costs	融資成本	6	(203)	(305)
LOSS BEFORE TAX	除稅前虧損	7	(2,857)	(3,544)
Income tax credit	所得稅抵免	8	—	584
LOSS FOR THE PERIOD	期內虧損		(2,857)	(2,960)
LOSS ATTRIBUTABLE TO OWNERS OF THE PARENT	母公司擁有人應佔虧損		(2,857)	(2,960)
LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT	母公司擁有人應佔每股虧損	10	(0.36)	(0.37)
Basic and diluted (expressed in HK cents per share)	基本及攤薄(以每股港仙列示)			

Unaudited Condensed Consolidated Statement of Comprehensive Income

未經審核簡明綜合全面收入表

For the three months ended 31 March 2020 截至二零二零年三月三十一日止三個月

		For the three months ended 31 March 截至三月三十一日止三個月	
		2020 二零二零年 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)
LOSS FOR THE PERIOD	期內虧損	(2,857)	(2,960)
OTHER COMPREHENSIVE (LOSS)/INCOME	其他全面(虧損)/收入		
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	(1,161)	1,569
OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD, NET OF TAX	期內其他全面(虧損)/收入(已扣除稅項)	(1,161)	1,569
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	期內全面虧損總額	(4,018)	(1,391)
ATTRIBUTABLE TO OWNERS OF THE PARENT	母公司擁有人應佔	(4,018)	(1,391)

Unaudited Condensed Consolidated Statement of Changes in Equity

未經審核簡明綜合權益變動表

For the three months ended 31 March 2020 截至二零二零年三月三十一日止三個月

		Share capital	Share premium	Merger reserve	Statutory surplus reserve	Exchange fluctuation reserve	Accumulated losses	Total equity
		股本	股份溢價	合併儲備	法定盈餘儲備	匯兌波動儲備	累計虧損	權益總額
		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
As at 1 January 2019 (audited)	於二零一九年一月一日 (經審核)	8,000	57,751	(1,000)	5,670	7,452	(14,767)	63,106
Loss for the period	期內虧損	-	-	-	-	-	(2,960)	(2,960)
Other comprehensive income for the period:	期內其他全面收入：							
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	-	-	-	-	1,569	-	1,569
Total comprehensive income/(loss) for the period	期內全面收入/(虧損)總額	-	-	-	-	1,569	(2,960)	(1,391)
As at 31 March 2019 (unaudited)	於二零一九年三月三十一日 (未經審核)	8,000	57,751	(1,000)	5,670	9,021	(17,727)	61,715
As at 1 January 2020 (audited)	於二零二零年一月一日 (經審核)	8,000	57,751	(1,000)	5,670	6,037	(33,986)	42,472
Loss for the period	期內虧損	-	-	-	-	-	(2,857)	(2,857)
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	-	-	-	-	(1,161)	-	(1,161)
Total comprehensive loss for the period	期內全面虧損總額	-	-	-	-	(1,161)	(2,857)	(4,018)
As at 31 March 2020 (unaudited)	於二零二零年三月三十一日 (未經審核)	8,000	57,751	(1,000)	5,670	4,876	(36,843)	38,454

Notes to the Unaudited Condensed Consolidated Financial Statements

未經審核簡明綜合財務報表附註

For the three months ended 31 March 2020 截至二零二零年三月三十一日止三個月

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 period, the Company's subsidiaries were principally engaged in the manufacture and trading of sewing threads and broad categories of garment accessories.

In the opinion of the Directors, 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，本公司的註冊辦事處地址為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。本公司附屬公司期內主要從事縫紉線和各類服裝輔料生產及貿易。

董事認為，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，則擁有於香港註冊成立的私營公司之大致類似特徵)，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		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Strat Tech Holdings Limited	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	Hong Kong	HK\$45,000,000	–	100%	Trading of sewing threads and broad categories of garment accessories
至裕國際貿易有限公司	香港	45,000,000港元			縫紉線和各類服裝 輔料貿易

Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

未經審核簡明綜合財務報表附註(續)

For the three months ended 31 March 2020 截至二零二零年三月三十一日止三個月

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	
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
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 * 廣州新華線業有限公司 *	People's Republic of China (the "PRC")/ Mainland China 中華人民共和國 (「中國」)/中國內地	HK\$56,250,000 56,250,000 港元	–	100%	Manufacture and trading of sewing threads and broad categories of garment accessories 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 Unaudited Condensed Consolidated Financial Statements (Continued)

未經審核簡明綜合財務報表附註(續)

For the three months ended 31 March 2020 截至二零二零年三月三十一日止三個月

2. BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for financial asset at fair value through profit or loss which has been measured at fair value. These financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand except when otherwise indicated.

In January 2020, the ICAC conducted a search of the registered office of the Company and the Company’s chairman and chief executive officer was under investigation (the “**Investigation**”) with no prosecution issued by the ICAC up to the date of approval of these consolidated financial statements.

In the opinion of the directors of the Group, the Investigation does not have material impact to these financial statements.

The unaudited condensed consolidated financial statements have been prepared in accordance with the same accounting policies adopted in the 2019 annual financial statements except for the adoption of the standards, amendments and interpretation issued by the HKICPA mandatory for the annual periods beginning on 1 January 2020. The effect of the adoption of these standards, amendments and interpretation is described in our 2019 annual financial statements.

2. 編製基準

該等財務報表乃根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「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(「香港會計準則」)及詮釋)、香港公認會計準則以及香港公司條例披露規定編製。該等財務報表按歷史成本慣例編製，惟按公允值計入損益的金融資產按公允值計量。除另有說明者外，該等財務報表以港元呈列，所有價值均已湊整至最接近千位。

於二零二零年一月，廉政公署對本公司註冊辦事處進行搜查，而本公司主席兼行政總裁正在接受調查(「調查」)，直至該等綜合財務報表獲批准日期，廉政公署未有提出起訴。

本集團董事認為，調查對該等財務報表並無重大影響。

未經審核簡明綜合財務報表乃按二零一九年年度財務報表所採納之相同會計政策編製，惟採納香港會計師公會頒佈並強制於二零二零年一月一日開始之年度期間實施之準則、修訂及詮釋除外。採納該等準則、修訂及詮釋的影響載於我們二零一九年年度的財務報表。

Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

未經審核簡明綜合財務報表附註(續)

For the three months ended 31 March 2020 截至二零二零年三月三十一日止三個月

2. BASIS OF PREPARATION (Continued)

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the three months ended 31 March 2020. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e. existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group’s voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control and continue to be consolidated until the date that such control ceases.

2. 編製基準(續)

綜合基準

綜合財務報表包括本公司及其附屬公司(統稱「**本集團**」)截至二零二零年三月三十一日止三個月之財務報表。附屬公司為本公司直接或間接控制的實體(包括結構實體)。本集團因參與投資對象業務而承擔可變回報的風險或有權享有可變回報，且有能透過對投資對象行使權力(即賦予本集團現有能以主導投資對象的相關業務的既存權利)影響該等回報時，則屬擁有控制權。

如本公司直接或間接擁有投資對象投票權或類似權利不過半數，本集團衡量是否對投資對象有權力時，會考慮所有相關事實及情況，包括：

- (a) 投資對象其他投票權持有人的合約安排；
- (b) 其他合約安排所產生的權利；及
- (c) 本集團的投票權及潛在投票權。

附屬公司使用與本公司一致的會計政策編製同一報告期間的財務報表。附屬公司的業績自本集團取得控制權之日起綜合入賬，並持續綜合入賬至有關控制權終止當日為止。

Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

未經審核簡明綜合財務報表附註(續)

For the three months ended 31 March 2020 截至二零二零年三月三十一日止三個月

2. BASIS OF PREPARATION (Continued)

Basis of consolidation (Continued)

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary; (ii) the carrying amount of any non-controlling interest; and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received; (ii) the fair value of any investment retained; and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2. 編製基準(續)

綜合基準(續)

損益及其他全面收入的各組成部分會歸屬於本集團母公司擁有人及非控股權益，儘管這會導致非控股權益結餘錄得虧絀。有關本集團成員公司間交易的所有集團內資產及負債、權益、收入、開支以及現金流量於綜合入賬時悉數對銷。

倘事實及情況顯示上述三項控制因素的一項或多項出現變化，本集團會重新評估本身是否控制投資對象。並無失去控制權的附屬公司擁有權益變動以權益交易入賬。

倘本集團失去對附屬公司的控制權，則會終止確認：(i) 該附屬公司的資產(包括商譽)及負債；(ii) 任何非控股權益的賬面值；及(iii) 計入權益的累計匯兌差額；並確認(i) 已收取代價的公允值；(ii) 任何保留投資的公允值；及(iii) 任何於損益產生的任何盈餘或虧絀。本集團應佔過往於其他全面收入確認的組成部分按與本集團直接出售相關資產或負債所需相同基準重新分類至損益或保留溢利(如適用)。

Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

未經審核簡明綜合財務報表附註(續)

For the three months ended 31 March 2020 截至二零二零年三月三十一日止三個月

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs.

Amendments to HKFRS 3	<i>Definition of a Business</i>
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	<i>Interest Rate Benchmark Reform</i>
Amendments to HKAS 1 and HKAS 8	<i>Definition of Material</i>

The adoption of the above new and revised standards has no significant impact on these financial statements.

3. 會計政策和披露的變動

本集團已採納下列新訂和經修訂香港財務報告準則。

香港財務報告準則第3號(修訂本)	業務的定義
香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號(修訂本)	利率基準改革
香港會計準則第1號及香港會計準則第8號(修訂本)	重大的定義

採納上述新訂和經修訂準則對此等財務報表產生並無重大影響。

Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

未經審核簡明綜合財務報表附註(續)

For the three months ended 31 March 2020 截至二零二零年三月三十一日止三個月

4. OPERATING SEGMENT INFORMATION

The Group is principally engaged in the manufacture 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

Revenue from external customers

PRC	中國
Overseas	海外
Hong Kong	香港

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

4. 經營分部資料

本集團主要從事優質縫紉線和各類服裝輔料生產及貿易。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

來自外部客戶的收益

For the three months ended
31 March
截至三月三十一日止三個月

		2020 二零二零年 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)
PRC	中國	4,366	7,289
Overseas	海外	2,948	4,915
Hong Kong	香港	800	860
		8,114	13,064

收益資料乃基於客戶所在地劃分。

Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

未經審核簡明綜合財務報表附註(續)

For the three months ended 31 March 2020 截至二零二零年三月三十一日止三個月

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：

	Three months ended 31 March 截至三月三十一日止三個月	
	2020 二零二零年 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)
Revenue from contracts with customers 來自客戶合約的收益	8,114	13,064

Revenue from contracts with customers

來自客戶合約的收益

(i) Disaggregated revenue information

(i) 收益分拆資料

		Three months ended 31 March 截至三月三十一日止三個月	
		2020 二零二零年 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)
Type of goods	貨品種類		
Sale of industrial products	銷售工業產品	8,114	13,064
Geographical markets	地區市場		
PRC	中國	4,366	7,289
Overseas	海外	2,948	4,915
Hong Kong	香港	800	860
Total revenue from contracts with customers	來自客戶合約的總收益	8,114	13,064
Timing of revenue recognition	確認收益的時間		
Goods transferred at a point in time	於某一時間點轉讓的貨品	8,114	13,064

Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

未經審核簡明綜合財務報表附註(續)

For the three months ended 31 March 2020 截至二零二零年三月三十一日止三個月

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的收益金額，有關金額於報告期初已計入合約負債：

		Three months ended 31 March 截至三月三十一日止三個月	
		2020 二零二零年 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)
Sale of industrial products	銷售工業產品	7	119

Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

未經審核簡明綜合財務報表附註(續)

For the three months ended 31 March 2020 截至二零二零年三月三十一日止三個月

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 industrial products and payment is generally due within 30 to 90 days from delivery, except for certain customers where payment in advance is required.

An analysis of other income and gains is as follows:

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

履行責任於交付工業產品後達成，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。

其他收入及增益的分析如下：

		Three months ended 31 March	
		截至三月三十一日止三個月	
		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Exchange gains, net	匯兌增益淨額	608	-
Fair value gains on financial asset 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	-	49
Gains on disposal of items of property, plant and equipment	出售物業、廠房及設備項目之增益	-	19
Gross rental income	租金收入總額	295	569
Others	其他	36	-
		939	637

Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

未經審核簡明綜合財務報表附註(續)

For the three months ended 31 March 2020 截至二零二零年三月三十一日止三個月

6. FINANCE COSTS

An analysis of finance costs is as follows:

		For the three months ended 31 March 截至三月三十一日止三個月	
		2020 二零二零年 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)
Interest on bank loans and overdrafts	銀行貸款利息及透支	116	234
Interest on lease liabilities	租賃負債利息	87	71
		203	305

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 31 March 截至三月三十一日止三個月	
		2020 二零二零年 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)
Cost of inventories sold	已售存貨成本	6,843	10,810
Depreciation of fixed assets	固定資產折舊	356	283
Depreciation of right-of-use assets	使用權資產折舊	446	321
Lease payments not included in the measurement of lease liabilities	並無計入租賃負債計量的 租賃款項	–	311
Auditor's remuneration	核數師酬金	450	434
Employees' benefit expenses (excluding Directors' remuneration)	僱員福利開支(不包括董事薪酬)	3,645	4,746
Net exchange (gain)/loss	外匯(增益)/虧損淨額	(608)	588
Loss/(gain) on disposal of fixed assets	出售固定資產之虧損/(增益)	124	(19)
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	–	(49)

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 Unaudited Condensed Consolidated Financial Statements (Continued)

未經審核簡明綜合財務報表附註(續)

For the three months ended 31 March 2020 截至二零二零年三月三十一日止三個月

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 period, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime effective from the year of assessment 2018/2019. The first HK\$2,000,000 of assessable profits of this subsidiary is taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

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。

香港利得稅乃就期內於香港產生的估計應課稅溢利按稅率 16.5% 作出撥備，惟本集團的一間附屬公司為自二零一八年／二零一九年課稅年度起生效的利得稅兩級制項下的合資格實體除外。該附屬公司首 2,000,000 港元的應課稅溢利按 8.25% 繳稅，而餘下應課稅溢利則按 16.5% 繳稅。

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
31 March
截至三月三十一日止三個月

		2020 二零二零年 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)
Current — Hong Kong and Mainland China	即期 — 香港及中國內地	—	—
Deferred	遞延	—	(584)
Tax credit	稅項抵免	—	(584)

Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

未經審核簡明綜合財務報表附註(續)

For the three months ended 31 March 2020 截至二零二零年三月三十一日止三個月

9. DIVIDENDS

The Board does not recommend the payment of an interim dividend for the three months ended 31 March 2020.

9. 股息

董事會不建議就截至二零二零年三月三十一日止三個月派付中期股息。

10. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT

10. 母公司擁有人應佔每股虧損

		For the three months ended 31 March 截至三月三十一日止三個月	
		2020 二零二零年 (unaudited) (未經審核)	2019 二零一九年 (unaudited) (未經審核)
Loss attributable to owners of the parent (HK\$'000)	母公司擁有人應佔虧損(千港元)	2,857	2,960
Number of Shares	股份數目	800,000,000	800,000,000
Basic and diluted loss per Share (HK cents)	每股基本及攤薄虧損(港仙)	0.36	0.37

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 high performance 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 the United Arab Emirates ("UAE"), Mauritius and Switzerland. 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 three months ended 31 March 2020, the Group's revenue decreased by approximately 37.9% as compared with that for the three months ended 31 March 2019. The gross profit margin decreased to approximately 15.7% for the three months ended 31 March 2020 from approximately 17.2% for the same period in the preceding year. The decrease in gross profit margin was mainly attributable to the increase in processing fees.

The loss attributable to the owners of the parent decreased to approximately HK\$2.9 million for the three months ended 31 March 2020 from approximately HK\$3.0 million for the same period in 2019, representing a decrease of approximately 3.5%. Such decrease was primarily due to the decrease in selling and distribution expenses and administrative expenses.

業務回顧

本集團主要從事生產及銷售優質縫紉線。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」）、毛里裘斯及瑞士。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（「廣州生產設施」），縫紉線的製造流程均於設施中進行。

截至二零二零年三月三十一日止三個月，本集團的收益較截至二零一九年三月三十一日止三個月減少約37.9%。截至二零二零年三月三十一日止三個月的毛利率由去年同期的約17.2%下跌至約15.7%。毛利率下跌乃主要由於加工費增加所致。

截至二零二零年三月三十一日止三個月的母公司擁有人應佔虧損減少至約2.9百萬港元，而二零一九年同期則為約3.0百萬港元，跌幅約3.5%。有關減少乃主要由於銷售及分銷開支及行政開支減少所致。

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 three months ended 31 March 2019 and 2020:

財務回顧

收益

本集團的產品乃於中國、香港及海外銷售。下表載列本集團於截至二零一九年及二零二零年三月三十一日止各三個月來自於本地及海外銷售本集團的縫紉線的收益明細：

		Three months ended 31 March 截至三月三十一日止三個月				Rate of change 變動比率
		2020 二零二零年		2019 二零一九年		
		% 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	4,366	53.8	7,289	55.8	(40.1)
Overseas (Note)	海外 (附註)	2,948	36.3	4,915	37.6	(40.0)
Hong Kong	香港	800	9.9	860	6.6	(7.0)
		8,114	100.0	13,064	100.0	37.9

Note: For each of the three months ended 31 March 2019 and 2020, the Group exported its products to countries including but not limited to UAE, Mauritius and Switzerland.

附註：截至二零一九年及二零二零年三月三十一日止各三個月，本集團將產品出口至多個國家，包括(但不限於)阿聯酋、毛里裘斯及瑞士。

The Group's revenue decreased to approximately HK\$8.1 million for the three months ended 31 March 2020 from approximately HK\$13.1 million for the three months ended 31 March 2019, representing a decrease of approximately 37.9%. Such decrease was mainly attributable to the decrease in sales in the PRC market and the overseas market.

本集團的收益由截至二零一九年三月三十一日止三個月約13.1百萬港元，減少至截至二零二零年三月三十一日止三個月約8.1百萬港元，減幅約37.9%。有關下跌乃主要由於中國市場及海外市場的銷售減少所致。

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, direct labour costs and welfare and social insurance. The cost of sales decreased to approximately HK\$6.8 million for the three months ended 31 March 2020 from approximately HK\$10.8 million for the three months ended 31 March 2019, representing a decrease of approximately 36.7%. The Group's cost of sales decreased due to the significant decrease in sales for the period.

Gross profit and gross profit margin

The Group's gross profit decreased to approximately HK\$1.3 million for the three months ended 31 March 2020 from approximately HK\$2.3 million for the three months ended 31 March 2019, representing a decrease of approximately 43.6%. The decrease in gross profit was mainly attributable to the significant decrease in sales for the period. The Group's gross profit margin decreased to approximately 15.7% for the three months ended 31 March 2020 from approximately 17.2% for the three months ended 31 March 2019, which was a result of the increase in the charge rate of the processing fees.

Other income and gains, net

The Group recorded other income and gains, net of approximately HK\$0.7 million for the three months ended 31 March 2020 as compared with other losses, net of approximately HK\$0.1 million for the three months ended 31 March 2019. Such fluctuation was mainly attributable to the recognition of exchange gain of approximately HK\$0.6 million for the three months ended 31 March 2020 while an exchange loss of approximately HK\$0.6 million was recorded for the same period in the preceding year.

銷售成本

本集團的銷售成本主要包括直接材料成本、加工費用及直接勞工成本以及福利及社會保險。銷售成本由截至二零一九年三月三十一日止三個月約10.8百萬港元，減少至截至二零二零年三月三十一日止三個月約6.8百萬港元，減幅約36.7%。本集團的銷售成本減少乃由於期內銷售大幅下跌。

毛利及毛利率

本集團的毛利由截至二零一九年三月三十一日止三個月約2.3百萬港元，下跌至截至二零二零年三月三十一日止三個月約1.3百萬港元，跌幅約43.6%。毛利下跌乃主要由於期內銷售大幅下跌所致。本集團的毛利率由截至二零一九年三月三十一日止三個月約17.2%，下跌至截至二零二零年三月三十一日止三個月約15.7%，此亦由於加工費用的收費率增加所致。

其他收入及增益淨額

截至二零二零年三月三十一日止三個月，本集團錄得其他收入及增益淨額約0.7百萬港元，而截至二零一九年三月三十一日止三個月則錄得其他虧損淨額約0.1百萬港元。有關波動乃主要由於截至二零二零年三月三十一日止三個月確認匯兌增益約0.6百萬港元，而去年同期則錄得匯兌虧損約0.6百萬港元。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

Selling and distribution expenses

Selling and distribution expenses mainly consist of staff costs of the sales department and transportation expenses. Selling and distribution expenses decreased to approximately HK\$1.4 million for the three months ended 31 March 2020 from approximately HK\$1.5 million for the three months ended 31 March 2019, representing a decrease of approximately 9.1%. The decrease in the Group's selling and distribution expenses was mainly attributable to the decrease in transportation costs.

Administrative expenses

Administrative expenses primarily consist of staff costs, audit fee, Directors' remuneration and legal and professional fees. Administrative expenses decreased to approximately HK\$3.3 million for the three months ended 31 March 2020 from approximately HK\$3.9 million for the three months ended 31 March 2019, representing a decrease of approximately 16.0%. Such decrease was mainly attributable to the decrease in staff costs and rental fees.

Loss before income tax

As a result of the aforesaid, the Group recorded a loss before income tax of approximately HK\$2.9 million for the three months ended 31 March 2020, representing a decrease of approximately 19.4% from approximately HK\$3.5 million for the same period of the preceding year.

Total comprehensive loss attributable to the owners of the parent

The total comprehensive loss attributable to owners of the parent was approximately HK\$4.0 million for the three months ended 31 March 2020. In comparison, for the corresponding period in 2019, a total comprehensive loss of approximately HK\$1.4 million was recorded. Such change was mainly attributable to the other comprehensive loss arising from exchange differences on translation of foreign operations for the three months ended 31 March 2020 while other comprehensive income arising from exchange differences on translation of foreign operations was recorded for the same period of the preceding year.

銷售及分銷開支

銷售及分銷開支主要包括銷售部員工成本及運輸費。銷售及分銷開支由截至二零一九年三月三十一日止三個月約1.5百萬港元，減少至截至二零二零年三月三十一日止三個月約1.4百萬港元，減幅約9.1%。本集團銷售及分銷開支減少乃主要由於運輸費減少所致。

行政開支

行政開支主要包括員工成本、核數師費用、董事酬金以及法律及專業費用。行政開支由截至二零一九年三月三十一日止三個月約3.9百萬港元，下跌至截至二零二零年三月三十一日止三個月約3.3百萬港元，跌幅約16.0%。有關下跌乃主要由於員工成本及租金減少所致。

除所得稅前虧損

由於前述各項，本集團於截至二零二零年三月三十一日止三個月錄得除所得稅前虧損約2.9百萬港元，較去年同期約3.5百萬港元減少約19.4%。

母公司擁有人應佔全面虧損總額

截至二零二零年三月三十一日止三個月，母公司擁有人應佔全面虧損總額約為4.0百萬港元。相比之下，二零一九年同期錄得全面虧損總額約1.4百萬港元。有關變動乃主要由於截至二零二零年三月三十一日止三個月換算海外業務的匯兌差額產生其他全面虧損，而去年同期則錄得換算海外業務的匯兌差額產生其他全面收益。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

Basic and diluted loss per Share

The Company's basic and diluted loss per Share for the three months ended 31 March 2020 was approximately HK0.36 cents (2019: HK0.37 cents), representing a decrease of approximately HK0.01 cents, or approximately 2.7%, which was primarily due to the decrease in loss for the three months ended 31 March 2020.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the three months ended 31 March 2020.

CAPITAL STRUCTURE

During the three months ended 31 March 2020, there was no change in the capital structure of the Group and the share capital of the Group only comprises ordinary shares of the Company (the "Shares").

As at 31 March 2020, the Company's issued share capital amounted to HK\$8.0 million, divided by 800,000,000 Shares of HK\$0.01 each.

SIGNIFICANT INVESTMENTS

As at 31 March 2020, the Group did not hold any significant investments (as at 31 March 2019: Nil).

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. As at 31 March 2020, the Group did not have a foreign currency hedging policy. Yet, the Group's management monitors foreign exchange exposure closely and will consider hedging significant foreign currency exposure should the need arise.

每股基本及攤薄虧損

截至二零二零年三月三十一日止三個月，本公司每股基本及攤薄虧損約為0.36港仙(二零一九年：0.37港仙)，下跌約0.01港仙(或約2.7%)，主要由於截至二零二零年三月三十一日止三個月的虧損減少所致。

中期股息

董事會不建議就截至二零二零年三月三十一日止三個月派付中期股息。

資本架構

截至二零二零年三月三十一日止三個月，本集團的資本架構並無變動。本集團的股本僅包括本公司普通股(「股份」)。

於二零二零年三月三十一日，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。

重大投資

於二零二零年三月三十一日，本集團並無持有任何重大投資(於二零一九年三月三十一日：無)。

外匯風險

本集團於訂立未以本集團功能貨幣計值的交易時承受外幣風險。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。於二零二零年三月三十一日，本集團並無外幣對沖政策。然而，本集團管理層會密切監察外匯風險，並於有需要時將考慮對沖重大外幣風險。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

CONTINGENT LIABILITIES

As at 31 March 2020, the Group did not have material contingent liabilities (as at 31 March 2019: Nil).

FUTURE PLANS AND PROSPECTS

The Directors believe that there are considerable business opportunities in the sewing threads industry in the long term. Further, the Group values customer satisfaction in respect of high quality and product differentiation. As such, the Group will not deviate from the expansion plans set out in the section headed “Future Plans and Use of Proceeds” in the prospectus of the Company dated 30 November 2017 and the expansion plans will be implemented in a prudent and conservative manner with consideration of the market conditions at the time.

In light of the protectionist trade measures implemented by the United States of America and the uncertain economic environment, 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 its shareholders (the “Shareholders”) as a whole.

或然負債

於二零二零年三月三十一日，本集團並無重大或然負債（於二零一九年三月三十一日：無）。

未來計劃及展望

董事相信，縫紉線行業長遠而言仍有大量的商機。此外，本集團重視客戶對於高品質及產品差異化的滿意度。因此，本集團將不會偏離本公司日期為二零一七年十一月三十日的招股章程「未來計劃及所得款項用途」一節所載的擴展計劃，並於考慮當時市況後，以審慎及保守的態度實施有關擴展計劃。

鑑於美利堅合眾國實施的貿易保護主義措施及不確定的經濟環境，董事將繼續仔細監察及評估有關情況，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其股東（「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 31 March 2020, 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 (a) required 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 taken under such provisions of the SFO); or (b) required to be recorded in the register required to be kept under section 352 of the SFO; or (c) as otherwise 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

於二零二零年三月三十一日，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）；或(b)須記入證券及期貨條例第352條規定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條規定須另行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 (L) (附註2、3)	75%

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)

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 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 ("**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 the SFO.
3. The letter "L" denotes the person's long position in the Shares.

Save as disclosed above, as at 31 March 2020, 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 Exchange according to rules 5.46 to 5.67 of the GEM Listing Rules.

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)

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 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(「**黃先生**」)全資實益擁有。因此，根據證券及期貨條例，黃先生被視為擁有Three Gates Investment所持600,000,000股股份的權益。
3. 字母「L」指該人士於股份中的好倉。

除上文披露者外，於二零二零年三月三十一日，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、相關股份或債權證中概無擁有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條規定須另行知會本公司及聯交所的任何其他權益或淡倉。

Other Information (Continued)

其他資料(續)

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 31 March 2020, 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:

主要股東於本公司股份及相關股份中的權益及淡倉

據董事所知，於二零二零年三月三十一日，以下人士或法團(本公司董事及主要行政人員除外)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證券及期貨條例第336條規定須存置的登記冊的權益及/或淡倉如下：

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%
	實益擁有人	600,000,000 股股份(L) (附註2、3)	
Gold-Face Finance Limited	Person having a security interest in Shares	400,000,000 (L) (Notes 3, 4, 5)	50%
均來財務有限公司	擁有股份權益的人士	400,000,000 股股份(L) (附註3、4、5)	
Upbest Credit and Mortgage Limited	Person having a security interest in Shares	400,000,000 (L) (Notes 3, 4, 5)	50%
美建信貸及按揭有限公司	擁有股份權益的人士	400,000,000 股股份(L) (附註3、4、5)	
Good Foundation Company Limited	Person having a security interest in Shares	400,000,000 (L) (Notes 3, 4, 5)	50%
開盛有限公司	擁有股份權益的人士	400,000,000 股股份(L) (附註3、4、5)	

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)

主要股東於本公司股份及相關股份中的權益及淡倉(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)
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) 400,000,000 股股份(L) (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) 400,000,000 股股份(L) (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) 400,000,000 股股份(L) (附註3、4、5)	50%

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, a company incorporated in the BVI 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.
- 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.

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。
- 由Three Gates Investment持有的400,000,000股股份已獲質押予均來財務有限公司(「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。

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: (Continued)

4. As Gold-Face is wholly-owned by Upbest Credit and Mortgage 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, Upbest Credit and Mortgage 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.

Save as disclosed above, as at 31 March 2020, the Directors are not aware of any interests and short positions owned by 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 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.

DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN COMPETING BUSINESSES

The Directors and the controlling shareholders of the Company have confirmed that for the three months ended 31 March 2020 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 business that competes or may compete with the business of the Group, or had any other conflict of interest with the Group.

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：(續)

4. 由於均來由美建信貸及按揭有限公司全資擁有，而美建信貸及按揭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，美建信貸及按揭有限公司、美建策略有限公司、開盛有限公司、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，於二零二零年三月三十一日，就董事所知，除在本公司股份及相關股份中持有根據證券及期貨條例第XV部第2及3分部的規定須予披露的權益或淡倉的本公司董事或主要行政人員，或記入證券及期貨條例第336條規定須存置的登記冊的權益或淡倉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。

董事及控股股東於競爭業務之權益

董事及本公司控股股東已確認，於截至二零二零年三月三十一日止三個月及直至本報告日期，董事、本公司控股股東或彼等各自之任何緊密聯繫人(定義見GEM上市規則)概無參與任何與本集團業務競爭或可能競爭，或與本集團有任何其他利益衝突的業務。

Other Information (Continued)

其他資料(續)

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 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 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, the Board is of the view that the Company has complied with the code provisions of the CG code for the three months ended 31 March 2020.

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.

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股東的整體利益，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，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。

除偏離企管守則的守則條文A.2.1條外，董事會認為本公司於截至二零二零年三月三十一日止三個月內一直遵守企管守則的守則條文。

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策略及提升營運效益。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拆分有關職務。

Other Information (Continued)

其他資料(續)

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 for the three months ended 31 March 2020.

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 during the three months ended 31 March 2020.

CONNECTED TRANSACTIONS

Shareholder's loan agreement between Mr. Wong and Tseyu International

On 31 March 2020, Mr. Wong, a controlling shareholder of the Company and an executive Director ("Mr. Wong"), and Tseyu International Trading Company Limited ("Tseyu International"), a wholly owned subsidiary of the Company, entered into a shareholder's loan agreement in respect of the shareholder's loans provided by Mr. Wong to Tseyu International. Details of the shareholder's loan agreement between Mr. Wong and Tseyu International are set out in the announcement of the Company dated 31 March 2020.

董事進行證券交易的標準守則

本公司已採納關於董事進行證券交易的交易標準，有關標準相當於GEM上市規則第5.48條至5.67條所載的交易規定標準。在本公司作出特定查詢後，全體董事均已確認彼等於截至二零二零年三月三十一日止三個月內一直遵守交易規定標準及關於董事進行證券交易的規定標準。

購買、出售或贖回本公司上市證券

截至二零二零年三月三十一日止三個月，本公司或其附屬公司概無購買、出售或贖回本公司任何上市證券。

關連交易

黃先生與至裕國際的股東貸款協議

於二零二零年三月三十一日，本公司控股股東兼執行董事黃先生（「黃先生」）與本公司全資附屬公司至裕國際貿易有限公司（「至裕國際」）就黃先生向至裕國際提供的股東貸款訂立股東貸款協議。黃先生與至裕國際的股東貸款協議的詳情載於本公司日期為二零二零年三月三十一日的公告內。

Other Information (Continued)

其他資料(續)

CONNECTED TRANSACTIONS (Continued)

Loan agreement between Mr. Wong and Guangzhou Xinhua

On 31 March 2020, Mr. Wong and Guangzhou Xinhua Thread Company (廣州新華線業有限公司) (“**Guangzhou Xinhua**”), a wholly owned subsidiary of the Company, entered into a loan agreement in relation to the current account balance due from Mr. Wong to Guangzhou Xinhua. Such loan agreement and the transactions contemplated thereunder constitute financial assistance and connected transactions for the Company under Chapter 20 of the GEM Listing Rules and are therefore subject to the reporting, announcement, circular and independent shareholders’ approval requirements under Chapter 20 of the GEM Listing Rules. Details of the loan agreement between Mr. Wong and Guangzhou Xinhua are set out in the announcements of the Company dated 31 March 2020, 21 April 2020 and 8 May 2020.

EVENTS AFTER REPORTING DATE

Proposed rights issue

The Company proposes to implement a rights issue which is conditional upon an underwriting agreement dated 9 April 2020. Details of the proposed rights issue are set out in the announcements of the Company dated 9 April 2020, 17 April 2020, 27 April 2020, 29 April 2020 and 8 May 2020.

Proposed change in board lot size

The Board proposes to change the board lot size of the Shares for trading on the Stock Exchange from 10,000 Shares to 50,000 Shares. Details of the proposed change in the board lot size are set out in the announcements of the Company dated 9 April 2020, 17 April 2020, 27 April 2020, 29 April 2020 and 8 May 2020.

Save for the above, there are no material subsequent events undertaken by the Group after the reporting period.

關連交易(續)

黃先生與廣州新華的貸款協議

於二零二零年三月三十一日，黃先生與本公司全資附屬公司廣州新華線業有限公司(「廣州新華」)就黃先生結欠廣州新華的往來賬戶結餘訂立貸款協議。根據GEM上市規則第20章，有關貸款協議及其項下擬進行交易就本公司而言構成財務資助及關連交易，因此須遵守GEM上市規則第20章項下的申報、公告、通函及獨立股東批准規定。黃先生與廣州新華的貸款協議的詳情載於本公司日期為二零二零年三月三十一日、二零二零年四月二十一日及二零二零年五月八日的公告內。

報告期後事項

建議供股

本公司建議落實以日期為二零二零年四月九日的包銷協議為條件的供股。建議供股的詳情載於本公司日期為二零二零年四月九日、二零二零年四月十七日、二零二零年四月二十七日、二零二零年四月二十九日及二零二零年五月八日的公告內。

建議更改每手買賣單位

董事會建議將在聯交所買賣的股份每手買賣單位由10,000股更改為50,000股。建議更改每手買賣單位的詳情載於本公司日期為二零二零年四月九日、二零二零年四月十七日、二零二零年四月二十七日、二零二零年四月二十九日及二零二零年五月八日的公告內。

除上文所述者外，本集團於報告期後概無進行任何重大期後事項。

Other Information (Continued)

其他資料(續)

AUDIT COMMITTEES

The audit committee of the Company (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), 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 unaudited first quarterly results of the Group for the three months ended 31 March 2020.

By order of the Board
Shen You Holdings Limited
Mr. Wong Kwok Wai, Albert
*Chairman, chief executive officer
and executive Director*

Hong Kong, 14 May 2020

審核委員會

本公司已根據GEM上市規則第5.28至5.33條及企管守則守則條文C.3.3條成立審核委員會(「**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(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二零二零年三月三十一日止三個月的未經審核第一季度業績。

承董事會命
申酉控股有限公司
主席、行政總裁兼執行董事
黃國偉先生

香港，二零二零年五月十四日

Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Wong Kwok Wai, Albert (*Chairman and chief executive officer*)
Mr. Chan Yiu Tung, Enoch

Non-executive Director

Mr. Gao Biao

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

董事會

執行董事

黃國偉先生(主席兼行政總裁)
陳耀東先生

非執行董事

高彪先生

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

Corporate Information (Continued)

公司資料(續)

REMUNERATION COMMITTEE

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

NOMINATION COMMITTEE

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

AUDITOR

Ernst & Young
Certified Public Accountants

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

薪酬委員會

楊毅敏醫生(主席)
宋理明先生
章國富先生

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

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

Unit 1006, 10/F.,
Harbour Crystal Centre
100 Granville Road
Tsim Sha Tsui East
Kowloon, Hong Kong

總部及香港主要營業地點

香港九龍
尖沙咀東
加連威老道100號
港晶中心
10樓1006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

公司網址

www.shenyouholdings.com

STOCK CODE

8377

股份代號

8377



Shen You Holdings Limited
申酉控股有限公司