

Third Quarterly Report 第三季度報告 2018

Glory Flame Holdings Limited
朝威控股有限公司

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

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

GEM has been positioned as a market designed to accommodate 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.

The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors. Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange 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 Glory Flame 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乃為較於聯交所上市的其他公司帶有更高投資風險的公司提供上市的市場。有意投資者應瞭解投資於該等公司的潛在風險，並應經過審慎周詳考慮後方作出投資決定。

GEM的較高風險及其他特色，表示GEM較適合專業及其他經驗豐富的投資者。由於GEM上市公司的新興性質使然，在GEM買賣的證券可能會承受較於聯交所主板買賣的證券為高的市場波動風險，同時亦無法保證在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全部或任何部分內容而產生或因依賴該等內容而引致的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，旨在提供有關朝威控股有限公司（「本公司」）的資料，本公司董事（「董事」）對本報告共同及個別承擔全部責任。董事於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完整，且無誤導或欺騙成分，亦無遺漏任何其他事項，致使本報告或其所載任何聲明產生誤導。

FINANCIAL HIGHLIGHT

- The Group's revenue amounted to approximately HK\$115.1 million for the Reporting Period, representing an increase of approximately HK\$16.3 million or 16.5% as compared with the nine months ended 30 September 2017.
- Net loss was approximately HK\$133.3 million for the Reporting Period as compared with net loss of approximately HK\$1.8 million for the nine months ended 30 September 2017.
- Basic and diluted loss per share based on weighted average number of ordinary shares was approximately HK13.1 cents for the nine months ended 30 September 2018 (nine months ended 30 September 2017: basic and diluted earnings per share of approximately HK0.03 cents).
- The Board does not recommend the payment of dividend to owners of the Company for the Reporting Period (nine months ended 30 September 2017: nil).

財務摘要

- 本集團於報告期內的收益達約115,100,000港元，較截至二零一七年九月三十日止九個月增加約16,300,000港元或16.5%。
- 報告期內的淨虧損約為133,300,000港元，而截至二零一七年九月三十日止九個月則為淨虧損約1,800,000港元。
- 截至二零一八年九月三十日止九個月，按普通股加權平均數計算的每股基本及攤薄虧損約為13.1港仙（截至二零一七年九月三十日止九個月：每股基本及攤薄盈利約0.03港仙）。
- 董事會並不建議就報告期向本公司擁有人派發股息（截至二零一七年九月三十日止九個月：無）。

THIRD QUARTERLY RESULTS

The board of Directors (the "Board") of the Company is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (collectively, the "Group") for the nine months ended 30 September 2018 (the "Reporting Period"), together with the unaudited comparative figures for the corresponding period in 2017, as follows:

第三季度業績

本公司董事會（「董事會」）欣然宣佈，本公司及其附屬公司（統稱「本集團」）截至二零一八年九月三十日止九個月（「報告期」）的未經審核簡明綜合業績，連同二零一七年同期的未經審核比較數字如下：

**CONDENSED CONSOLIDATED STATEMENT OF
PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME (UNAUDITED)**

For the nine months ended 30 September 2018

**簡明綜合損益及其他全面收入表
(未經審核)**

截至二零一八年九月三十日止九個月

		Nine months ended 30 September 截至九月三十日止九個月	
		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
	Notes 附註		
Revenue	3	115,111	98,825
Cost of sales		<u>(95,235)</u>	<u>(78,411)</u>
Gross profit		19,876	20,414
Other income and net (loss)/gains		(34,868)	26,660
Administrative and other operating expenses		<u>(116,626)</u>	<u>(47,881)</u>
Operating loss	4	(131,618)	(807)
Finance costs		<u>(1,500)</u>	<u>(806)</u>
Loss before income tax		(133,118)	(1,613)
Income tax expense	5	<u>(165)</u>	<u>(170)</u>
Loss for the period		<u><u>(133,283)</u></u>	<u><u>(1,783)</u></u>
Other comprehensive (loss)/income:			
Item that may be reclassified to profit or loss		(243)	418
Total comprehensive loss for the period		<u><u>(133,526)</u></u>	<u><u>(1,365)</u></u>
(Loss)/Profit for the period attributable to:			
Owners of the Company		(128,870)	275
Non-controlling interests		<u>(4,413)</u>	<u>(2,058)</u>
		<u><u>(133,283)</u></u>	<u><u>(1,783)</u></u>
Total comprehensive (loss)/income for the period attributable to:			
Owners of the Company		(130,059)	511
Non-controlling interests		<u>(3,467)</u>	<u>(1,876)</u>
Total comprehensive loss for the period		<u><u>(133,526)</u></u>	<u><u>(1,365)</u></u>
Basic and diluted (loss)/earnings per share	7	HK cents 港仙 <u><u>(13.10)</u></u>	HK cents 港仙 <u><u>0.03</u></u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the nine months ended 30 September 2018

簡明綜合權益變動表 (未經審核)

截至二零一八年九月三十日止九個月

		Combined/ share capital/ 合併/ 股本 HK\$'000 千港元	Share-based premium 股份溢價 HK\$'000 千港元	payment 以股份為 基礎之付款 HK\$'000 千港元	Merger reserve 合併儲備 HK\$'000 千港元	Contributed surplus 撥入盈餘 HK\$'000 千港元	Foreign currency translation reserve 外匯匯兌 儲備 HK\$'000 千港元	Retained earnings/ (Accumulated reserve 保留盈利/ (累計虧損) Other reserve 其他儲備 (累計虧損) HK\$'000 千港元	Non- controlling interest Total 非控股權益 總計 HK\$'000 千港元	Total equity 總權益 HK\$'000 千港元		
Balance at	於二零一七年											
1 January 2017	一月一日結餘	7,600	117,272	11,287	15,800	-	17	-	(40,788)	111,188	(985)	110,203
Loss and total comprehensive income for the period	期內虧損及全面 收入總額	-	-	-	-	-	236	-	275	511	(1,876)	(1,365)
Issue of new shares upon exercise of share options	因行使購股權而 發行新股份	888	55,217	-	-	-	-	-	-	56,105	-	56,105
Transfer to share premium upon exercise of share options	於行使購股權後 轉撥至股份溢價	-	11,977	(11,977)	-	-	-	-	-	-	-	-
Lapse of share options	購股權失效	-	-	(248)	-	-	-	-	248	-	-	-
Share option scheme:	購股權計劃:											
- Value of employee services	- 僱員服務之價值	-	-	5,394	-	-	-	-	-	5,394	-	5,394
- Value of consultancy services	- 顧問服務之價值	-	-	670	-	-	-	-	-	670	-	670
Acquisition of non-controlling interests	收購非控股權益	-	-	-	-	(1,839)	-	-	-	(1,839)	1,839	-
		888	67,194	(6,161)	-	(1,839)	236	-	523	60,841	(37)	60,804
Balance at 30 September 2017 (unaudited)	於二零一七年 九月三十日結餘 (未經審核)	8,488	184,466	5,126	15,800	(1,839)	253	-	(40,265)	172,029	(1,022)	171,007
Balance at 1 January 2018	於二零一八年 一月一日結餘	9,297	230,122	10,707	15,800	-	414	(1,672)	(22,402)	242,266	(920)	241,346
Loss and total comprehensive income for the period	期內虧損及 全面收入總額	-	-	-	-	-	(1,189)	-	(128,870)	(130,059)	(3,467)	(133,526)
Issue of new shares upon exercise of share options	因行使購股權而 發行新股份	809	38,831	-	-	-	-	-	-	39,640	-	39,640
Acquisition of 61% equity interest in a subsidiary through capital injection	通過注資收購 一間附屬公司 61% 股權	-	-	-	-	-	-	-	-	-	3,504	3,504
Share option scheme:	購股權計劃:											
- Value of employee services	- 僱員服務之價值	-	-	18,923	-	-	-	-	-	18,923	-	18,923
- Value of consultancy services	- 顧問服務之價值	-	-	1,876	-	-	-	-	-	1,876	-	1,876
Acquisition of non-controlling interests	收購非控股權益	-	-	-	-	-	-	-	-	-	-	-
		809	38,831	20,799	-	-	(1,189)	-	(128,870)	(69,620)	37	(69,583)
Balance at 30 September 2018 (unaudited)	於二零一八年 九月三十日結餘 (未經審核)	10,106	268,953	31,506	15,800	-	(775)	(1,672)	(151,272)	172,646	(883)	171,763

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended 30 September 2018

1. GENERAL INFORMATION

Glory Flame Holdings Limited was incorporated in the Cayman Islands on 25 April 2014 as an exempted company with limited liability under the Companies Law of the Cayman Islands and its shares have been listed on the GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) with effect from 15 August 2014.

The address of the Company’s registered office is Clifton House, 75 Fort Street, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands. The address of the Company’s principal place of business in Hong Kong is Suite 3513, 35th Floor, Tower 6, the Gateway, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong. The Company is an investment holding company. The Company and its subsidiaries (collectively the “Group”) are engaged in (i) provision of construction services and building materials supply (the “Construction”), (ii) development and sales of agricultural equipment (the “Agricultural Equipment”), (iii) trading of LED products and clean coal (the “Trading Business”), and (iv) provision of financial services (the “Financial Services”).

未經審核簡明綜合財務報表附註

截至二零一八年九月三十日止九個月

1. 一般資料

朝威控股有限公司於二零一四年四月二十五日根據開曼群島公司法在開曼群島註冊成立為獲豁免有限公司，其股份自二零一四年八月十五日起在香港聯合交易所有限公司（「聯交所」）GEM上市。

本公司的註冊辦事處位於 Clifton House, 75 Fort Street, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands。本公司的香港主要營業地點位於香港九龍尖沙咀海港城港威大廈6座35樓3513室。本公司為投資控股公司。本公司及其附屬公司（統稱「本集團」）的主要業務為(i)提供建築服務及樓宇材料供應（「建築」），(ii)開發及銷售農業設備（「農業設備」），(iii)買賣LED產品及清潔煤（「貿易業務」）及(iv)提供金融服務（「金融服務」）。

2. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements for the nine months ended 30 September 2018 have been prepared by the Directors in accordance with the applicable Hong Kong Financial Reporting Standards (“HKFRS”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and the disclosure requirements of the GEM Listing Rules. HKFRSs include Hong Kong Accounting Standards and interpretations. Intra-group balances and transactions, if any, have been fully and properly eliminated. The accounting policies and basis of preparation adopted in the preparation of the financial statements for the nine months ended 30 September 2018 are consistent with those adopted in the annual financial statements of the Company for the year ended 31 December 2017. The adoption of the new/revised HKFRSs that are relevant to the Group and effective from the current period had no significant effects on the results and financial position of the Group for the current and prior periods.

The financial statements for the nine months ended 30 September 2018 have not been audited by the Company’s independent auditors, but have been reviewed by the Company’s audit committee.

The financial statements for the nine months ended 30 September 2018 are presented in Hong Kong dollars (“HK\$”), which is the same functional currency of the Company.

2. 編製基準

董事乃根據香港會計師公會（「香港會計師公會」）頒佈的適用之香港財務報告準則（「香港財務報告準則」）及GEM上市規則的披露規定編製截至二零一八年九月三十日止九個月的未經審核簡明綜合財務報表。香港財務報告準則包括香港會計準則及詮釋。集團內公司間結餘及交易（如有）已全部及妥善予以抵銷。編製截至二零一八年九月三十日止九個月的財務報表採納的會計政策及編製基準與截至二零一七年十二月三十一日止年度本公司年度財務報表所採納者一致。採納與本集團有關並自本期間起生效的新訂／經修訂香港財務報告準則未對本期間及過往期間本集團的業績及財務狀況產生重大影響。

截至二零一八年九月三十日止九個月的財務報表未經本公司獨立核數師審核，但已由本公司審核委員會審閱。

截至二零一八年九月三十日止九個月的財務報表以港元（「港元」）呈列，與本公司的功能貨幣相同。

3. REVENUE

Revenue recognised during the nine months ended 30 September 2018 are as follows:

3. 收入

截至二零一八年九月三十日止九個月確認的收入如下：

		Nine months ended	
		30 September	
		截至九月三十日止九個月	
		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Turnover	營業額		
Construction	建築		
- Provision of concrete demolition and construction engineering services	- 提供混凝土拆卸及建築工程服務	64,720	54,343
- Manufacturing and trading of prefabricated precast construction components	- 裝配式建築預製組件製造及貿易	4,670	-
- Manufacturing and trading of prestressed high strength concrete piles	- 預應力高強度混凝土管樁製造及貿易	-	449
Trading business	貿易業務		
- Trading of LED light sources for decoration	- 買賣用於裝飾的LED光源	-	39,596
- Trading of clean coal	- 買賣清潔煤	36,214	3,573
- Others (note)	- 其他(附註)	8,299	-
Agricultural equipment	農業設備		
Trading of ecological LED Cultivation Cabinet	環保LED生態種植櫃貿易	890	864
Financial services	金融服務		
Provision of insurance brokerage and consultancy services	提供保險經紀及諮詢服務	318	-
		115,111	98,825

4. OPERATING LOSS

An analysis of the amounts presented as operating items charged/(credited) in the financial information is set out below:

4. 營運虧損

下文載列在財務資料內扣除／(計入)並列為營運項目之金額分析：

		Nine months ended	
		30 September	
		截至九月三十日止九個月	
		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Fair value gain in financial assets at fair value through profit or loss	按公平值計入損益賬之金融資產的公平值收益	—	(6,921)
Fair value loss on contingent liabilities	或然負債公平值虧損	—	2,604
Share option expenses	購股權開支	20,799	6,064
Staff cost, including directors' remuneration	員工成本，包括董事酬金	27,697	21,098
Depreciation of property, plant and equipment	物業、廠房及設備折舊	7,660	5,871
Write-off of property, plant and equipment	撇銷物業、廠房及設備	242	3,432
Impairment loss on trade receivables	貿易應收款項減值虧損	24,112	—
Reversal of impairment loss on trade receivables	貿易應收款項減值虧損撥回	—	(8,604)
Impairment loss on trade deposits	交易按金減值虧損	20,054	—
Reversal of impairment loss on trade deposits	交易按金減值虧損撥回	—	(3,536)
Loss/(Gain) on sales of financial assets at fair value through profit or loss	出售按公平值計入損益賬之金融資產之虧損／(收益)	35,651	(7,433)
Gain on disposal of property, plant and equipment	出售物業、廠房及設備收益	(80)	—

5. INCOME TAX EXPENSE

Hong Kong profits tax	香港利得稅
PRC Enterprise income tax	中國企業所得稅
Reversal of deferred income tax	遞延所得稅撥回

Hong Kong profits tax is calculated at 8.25% on estimated assessable profits up to \$2.0 million, and 16.5% on any part of estimated assessable profits over \$2.0 million (2017: 16.5%) of the Group arising in or derived from Hong Kong for the period. Provision for taxation for subsidiaries that are subject to Enterprise Income tax in the PRC is calculated at the appropriate current rates of taxation ruling in the PRC.

6. DIVIDEND

The Board does not recommend the payment of dividend for the nine months ended 30 September 2018 (2017: nil).

5. 所得稅開支

Nine months ended 30 September 截至九月三十日止九個月	
2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核)
239	170
25	—
(99)	—
<u>165</u>	<u>170</u>

就期內本集團於香港產生或源自香港之估計應課稅溢利而言，2,000,000港元及以下的估計應課稅溢利按8.25%計算香港利得稅，2,000,000港元以上的估計應課稅溢利部分按16.5%計算香港利得稅（二零一七年：16.5%）。須繳納中國企業所得稅的附屬公司的稅項撥備按中國通行的現時合適稅率計算。

6. 股息

董事會不建議派付截至二零一八年九月三十日止九個月的股息（二零一七年：無）。

7. (LOSS)/EARNINGS PER SHARE

(a) Basic

The calculations of basic (loss)/earnings per share for the nine months ended 30 September 2018 and 2017 are based on the followings:

(Loss)/Earnings:	(虧損)／盈利：		
(Loss)/Profit for the period attributable to owners of the Company) (HK\$'000)	本公司擁有人應佔期內 (虧損)／溢利 (千港元)	(128,870)	275
Number of shares:	股份數目：		
Weighted average number of ordinary shares for the purpose of basic (loss)/earnings per share	就計算每股基本 (虧損)／盈利而言的普通股加權平均數	983,935,330	805,353,000

(b) Diluted

Diluted (loss)/earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all the Company's outstanding share options. The diluted (loss)/earnings per share is equal to the basic (loss)/earnings per share as there were no dilutive potential ordinary shares in issue during the nine months ended 30 September 2018 and 2017.

7. 每股 (虧損)／盈利

(a) 基本

截至二零一八年及二零一七年九月三十日止九個月的每股基本 (虧損)／盈利基於下列者計算：

Nine months ended	
30 September	
截至九月三十日止九個月	
2018	2017
二零一八年	二零一七年
(Unaudited)	(Unaudited)
(未經審核)	(未經審核)
(128,870)	275
983,935,330	805,353,000

(b) 攤薄

每股攤薄 (虧損)／盈利乃根據調整發行在外普通股加權平均數計算，以假設轉換本公司所有尚未行使的購股權。每股攤薄 (虧損)／盈利等於每股基本 (虧損)／盈利，蓋因於截至二零一八年及二零一七年九月三十日止九個月概無發行任何攤薄性的潛在普通股。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Financial Review

財務回顧

Revenue

Revenue increased by approximately HK\$16.3 million or 16.5% from approximately HK\$98.8 million for the nine months ended 30 September 2017 (“PE17”) to approximately HK\$115.1 million for the Reporting Period. An analysis of revenue is set out below:

收入

報告期收入由截至二零一七年九月三十日止九個月（「二零一七年期間」）約98,800,000港元增加約16,300,000港元或16.5%至約115,100,000港元。收入分析如下：

Revenue by nature

收入性質

		Nine months ended	
		30 September	
		截至九月三十日止九個月	
		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
Construction	建築		
- Provision of concrete demolition and construction engineering services	- 提供混凝土拆卸及建築工程服務	64,720	54,343
- Manufacturing and trading of prefabricated precast construction components	- 裝配式建築預製組件製造及貿易	4,670	-
- Manufacturing and trading of prestressed high strength concrete piles	- 預應力高強度混凝土管樁製造及貿易	-	449
		69,390	54,792
Trading Business	貿易業務		
- Trading of LED light sources for decoration	- 買賣用於裝飾的LED光源	-	39,596
- Trading of clean coal	- 買賣清潔煤	36,214	3,573
- Others	- 其他	8,299	-
		44,513	43,169
Agricultural Equipment	農業設備		
- Trading of ecological LED Cultivation Cabinet	- 環保LED生態種植櫃貿易	890	864
Financial Services	金融服務		
- Provision of insurance brokerage and consultancy services	- 提供保險經紀及諮詢服務	318	-
		115,111	98,825

Construction

For the Reporting Period, the revenue attributable to the Construction was approximately HK\$69.4 million, representing an increase of approximately 26.6% as compared with approximately HK\$54.8 million for PE17. The increase was primarily due to an increase of HK\$10.4 million in revenue from the provision of concrete demolition and construction engineering services and an increase of HK\$4.7 million in revenue from prefabricated precast construction.

Trading Business

Revenue attributable to the Trading Business increased by approximately HK\$1.3 million from approximately HK\$43.2 million for PE17 to approximately HK\$44.5 million for the Reporting Period.

During the Reporting Period, revenue attributable to trading of clean coal was approximately HK\$36.2 million. The Group also accepted certain ad hoc orders for the trading of other solid fuel and electrical appliances that contributed revenue of HK\$8.3 million to the Trading Business.

During the Reporting Period, the Group made no sales of LED light sources for decoration. The Group's LED trading business has a small customer base and there is no firm commitment with any such customer for purchase orders every year, therefore, sales generated from LED trading business fluctuated from period to period.

Trading of Agricultural Equipment

Revenue attributable to trading of Agricultural Equipment was approximately HK\$890,000 for the Reporting Period, as compared with that of HK\$864,000 for PE17. The revenue was generated from sales and leasing of planting racks and these revenue stream kept relatively steady.

Provision of Financial Services

Revenue attributable to the provision of financial services was approximately HK\$0.3 million for the Reporting Period.

建築

於報告期內，建築業務的收入約為69,400,000港元，較二零一七年期間的約54,800,000港元增加約26.6%。該增加乃主要由於提供混凝土拆卸及建築工程服務的收入增加10,400,000港元及裝配式建築收入增加4,700,000港元。

貿易業務

貿易業務的收入由二零一七年期間的約43,200,000港元增加約1,300,000港元至報告期的約44,500,000港元。

於報告期內，清潔煤貿易收入約為36,200,000港元。本集團亦接受若干其他固體燃料及電器的臨時貿易訂單，該等訂單為貿易業務貢獻收入8,300,000港元。

於報告期內，本集團並未錄得裝飾用途LED光源銷售額。本集團的LED貿易業務客戶基礎較小，且並未與任何該等客戶就每年的採購訂單訂立確定承諾，因此不同期間的LED貿易業務銷售額會有波動。

買賣農業設備

買賣農業設備的收入於報告期內約為890,000港元，而二零一七年期間為864,000港元。該收入產生自銷售及出租種植架及該收入流維持相對穩定。

提供金融服務

報告期內，提供金融服務貢獻收入約300,000港元。

Gross Profit and Gross Profit Margin

The Group's gross profit decreased by approximately HK\$0.5 million from approximately HK\$20.4 million for PE17 to approximately HK\$19.9 million for the Reporting Period, representing a decrease of approximately 2.5%.

The Group's gross profit margin decreased from 20.7% for PE17 to 17.3% for the Reporting Period. The decrease was primarily due to a decrease in gross profit margin attributable to Construction business.

Administrative and Other Operating Expenses

The Group's general and administrative expenses increased by approximately HK\$69.0 million from approximately HK\$47.9 million for PE17 to approximately HK\$116.6 million for the Reporting Period. The increase was primarily due to (i) an increase of approximately HK\$14.7 million in share option expenses, (ii) an increase of approximately HK\$20.1 million in provision for impairment loss on trade deposits, resulting from the suspension of the plan for mass production of the ecological LED cultivation cabinet, due to the recent deteriorating market sentiment on the PRC and the lower-than-expected to this product of the Group, and (iii) an increase of approximately HK\$24.1 million in provision for impairment loss on trade receivables during the Reporting Period.

(Loss)/Gain on Financial Assets at Fair Value through Profit or Loss

During the Reporting Period, the Group recorded a net realised loss of HK\$35.7 million on financial assets at fair value through profit or loss. As at 30 September 2018, the Group did not hold any investment in listed securities.

During the PE17, the Group recorded a gain of approximately HK\$14.4 million, of which HK\$7.4 million was a gain on fair value change and HK\$6.9 million was a realized gain, on financial assets at fair value through profit or loss.

毛利及毛利率

本集團的毛利由二零一七年期間的約20,400,000港元減少約500,000港元至報告期內的約19,900,000港元，減幅約為2.5%。

本集團的毛利率由二零一七年期間的20.7%減至報告期的17.3%。該減少主要由於建築業務應佔毛利率減少。

行政及其他營運開支

本集團的一般及行政開支由二零一七年期間約47,900,000港元增加約69,000,000港元至報告期的約116,600,000港元。該增加主要由於報告期內(i)購股權開支增加約14,700,000港元，(ii)中國近期市場氣氛惡化且本集團環保LED生態種植櫃低於預期，導致該產品的量產計劃暫停，故就貿易按金之減值虧損撥備增加約20,100,000港元及(iii)貿易應收款項減值虧損撥備增加約24,100,000港元。

按公平值計入損益之金融資產(虧損)/收益

於報告期內，本集團按公平值計入損益之金融資產錄得已變現虧損淨額35,700,000港元。於二零一八年九月三十日，本集團並無持有任何上市證券投資。

於二零一七年期間，本集團按公平值計入損益之金融資產錄得收益約14,400,000港元，其中7,400,000港元為公平值變動收益及6,900,000港元為已變現收益。

(Loss)/Profit attributable to Owners of the Company

The Group's loss attributable to the owners of the Company amounted to approximately HK\$128.9 million, as compared to a profit of approximately HK\$0.3 million attributable to owners of the Company for PE17. Such change was primarily due to a combined effect of (i) a loss of approximately HK\$35.7 million in sales of financial assets at fair value through profit or loss during the Reporting Period as compared with a gain of approximately HK\$14.4 million on fair value change and sales of financial assets at fair value through profit or loss during PE17; (ii) an increase of HK\$14.7 million in share option expenses; (iii) a provision for impairment loss of HK\$20.1 million on trade deposit and HK\$24.1 million on trade receivables for the Reporting period, and (iv) a reversal of impairment loss of approximately HK\$3.5 million on trade deposit and HK\$8.6 million on trade receivables for PE17.

Liquidity, Financial Resources, and Capital Structure

As at 30 September 2018, the Group's current assets amounted to approximately HK\$169.1 million, of which approximately HK\$45.1 million was cash and bank balances, and approximately HK\$117.9 million were trade and other receivables. Current liabilities were approximately HK\$54.7 million, of which approximately HK\$14.8 million were trade and other payables. The Group's net current assets were approximately HK\$114.4 million as at 30 September 2018.

The gearing ratio of the Group as at 30 September 2018 (defined as total borrowings including interest bearing and non-interest bearing, divided by the Group's total equity) was approximately 0.23 as compared to approximately 0.17 as at 31 December 2017.

Treasury Policy

The Group adopted a prudent financial management approach for its treasury policies and maintained a healthy liquidity position throughout the Reporting Period. The Group strove to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Board closely monitored from time to time the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements.

本公司擁有人應佔(虧損)/溢利

本公司擁有人應佔本集團虧損約為128,900,000港元，而二零一七年期間為本公司擁有人應佔溢利約300,000港元。此變動乃主要由於以下因素的綜合影響所致：(i)於報告期內出售按公平值計入損益之金融資產之虧損約35,700,000港元，而於二零一七年期間，按公平值計入損益之金融資產之公平值變動及出售收益約14,400,000港元；(ii)購股權開支增加14,700,000港元；(iii)於報告期內，就貿易按金及貿易應收款項分別計提減值虧損撥備20,100,000港元及24,100,000港元；及(iv)於二零一七年期間，就貿易按金及貿易應收款項分別撥回減值虧損約3,500,000港元及8,600,000港元。

流動資金、財務資源及資本架構

於二零一八年九月三十日，本集團的流動資產約為169,100,000港元，其中約45,100,000港元為現金及銀行結餘及約117,900,000港元為貿易及其他應收款項。流動負債約為54,700,000港元，其中約14,800,000港元為貿易及其他應付款項。於二零一八年九月三十日，本集團的流動資產淨值約為114,400,000港元。

於二零一八年九月三十日，本集團的資產負債比率(按借貸總額(包括計息及不計息)除以本集團總權益計算)約為0.23，而於二零一七年十二月三十一日約為0.17。

庫務政策

本集團對其庫務政策採取審慎的財務管理方針，在整個報告期內達致維持穩健的流動資金狀況。本集團致力透過進行持續的信貸評估及評估其客戶的財務狀況以降低信貸風險。為管理流動資金風險，董事會不時密切監視本集團的流動資金狀況，以確保本集團資產、負債及其他承擔的流動資金架構可符合其資金要求。

Foreign Currency Risk

The Group mainly operated in Hong Kong and most of the operating transactions, revenue, expenses, monetary assets and liabilities were denominated in HK\$. As such, our Directors were of the view that the Group's risk in foreign exchange was insignificant and that the Group had sufficient resources to meet foreign exchange requirements. Therefore, the Group had not engaged in any derivative contracts to hedge its exposure to foreign exchange risk.

Material Acquisitions and Disposal of Subsidiaries and Associated Companies

Capital Increase in Huizhou Precast

The Group intends to pursue the expansion of the prefabrication business. During the Reporting Period, the Group achieved this through contributing to the registered capital of an entity in the PRC. On 3 January 2018, China Construction Company Limited ("China Construction"), a company indirectly owned as to 84% by the Company, entered into a capital increase agreement with two independent third parties, pursuant to which China Construction conditionally agreed to contribute to the registered capital of Huizhou Precast, which is principally engaged in the businesses of production, research and development of prefabricated precast concrete components and glass fiber reinforced cement components, product installation guidance. Following the fulfilment and waiver of all of the conditions precedent set out in the capital increase agreement, the completion of the capital increase took place on 1 June 2018 whereupon China Construction came to own 61% of the equity interest in Huizhou Precast. For further details, please refer to the Company's announcements dated 3 and 5 January 2018 and 1 June 2018.

Disposal of Mansion Point

On 13 March 2018, the Company disposed of its entire shareholding in Mansion Point, being 51% of its entire issued share capital, to an independent third party at a cash consideration of HK\$30,755,000 upon the terms of an agreement ("Disposal Agreement").

外匯風險

由於本集團主要於香港營運，其大部分經營交易、收益、開支、貨幣資產及負債均以港元計值，故董事相信本集團外匯風險並不重大，而本集團有足夠資源應付其外匯需要。因此，本集團並無訂立任何衍生合約以對沖其外匯風險。

重大收購及出售附屬公司及聯營公司

惠州普瑞康增資

本集團擬擴大裝配式建築業務。於報告期內，本集團透過向中國一間實體增資實現了這一目標。於二零一八年一月三日，本公司間接擁有84%的中威建設有限公司（「中威建設」）與兩名獨立第三方訂立增資協議，據此，中威建設有條件同意向惠州普瑞康（其主要從事製造及研發裝配式建築預製混凝土組件及玻璃纖維增強混凝土組件、產品安裝指導的業務）出資其註冊資本。增資協議所載的所有先決條件獲達成或獲豁免後，增資已於二零一八年六月一日完成。上述增資完成後，中威建設持有惠州普瑞康61%股權。有關進一步詳情，請參閱本公司日期分別為二零一八年一月三日、二零一八年一月五日及二零一八年六月一日的公告。

出售 Mansion Point

於二零一八年三月十三日，本公司根據一項協議（「出售協議」）的條款向一名獨立第三方出售其於Mansion Point的全部股權（即Mansion Point全部已發行股本的51%），現金代價為30,755,000港元。

The Company had acquired the 51% shareholding in Mansion Point from the same independent third party as part of the acquisition of a target group under an agreement dated 9 September 2016. Due to the uncertainty as to when the relevant pollutant discharge would be obtained, which might affect the operation of the target group, and in order to protect the Group's interest, the Company entered into the Disposal Agreement with the same independent third party.

For further details, please refer to the Company's announcements dated 13 March 2018 and 13 July 2018.

Save as disclosed above, the Group had no material acquisition and disposal of subsidiaries and associated companies during the Reporting Period.

Debts and Charge on Assets

As at 30 September 2018, the total borrowings of the Group amounted to approximately HK\$40.0 million (31 December 2017: approximately HK\$40.5 million). Such decrease was mainly due to the repayment of loan from a director. The annual interest rates of the loan from a director ranges from 0% and 7.5% per annum. All of the borrowings was accounted for as current liabilities of the Group. All of the above borrowings were denominated in HK\$.

Employee and Remuneration Policies

As at 30 September 2018, the Group had 98 employees (30 September 2017: 120 employees). The total employee costs (including directors' emoluments) for the Reporting Period amounted to approximately HK\$27.7 million (PE17: approximately HK\$21.1 million).

The salary and benefits of the employees of the Group were competitive. This is very important as the construction industry had been experiencing labour shortage in general. Individual performance of our employees was awarded through the Group's salary and bonus system. In addition, the Group provided adequate job training to employees in order to equip them with practical knowledge and skills for tackling challenges encountered in diverse work sites.

作為根據一項日期為二零一六年九月九日的協議收購目標集團的收購事項的一部分，本公司自上述獨立第三方收購 Mansion Point 51% 股權。由於取得相關排污許可的時間存在不確定性，而可能影響目標集團的營運，因此為保護本集團的利益，本公司與上述獨立第三方訂立出售協議。

有關進一步詳情，請參閱本公司日期為二零一八年三月十三日及二零一八年七月十三日的公告。

除以上披露者外，本集團於報告期內並無進行附屬公司及聯營公司重大收購及出售。

債務及資產抵押

於二零一八年九月三十日，本集團借貸總額約為 40,000,000 港元（二零一七年十二月三十一日：約 40,500,000 港元）。減少主要由於償還董事貸款。董事貸款的年利率為 0% 至 7.5%。所有借貸入賬列作本集團的流動負債。上述所有借貸均以港元計值。

僱員及薪酬政策

於二零一八年九月三十日，本集團共有 98 名僱員（二零一七年九月三十日：120 名僱員）。報告期內僱員成本總額（包括董事酬金）約為 27,700,000 港元（二零一七年期間：約 21,100,000 港元）。

本集團僱員的薪金及福利均具競爭力，而由於建築行業整體上一直面臨勞工短缺，故此具競爭力的薪金及福利水平十分重要。僱員根據個人表現透過本集團薪金及花紅制度獲得回報。此外，本集團為僱員提供足夠在職培訓，以便讓僱員備有實用知識及技能，處理不同工作場所遭遇的挑戰。

Commitments and Contingent Liability

The Group did not have material capital commitments and contingent liabilities as at 30 September 2018.

BUSINESS REVIEW AND OUTLOOK

The principal activity of the Company is investment holding. For the period ended 30 September 2018 (“the Reporting Period”), the Group mainly engaged in (i) provision of construction services and building materials supply (the “Construction”), (ii) development and sales of agricultural equipment (the “Agricultural Equipment”), (iii) trading of LED products and clean coal (the “Trading Business”), and (iv) provision of financial services (the “Financial Services”).

Construction

(a) Concrete demolition services and construction works

Concrete demolition is one aspect of the construction industry in Hong Kong. The Group’s concrete demolition services were mainly concerned with the removal of pieces or section of concrete from concrete structures by applying a variety of methods, such as core drilling, sawing, bursting and crushing. Concrete demolition services are usually performed by subcontractors in (i) general building works, especially for alteration and redevelopment projects; and (ii) civil engineering works. Concrete demolition work can be applied in various situations, such as the construction of underground utilities, creation of openings for elevator, door, and window installation, redevelopment of buildings, roads, tunnels and underground facilities, removal of concrete during building construction and the preparation of road surfaces.

承擔及或然負債

於二零一八年九月三十日，本集團並無重大資本承擔及或然負債。

業務回顧及展望

本公司的主要活動為投資控股。截至二零一八年九月三十日止期間（「報告期」），本集團主要從事(i)提供建築服務及樓宇材料供應（「建築」）、(ii)研發及銷售農業設備（「農業設備」）、(iii)買賣LED產品及清潔煤（「貿易業務」）及(iv)提供金融服務（「金融服務」）。

建築

(a) 混凝土拆卸服務及建築工程

混凝土拆卸為香港建築行業的一個方面。本集團的混凝土拆卸服務主要涉及透過採用各種方法，例如鑽取土芯、鋸切、逼裂及鉗碎等，移除混凝土結構的混凝土塊或組件。混凝土拆卸服務通常為分包商於(i)一般建築工程，特別是改建及重建工程；及(ii)土木工程進行運作。混凝土拆卸工程可用於地下公共設施建設、電梯開口、門窗安裝、樓宇、道路、隧道及地下設施重建、建築施工過程中混凝土拆除及路面製備等多種情況。

The customers of the Group's concrete demolition services mainly include main contractors and subcontractors of different types of construction and civil engineering projects in Hong Kong. Such customers can generally be categorized into public sector projects' customers and private sector projects' customers. Public sector projects refer to projects of which the main contractors are employed by Government departments or statutory bodies in Hong Kong, while private sector projects refer to projects that are not public sector projects.

In addition to the provision of concrete demolition services, the Group provided services related to wet trades package and brickwork including tiles finishing, screeding, granolithic, plastering, blockworks for walls in Sung Wong Toi and To Kwa Wan Stations (Shatin to Central Link) under a construction sub-contract. Total value of the services under the sub-contract is approximately HK\$71.0 million. Revenue of HK\$20.9 million from this project was recognised during the Reporting Period.

In late October 2018, the Group received a notice of termination from its upper tier subcontractor for the Shatin to Central Link project, due to the sub-contracting relationship between that sub-contractor and the main contractor of the project having been terminated.

本集團的混凝土拆卸服務的客戶主要為香港各類建築及土木工程項目的總承建商及分包商。相關客戶一般可分類為公營及私營界別項目客戶。公營界別項目指由香港政府部門或法定機構聘請總承建商的項目，而私營界別項目指非公營界別項目。

除了提供混凝土拆卸服務外，本集團根據一項建築分包合約為宋王臺站及土瓜灣站（沙中線）提供泥水及磚砌相關服務，包括瓷磚整理、平整地台、石米、抹面及舖砌磚牆。分包合約項下服務的總金額約為71,000,000港元。報告期內確認該項目之收入20,900,000港元。

於二零一八年十月下旬，由於沙中線項目的分包商與總承建商之分包關係已經終止，本集團接獲該項目上游分包商的終止通知。

(b) Prefabricated precast construction

On 1 June 2018, the Group came to own 61% of the equity interest in Huizhou Precast Building Materials Co. Ltd (“Huizhou Precast”) through capital increase in the same, thereby enabling it to successfully enter into the business of prefabricated precast construction in the PRC. Huizhou Precast is principally engaged in the business of production, research and development of prefabricated precast concrete components and glass fiber reinforced cement components, product installation guidance. During the Reporting Period, Huizhou Precast contributed revenue of HK\$4.7 million to the Group.

(c) Pre-stressed concrete piles

Pre-stressed concrete pile is a major type of foundation product used in the building and construction industry. It is typically used as part of foundation for building and infrastructure projects on unstable or soft layer of land which require long and deep foundations in order to reach the underlying stable rock layer. Prestressed concrete piles support the building and infrastructure structures by transferring the heavy loads and forces exerted by such structures onto the underlying stable rock layer.

During the Reporting Period, the Group did not commence the manufacturing of pre-stressed concrete piles as the relevant pollutant discharge permit had not been obtained.

Due to the uncertainty as to when the pollutant discharge permit would be obtained, which might affect the operation of the business of pre-stressed concrete piles, the Company entered into the Disposal Agreement to dispose of its shareholding in the relevant subsidiary.

(b) 裝配式建築

於二零一八年六月一日，本集團以向惠州普瑞康建築材料有限公司（「惠州普瑞康」）增資的方式取得惠州普瑞康61%股權，本集團通過該交易成功進入中國裝配式建築業務領域。惠州普瑞康主要從事製造及研發裝配式建築預製混凝土組件及玻璃纖維增強混凝土組件、產品安裝指導業務。於報告期，惠州普瑞康為本集團貢獻收入4,700,000港元。

(c) 預應力混凝土管樁

預應力混凝土管樁為房屋及建築行業所用的主要類別地基產品。其一般用作建於不穩固或柔軟泥土層上且需要長而深的地基以達到相關穩固岩石層的部分房屋及基建項目地基。預應力混凝土管樁透過將房屋及基建結構產生的重負荷及力量轉移至相關穩固岩石層而支撐該等結構。

於報告期內，由於尚未取得相關排污許可，因此本集團並未開始生產預應力混凝土管樁。

由於取得相關排污許可的時間存在不確定性，而可能影響預應力混凝土管樁的營運，因此本公司訂立出售協議，以出售於相關附屬公司的股權。

Agricultural Equipment

The Group developed planting racks and an ecological LED cultivation cabinet system using a green technology and a tailored nutrient solution to grow hydroponic vegetables. In the PRC, the urban population are increasingly demanding pesticide-free, clean and fresh food. Therefore, partly automated farming at home may be a feature of healthy lifestyle in the future. The Group expects that the hydroponics market will grow at a relatively fast pace, and there is an opportunity for the Group to gain a foothold in the hydroponics market.

After a series of marketing and promotion campaigns in 2017 and 2018, the Group received a number of trial orders from local PRC and overseas distributors for testing their markets. However, based on the current customer responses to the new products of the Group, the Group believes that the lead time for the Group's products to gain wide market acceptance will be longer than expected. With the deterioration of market sentiment in the PRC and a slowing economy amid the escalating United States-China trade war, the Group was withdrawing the plan of mass production temporarily and cancelling the purchase orders with the manufacturer for the mini LED cultivation cabinets. The Group has entered into negotiations with the manufacturer to refund the trade deposits for the mass production of the mini LED cultivation cabinets. The Group is now striving to re-position the mini LED cultivation cabinet in the market.

During the Reporting Period, the Group primarily made sales of planting racks through the distributors and leasing of planting racks to the hot-pot restaurants providing on-site planting and supply of fresh vegetables for their customers.

農業設備

本集團已研發種植架及環保LED生態種植櫃系統，透過綠色技術和量身訂制的營養溶液種植水耕蔬菜。在中國，居住在城市的市民對不含農藥、清潔和新鮮食物的需求不斷增加。因此，家庭式的半自動耕作可能是未來健康生活方式的一個象徵。本集團預期水耕市場將會相對迅速增長，為本集團立足水耕市場帶來機會。

於二零一七年及二零一八年開展一系列營銷及推廣活動後，本集團已相繼接獲多個來自中國當地及海外分銷商的試銷訂單，以測試彼等所在市場的反映。然而，根據目前客戶對本集團新產品的反映情況，本集團認為市場廣泛接受本集團產品的時間可能會比本集團預期更長。由於中美貿易戰導致中國的市場情緒轉差及經濟放緩，本集團暫時撤回大規模生產的計劃，並取消與迷你LED種植櫃製造商之間的採購訂單。本集團正與製造商磋商，以退還就迷你LED種植櫃之大規模生產的交易按金。本集團現正致力於重新定位市場的迷你LED種植櫃。

報告期內，本集團主要經分銷商銷售種植架，及向為客戶提供現場種植及供應新鮮蔬菜的火鍋餐廳租賃種植架。

Trading Business

貿易業務

(a) *Light-emitting diode (“LED”) light sources for decoration*

LED light sources are considered to be a green technology. They are more energy efficient than most of the conventional light sources. There is a comparative advantage in terms of energy saving efficiency and product durability. In addition, LED does not contain hazardous material such as toxic mercury. The growth of LED lighting market is due to increasing the consciousness of environmental protection by adoption of energy efficient lighting solution. The use of LED lighting sources penetrates to the residential, commercial and industrial lighting applications.

During the Reporting Period, the Group made no sales of LED light sources for decoration. The Group’s LED trading business has a small customer base and there is no firm commitment with any such customer for purchase orders every year, therefore, the sales generated from LED trading business fluctuated from period to period. As at 30 September 2018, there was no unfulfilled purchase orders for the customers.

(a) *用於裝飾的發光二極管 (LED) 光源*

LED光源是一種綠色技術，較大多數傳統光源更為節能，較節能效率及產品耐用性方面擁有相對優勢。此外，LED不含水銀等有害物質。LED照明市場增長，乃由於大眾採用節能照明解決方案，不斷提升環保意識。LED光源已應用於家居、商業及工業的照明物件。

於報告期內，本集團並未錄得裝飾用途LED光源銷售額。本集團的LED貿易業務客戶基礎較小，且並未與任何該等客戶就每年的採購訂單訂立確定承諾，因此不同期間的LED貿易業務銷售額會有波動。於二零一八年九月三十日，概無未完成的客戶採購訂單。

(b) Clean coal

The Group is engaged in the trading of Inner Mongolia coal energy in the PRC. Its coal resource is from the clean coal in Ordos City, the PRC. The clean coal technology collectively represents the new technologies of process, burning, transforming and pollution control, etc. in the whole process from development to utilization of coal that aim to reduce pollution and emission and enhance the utilization efficiency.

The development of clean coal is an established national policy of the PRC. The coal resource in the PRC is relatively rich and the PRC is one of the few countries in the world that uses coal as the main energy source. The clean coal industry will continue to play an important role in the energy sustainability of the PRC and will be an important direction of development in the coming 20 years. Such development will be significant for the PRC to ease the environment pollution led by burning coal and reduce the reliance on imported oil. The clean coal industry can be viewed as facing new market demand and development opportunities in the PRC.

The growth of trading of clean coal of the Group is stable and the Company expects that it will be one of key revenue contributions for the Group in the future. As a result of the strong demand in the clean coal, the Group is considering to increase the investment in its working capital so as to expand its volume of trading and further increase in the rate of return for the Group's trading business.

Financial Services

The Group's financial services business includes provision of insurance brokerage and consultancy services in Hong Kong and provision of commercial factoring services in the PRC.

(b) 清潔煤

本集團主要於中國買賣內蒙古煤能源。其煤資源來自中國鄂爾多斯市之清潔煤。清潔煤技術泛指從開發到利用煤的整個過程當中的加工、燃燒、轉化和污染控制等新技術，旨在減少污染及排放，提高利用效率。

發展清潔煤是中國已落實的國家政策。中國的煤資源相對充裕，是世界少數使用煤作為主要能源的國家之一。清潔煤工業在中國能源持續發展方面將繼續扮演重要角色，並將是未來20年的主要發展方向。有關發展對中國減輕因燃煤造成的環境污染及減低對進口油的依賴而言，實屬重要。清潔煤工業可視為中國的新市場需求及發展機遇。

本集團清潔煤貿易穩定增長，且本公司預期其將於未來成為本集團主要收益來源之一。由於清潔煤需求強勁，本集團正考慮增加其營運資金的投資，從而擴大本集團貿易業務的成交量及進一步提高其回報率。

金融服務

本集團的金融服務業務包括在香港提供保險經紀及諮詢服務以及在中國提供商業保理服務。

DISCLOSURE OF INTERESTS

權益披露

A. Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and its Associated Corporation

A. 董事及主要行政人員於本公司及其相聯法團股份、相關股份及債權證的權益及淡倉

As at 30 September 2018, interests or short positions of the Directors, chief executives of the Company in the shares (the "Shares"), underlying Shares and debentures of the Company or any of its associated corporation (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 (i) 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), or (ii) pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or (iii) pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

於二零一八年九月三十日，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（「股份」）、相關股份及債權證中擁有須(i)根據證券及期貨條例第XV部第7及8分部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有關條文彼等被當作或視作擁有的權益及淡倉），或(ii)根據證券及期貨條例第352條登記於該條例所述登記冊的權益或淡倉，或(iii)根據GEM上市規則第5.46至5.67條知會本公司及聯交所的權益或淡倉如下：

(i) Long Position in the Shares

(i) 於股份的好倉

Name of Directors 董事姓名	Capacity/Nature 身份/性質	Number of Shares and underlying Shares held/ interested in 所持有/擁有權益的 股份及相關股份數目	Approximate percentage of shareholding 概約持股百分比
Zhu Zhou 朱洲	Beneficial owner 實益擁有人	269,000,000	26.62%

(ii) Long position in underlying Shares

(ii) 於相關股份的好倉

Details of the interests of the Directors in the share options of the Company are separately disclosed under the section headed "Share Option Scheme".

董事所持本公司購股權權益之詳情於「購股權計劃」一節內單獨披露。

As at 30 September 2018, none of the Directors or chief executive nor their associates had any short positions in any Shares, underlying Shares or debentures of the Company or any of its associated corporations.

於二零一八年九月三十日，董事、主要行政人員及彼等各自聯繫人概無於本公司或其任何相聯法團的任何股份、相關股份或債權證中擁有任何淡倉。

B. Substantial Shareholders' and Other Persons' Interests and Short Positions in the Shares and Underlying Shares

Save as disclosed below, as at 30 September 2018 and so far as is known to the Directors, no person other than certain Directors or chief executive of the Company had any interests or short positions in the Shares and underlying shares of the Company which were required to be recorded in the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO, or which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO or who were directly or indirectly interested 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 any member of the Group.

B. 主要股東及其他人士於股份及相關股份的權益及淡倉

除下文所披露者外，於二零一八年九月三十日及據董事所知悉，概無人士（本公司若干董事或主要行政人員除外）於本公司股份及相關股份中擁有須記錄於本公司根據證券及期貨條例第336條存置的主要股東名冊的任何權益或淡倉，或擁有須根據證券及期貨條例第XV部第2及3分部向本公司披露的任何權益或淡倉，或直接或間接持有附有權利可於任何情況下於本集團任何成員公司股東大會上投票的任何類別股本的面值10%或以上的權益。

Name of Shareholder 股東姓名	Capacity/Nature of interest 身份/ 權益性質	Number of Shares held/ interested in 所持有/ 擁有權益 的股份數目	Long/short position 好/ 淡倉	Approximate percentage of shareholding 概約持股百分比
Huang Cheng 黃成	Beneficial owner 實益擁有人	188,620,000	Long 好倉	18.66%
Zhou Jin 周瑾	Beneficial owner 實益擁有人	144,500,000	Long 好倉	14.30%

COMPETING INTERESTS

Having made specific enquiry of all Directors and the controlling shareholders of the Company, all of them had confirmed that neither themselves nor their respective close associates (as defined in the GEM Listing Rules) held any position or had interest in any businesses or companies that were or might be competing with the business of the Group, or gave rise to any concern regarding conflict of interests during the Reporting Period.

PURCHASE, SALES OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Reporting Period.

CORPORATE GOVERNANCE CODE

The Corporate Governance Code ("the Code") in Appendix 15 to the GEM Listing Rules sets out the principles of good corporate governance, code provisions and recommended best practices. Issuers are expected to comply with the code provisions or devise their own code on corporate governance on the terms they consider appropriate provided that considered reasons are given. Throughout the Reporting Period, the Company had complied with the applicable code provisions of the Code with the exception of the deviation from code provision A.2.1 as explained below:

Code provision A.2.1 of the Code requires that the roles of Chairman and chief executive officer ("CEO") should be separate and not performed by the same individual. During the Reporting Period, Ms. Che Xiaoyan was both Chairman and CEO of the Company and resigned on 24 August 2018. Mr. Zhu Zhou was appointed as Chairman on 19 September 2018 and CEO of the Company on 16 October 2018. The Board was of the opinion that vesting the roles of both Chairman and CEO in the same person had the benefit of ensuring consistent leadership within the Group thus enabling more effective and efficient strategic planning for the Group. The Board also believed that the balance of power and authority was not compromised and was adequately ensured by the composition of the existing Board. Except for the deviation from code provision A.2.1 of the Code, the Company's corporate governance practices complied with the Code as set out in Appendix 15 to the GEM Listing Rules during the Reporting Period.

競爭權益

經向全體董事及本公司控股股東作出特定查詢後，彼等均已確認，於報告期內彼等及彼等各自緊密聯繫人（定義見GEM上市規則）並無與本集團業務構成或可能構成競爭的任何業務或公司出任任何職務或於當中擁有權益，或產生任何有關利益衝突的疑慮。

購買、出售或贖回本公司的上市證券

於報告期，本公司及其任何附屬公司概無購買、出售或贖回本公司的任何上市證券。

企業管治守則

GEM上市規則附錄15內的企業管治守則（「守則」）載列良好企業管治的原則、守則條文及建議最佳常規。發行人預期將遵守守則條文或按彼等認為合適的條款設立其自身的企業管治守則，惟須作出合理解析。於報告期內，本公司一直遵守守則的適用守則條文，惟不包括下文所述偏離守則條文第A.2.1條：

守則的守則條文第A.2.1條規定，主席及行政總裁的職責應予區分，且不應由同一人士擔任。於報告期內，車曉豔女士曾兼任本公司主席及行政總裁，直至於二零一八年八月二十四日辭任為止。朱洲先生於二零一八年九月十九日獲委任為主席，及於二零一八年十月十六日獲委任為本公司行政總裁。董事會認為，由同一人士同時擔任主席及行政總裁有利於確保本集團內貫徹一致的領導，從而使本集團之策略規劃更有效且更具效率。董事會亦相信，權力制衡並不會受到影響，而現時董事會的組成可確保有足夠的權力制衡。於報告期內，除偏離守則的守則條文第A.2.1條外，本公司的企業管治常規符合GEM上市規則附錄15所載的守則。

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Group had adopted the required standards of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct for securities transactions by the Directors in respect of the Shares (the “Code of Conduct”). Having made specific enquiries with the Directors, all Directors have confirmed that they complied with the required standards set out in the Code of Conduct during the Reporting Period.

DIVIDEND

The Board does not recommend payment of interim dividend to shareholders of the Company for the Reporting Period (2017: nil).

SHARE OPTION SCHEME

The Company conditionally adopted the Share Option Scheme on 2 August 2014 (the “Share Option Scheme”). The terms of the Share Option Scheme are in accordance with the provisions of Chapter 23 of the GEM Listing Rules.

a) Share options granted to employees and directors of the Group

On 19 June 2018, 101,060,050 share options to subscribe for up to a total of 101,060,500 ordinary shares of HK\$0.01 each of the Company were granted to certain Directors, employees and other eligible persons under the Share Option Scheme. The exercise price was HK\$0.628 per share, which was equal to the average closing price as stated in the daily quotations sheets of the Stock Exchange for five business days immediately preceding the date of grant. The share options may be exercised within the period from 20 June 2018 to 19 June 2020 (both days inclusive).

有關董事進行證券交易的行為守則

本集團已採納GEM上市規則第5.48條至第5.67條載列的買賣規定準則，作為董事就股份進行證券交易的行為守則（「行為守則」）。經向董事作出特定查詢後，全體董事已確認彼等於報告期遵守行為守則載列的規定準則。

股息

董事會不建議就報告期向本公司股東派付中期股息（二零一七年：無）。

購股權計劃

本公司於二零一四年八月二日有條件地採納購股權計劃（「購股權計劃」）。購股權計劃的條款根據GEM上市規則第23章的條文制定。

a) 授予本集團僱員及董事之購股權

於二零一八年六月十九日，可認購最多合共101,060,500股本公司每股面值0.01港元普通股的101,060,050份購股權根據購股權計劃授予若干董事、僱員及其他合資格人士。行使價為每股0.628港元，相等於緊接授出日期前五個營業日聯交所每日報價表所報平均收市價。該等購股權可於二零一八年六月二十日起至二零二零年六月十九日止（首尾兩日包括在內）期間內行使。

As at 30 September 2018, the number of outstanding share options under the Scheme is 148,329,500, representing 14.68% of the total issued Shares. During the Reporting Period, the total number of share options granted was 101,060,500, whereas no options lapsed. During the Reporting Period, no share options were cancelled. There are no more share option available for issue as at the date of this report.

於二零一八年九月三十日，計劃項下尚未行使購股權數目為148,329,500份，佔全部已發行股份的14.68%。於報告期內，授出購股權總數為101,060,500份，並無購股權失效。於報告期內，並無購股權遭註銷。於本報告日期，無其他購股權可供發行。

Particulars of the Directors' interests in share options to subscribe for Shares pursuant to the Share Option Scheme were as follows:

根據購股權計劃，董事持有可認購股份的購股權權益詳情如下：

Name of Director 董事姓名	Date of grant 授出日期	Number of outstanding share options as at 1 January 2018/ the date of appointment 於二零一八年 一月一日/ 委任日期尚未行使 的購股權數目	Number of share options granted during the Reporting Period 報告期內授出 的購股權數目	Number of share options exercised during the Reporting Period 報告期內行使 的購股權數目	Number of outstanding share options as at 30 September 2018 於二零一八年 九月三十日 尚未行使 的購股權數目	Exercise period 行使期	Exercise price per share 每股 行使價
<i>Executive Directors</i> 執行董事							
Ms. Jiao Fei 焦飛女士	19 June 2018 二零一八年六月十九日	-	10,106,050	-	10,106,050	20 June 2018 to 19 June 2020 二零一八年六月二十日 至二零二零年六月十九日	HK\$0.628 0.628港元
		-	10,106,050	-	10,160,050		

b) Share options granted to a consultant

The Group engaged a consultant to assist in research and exploration of property construction related business opportunities in the People's Republic of China and Cambodia.

On 19 June 2018, the Company granted 10,106,050 share options of the Company under the Share Option Scheme to the consultant as service fee.

During the Reporting Period, no share options granted to the consultant lapsed.

Details of the share options granted to the consultant under the Share Option Scheme are as follows:

b) 授予一名顧問之購股權

本集團聘用一名顧問以協助研究及探索中華人民共和國及柬埔寨的物業建築相關業務機遇。

於二零一八年六月十九日，本公司根據購股權計劃授予顧問10,106,050份本公司購股權作為服務費。

於報告期內，並無授予該顧問之購股權失效。

根據購股權計劃向該顧問授予的購股權詳情如下：

Date of grant 授出日期	Exercise period 行使期	Exercise price per share 每股行價 (HK\$) (港元)	Number of outstanding share options as at 1 January 2018 於二零一八年 一月一日 尚未行使 的購股權數目	Number of share options granted during the Reporting Period 報告期內 已授予 的購股權數目	Number of share options exercised during the Reporting Period 報告期內 已行使 的購股權數目	Number of share options outstanding as at 30 September 2018 於二零一八年 九月三十日 尚未行使 的購股權數目	Vesting conditions 歸屬條件
19 June 2018 二零一八年 六月十九日	20 June 2018 to 19 June 2020 二零一八年六月二十日至 二零二零年六月十九日	0.628	-	10,106,050	-	10,106,050	Vested on 20 June 2018 於二零一八年 六月二十日歸屬
15 June 2017 二零一七年 六月十五日	15 June 2017 to 14 June 2027 二零一七年六月十五日至 二零二七年六月十四日	0.626	8,000,000	-	-	8,000,000	Vested on the date of grant 於授出日期 歸屬
			<u>8,000,000</u>	<u>10,106,000</u>	<u>-</u>	<u>18,106,050</u>	

c) **Fair values of share options and assumptions**

During the Reporting Period, the total share option expense of HK\$20.8 million was recognized in the income statement in relation to share options granted by the Company. Details of share-based payment by nature are as follows:

Share option expenses for employees and Directors	僱員及董事的購股權開支	18,923	5,394
Share option expenses for consultancy services	顧問服務的購股權開支	1,876	670
		20,799	6,064

The fair value of the share options granted was calculated using the binomial option pricing model (the "Model"). The inputs into the Model were as follows:

		Employees and directors 僱員及董事			Consultant 顧問	
		14 June 2016 二零一六年 六月十四日	15 June 2017 二零一七年 六月十五日	19 June 2018 二零一八年 六月十九日	15 June 2017 二零一七年 六月十五日	19 June 2018 二零一八年 六月十九日
Date of grant	授出日期					
Number of share options granted	已授予購股權數目	19,220,000	72,898,000	90,954,450	8,000,000	10,106,050
Underlying stock price	相關股份價格	HK\$0.80 0.80 港元	HK\$0.620 0.620 港元	HK\$0.620 0.620 港元	HK\$0.620 0.620 港元	HK\$0.620 0.620 港元
Strike price	履約價格	HK\$0.83 0.83 港元	HK\$0.626 0.626 港元	HK\$0.628 0.628 港元	HK\$0.626 0.626 港元	HK\$0.628 0.628 港元
Expected volatility	預期波幅	52.21%	52.14%	72.94%	52.14%	72.94%
Exercise multiple	行使倍數	1.60-2.47	1.07-1.13	2.47	1.13	1.6
Risk-free rate	無風險利率	1.082%	1.326%	1.98%	1.326%	1.98%
Annualised dividend yield	年化股息率	0.00%	0.00%	0.00%	0.00%	0.00%

The Model was used to estimate the fair values of the options. The variables and assumptions used in computing the fair values of the share options are based on the directors' best estimate. Changes in variables and assumptions may result in changes in the fair values of the options.

c) **購股權的公平值及假設**

報告期內，與本公司授出的購股權有關之20,800,000港元的購股權開支總額已於收益表確認。按性質劃分的以股份為基礎之付款詳情如下：

Nine months ended 30 September 截至九月三十日止九個月 2018 二零一八年 HK\$'000 千港元		2017 二零一七年 HK\$'000 千港元
Share option expenses for employees and Directors	18,923	5,394
Share option expenses for consultancy services	1,876	670
	20,799	6,064

已授予購股權的公平值乃以二項式期權定價模式（「該模式」）計算。輸入該模式之參數如下：

該模式乃用於估計購股權的公平值。用以計算購股權的公平值之變數及假設乃基於董事之最佳估計。變數及假設之變動或會導致購股權的公平值產生變動。

INFORMATION ON CHANGES OF DIRECTORS**董事變更資料**

Information on the changes of directors of the Company subsequent to the year ended 31 December 2017 are set out below:

於截至二零一七年十二月三十一日止年度後本公司董事變更的資料如下：

Name of director 董事姓名	Details of the change 變更詳情
Mr. Chung Yuk Lun (“Mr. Chung”) 鍾育麟先生 (「鍾先生」)	<p>On 24 January 2018, Mr. Chung was appointed as an independent non-executive Director. 於二零一八年一月二十四日，鍾先生獲委任為獨立非執行董事。</p> <p>On 2 August 2018, Mr. Chung was re-designated from independent non-executive Director to executive Director. 於二零一八年八月二日，鍾先生已由獨立非執行董事調任為執行董事。</p> <p>On 19 September 2018, Mr. Chung resigned as an executive Director. 於二零一八年九月十九日，鍾先生辭任執行董事。</p>
Mr. Li Shunmin (“Mr. Li SM”) 李順民先生 (「李順民先生」)	<p>On 13 August 2018, Mr. Li SM resigned as an executive Director. 於二零一八年八月十三日，李順民先生辭任執行董事。</p>
Mr. Guan Jincheng (“Mr. Guan”) 管錦程先生 (「管先生」)	<p>On 13 August 2018, Mr. Guan resigned as an executive Director. 於二零一八年八月十三日，管先生辭任執行董事。</p>
Ms. Che Xiaoyan (“Ms. Che”) 車曉豔女士 (「車女士」)	<p>On 24 August 2018, Ms. Che resigned as the Chairman, the Chief Executive Officer and an executive Director. 於二零一八年八月二十四日，車女士辭任主席、行政總裁及執行董事。</p>
Mr. Lin Hongtong (“Mr. Lin”) 林宏通先生 (「林先生」)	<p>On 24 August 2018, Mr. Lin Hongtong resigned as a non-executive Director. 於二零一八年八月二十四日，林宏通先生辭任非執行董事。</p>
Mr. Li Ansheng (“Mr. Li AS”) 李安生先生 (「李安生先生」)	<p>On 6 September 2018, Mr. Li AS resigned as an independent non-executive Director. 於二零一八年九月六日，李安生先生辭任獨立非執行董事。</p>

Name of director 董事姓名	Details of the change 變更詳情
Mr. Chen Yongquan (“Mr. Chen”) 陳擁權先生 (「陳先生」)	On 6 September 2018, Mr. Chen resigned as an independent non-executive Director. 於二零一八年九月六日，陳先生辭任獨立非執行董事。
Mr. Bai Honghai (“Mr. Bai”) 白洪海先生 (「白先生」)	On 13 September 2018, Mr. Bai resigned as an independent non-executive Director. 於二零一八年九月十三日，白先生辭任獨立非執行董事。
Mr. Liu Yang (“Mr. Liu Y”) 劉陽先生 (「劉陽先生」)	On 13 September 2018, Mr. Liu Y was appointed as an independent non-executive Director. 於二零一八年九月十三日，劉陽先生獲委任為獨立非執行董事。
Mr. Man Wai Lun (“Mr. Man”) 文偉麟先生 (「文先生」)	On 19 September 2018, Mr. Man resigned as an executive Director. 於二零一八年九月十九日，文先生辭任執行董事。
Mr. Liu Yingjie (“Mr. Liu YJ”) 劉英傑先生 (「劉英傑先生」)	On 19 September 2018, Mr. Liu YJ was appointed as an independent non-executive Director. 於二零一八年九月十九日，劉英傑先生獲委任為獨立非執行董事。
Mr. Zhu Zhou (“Mr. Zhu”) 朱洲先生 (「朱先生」)	On 19 September 2018, Mr. Zhu was appointed as an executive Director and Chairman of the Board. 於二零一八年九月十九日，朱先生獲委任為執行董事兼董事會主席。 On 16 October 2018, Mr. Zhu was appointed as the Chief Executive Officer of the Company. 於二零一八年十月十六日，朱先生獲委任為本公司行政總裁。

AUDIT COMMITTEE

The Company established an audit committee on 2 August 2014 (the “Audit Committee”) with its written terms of reference in compliance with paragraphs C.3.3 and C.3.7 of the Code. The primary duties of the Audit Committee are to review and supervise the Group’s financial reporting process and internal control system, nominate and monitor external auditors and to provide advice and comments to the Board on matters related to corporate governance. The Audit Committee consists of three members, namely, Mr. Chan Kam Wah, Mr. Liu Yang and Mr. Liu Yingjie. Mr. Chan Kam Wah currently serves as the chairman of the Audit Committee.

The Audit Committee has reviewed this report and the unaudited consolidated financial statements of the Group for the Reporting Period.

By order of the Board
Glory Flame Holdings Limited
Zhu Zhou
Chairman

Hong Kong, 7 November 2018

As at the date of this report, the executive Directors are Mr. Zhu Zhou and Ms. Jiao Fei; and the independent non-executive Directors are Mr. Chan Kam Wah, Mr. Liu Yang and Mr. Liu Yingjie.

審核委員會

本公司於二零一四年八月二日成立審核委員會（「審核委員會」），並根據守則第C.3.3段及第C.3.7段制定其書面職權範圍。審核委員會的主要職責是檢討及監察本集團的財務申報程序及內部監控系統、提名及監察外聘核數師，並就企業管治相關事宜向董事會提供意見及建議。審核委員會由三名成員組成，包括陳錦華先生、劉陽先生及劉英傑先生。陳錦華先生目前擔任審核委員會主席。

審核委員會已審閱本報告及本集團報告期內的未經審核綜合財務報表。

承董事會命
朝威控股有限公司
主席
朱洲

香港，二零一八年十一月七日

於本報告日期，執行董事為朱洲先生及焦飛女士；以及獨立非執行董事為陳錦華先生、劉陽先生及劉英傑先生。

