

Millennium Pacific

GROUP HOLDINGS LIMITED

匯思太平洋集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號 : 8147

2018

THIRD QUARTERLY REPORT

第三季度業績報告

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 Millennium Pacific Group 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。

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本報告乃遵照聯交所GEM證券上市規則(「**GEM上市規則**」)的規定提供有關匯思太平洋集團控股有限公司(「**本公司**」)的資料。本公司各董事(「**董事**」)共同及個別對本報告承擔全部責任。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及完整，且並無誤導或欺詐成分，亦無遺漏任何其他事項，致使本報告或本報告所載陳述產生誤導。

Corporate Information

公司資料

REGISTERED OFFICE

Clifton House
75 Fort Street
P.O. Box 1350
Grand Cayman
KY1-1108
Cayman Islands

HEADQUARTERS IN PRC

4806-4810
Shenzhen International Chamber of Commerce
168 Fuhua 3rd Road
Futian District
Shenzhen, Guangdong Province
PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 5, 4/F, Energy Plaza
No. 92 Granville Road
Tsim Sha Tsui East, Kowloon
Hong Kong

EXECUTIVE DIRECTORS

Mr. Tang Wai Ting, Samson (*Chairman*)
Mr. Liu Liang
Mr. Wang Li
Mr. Zheng Si Rong (*resigned on 10 August 2018*)

NON-EXECUTIVE DIRECTORS

Mr. Wu Jin Sheng (*Vice-Chairman*)
Mr. Chong Yu Keung

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Huang Jian
Mr. Zheng Wan Zhang
Mr. Wong Tik Tung
Mr. Chan Hin Hang (*resigned on 31 July 2018*)

AUTHORISED REPRESENTATIVES

Ms. Ngan Wai Kam, Sharon
Mr. Liu Liang

COMPANY SECRETARY

Ms. Ngan Wai Kam, Sharon

COMPLIANCE OFFICER

Mr. Tang Wai Ting, Samson

註冊辦事處

Clifton House
75 Fort Street
P.O. Box 1350
Grand Cayman
KY1-1108
Cayman Islands

中國總部

中國
廣東省深圳市
福田區
福華三路 168 號
榮超國際商會中心
4806-4810

香港主要營業地點

香港
九龍尖沙咀東
加連威老道 92 號
幸福中心 4 樓 5 室

執行董事

鄧偉廷先生 (*主席*)
劉亮先生
王歷先生
鄭思榮先生 (*於二零一八年八月十日辭任*)

非執行董事

吳晉生先生 (*副主席*)
莊儒強先生

獨立非執行董事

黃健先生
鄭玩樟先生
汪滌東先生
陳衍行先生 (*於二零一八年七月三十一日辭任*)

授權代表

顏慧金女士
劉亮先生

公司秘書

顏慧金女士

合規主任

鄧偉廷先生

Corporate Information

公司資料

AUDIT COMMITTEE

Mr. Huang Jian (*Committee Chairman*)
Mr. Wong Tik Tung
Mr. Zheng Wan Zhang (*appointed on 31 July 2018*)
Mr. Chan Hin Hang (*resigned on 31 July 2018*)

NOMINATION COMMITTEE

Mr. Wu Jin Sheng (*Committee Chairman*)
Mr. Huang Jian
Mr. Wong Tik Tung

REMUNERATION COMMITTEE

Mr. Wong Tik Tung (*Committee Chairman*)
Mr. Liu Liang
Mr. Zheng Wan Zhang (*appointed on 31 July 2018*)
Mr. Chan Hin Hang (*resigned on 31 July 2018*)

COMPLIANCE COMMITTEE

Mr. Wong Tik Tung (*Committee Chairman*)
Mr. Liu Liang
Mr. Huang Jian
Mr. Chan Hin Hang (*resigned on 31 July 2018*)

LEGAL ADVISER

Louis K.Y. Pau & Company, Solicitors

AUDITOR

World Link CPA Limited
5/F., Fast East Consortium Building
121 Des Voeux Road Central
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Estera Trust (Cayman) Limited

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited

PRINCIPAL BANKER

The Hongkong and Shanghai Banking Corporation Limited

CORPORATE WEBSITE

www.mpgroup.hk

STOCK CODE

8147

審核委員會

黃健先生 (*委員會主席*)
汪滌東先生
鄭玩樟先生 (*於二零一八年七月三十一日獲委任*)
陳衍行先生 (*於二零一八年七月三十一日辭任*)

提名委員會

吳晉生先生 (*委員會主席*)
黃健先生
汪滌東先生

薪酬委員會

汪滌東先生 (*委員會主席*)
劉亮先生
鄭玩樟先生 (*於二零一八年七月三十一日獲委任*)
陳衍行先生 (*於二零一八年七月三十一日辭任*)

合規委員會

汪滌東先生 (*委員會主席*)
劉亮先生
黃健先生
陳衍行先生 (*於二零一八年七月三十一日辭任*)

法律顧問

包建原律師事務所

核數師

華普天健(香港)會計師事務所有限公司
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開曼群島主要股份過戶登記處

Estera Trust (Cayman) Limited

香港股份過戶登記分處

卓佳證券登記有限公司

主要往來銀行

香港上海滙豐銀行有限公司

公司網站

www.mpgroup.hk

股份代號

8147

Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

未經審核簡明綜合損益及其他全面收入表

The board of Directors (the “Board”) of Millennium Pacific Group Holdings Limited (the “Company”) is pleased to present the unaudited condensed consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the three months and nine months ended 30 September 2018, together with the comparative figures for the corresponding periods in 2017, as follows:

匯思太平洋集團控股有限公司(「本公司」)董事會(「董事會」)欣然呈報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三個月及九個月的未經審核簡明綜合業績，連同二零一七年同期的比較數字如下：

		Notes 附註	Three months ended 30 September 截至九月三十日止三個月		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)	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)
Revenue	收益	3	27,876	24,722	49,895	72,696
Cost of sales	銷售成本		(23,897)	(23,926)	(43,846)	(70,321)
Gross profit	毛利		3,979	796	6,049	2,375
Other income	其他收入	4	203	1,767	810	2,888
Selling and distribution costs	銷售及分銷成本		(65)	(90)	(264)	(584)
Administrative expenses	行政開支		(11,488)	(5,596)	(30,065)	(14,732)
Share of profit of an associate	分佔聯營公司溢利		27	–	27	–
Loss from operation	營運虧損		(7,344)	(3,123)	(23,443)	(10,053)
Finance costs	財務費用		(112)	(99)	(310)	(298)
Loss before tax	除稅前虧損		(7,456)	(3,222)	(23,753)	(10,351)
Income tax expense	所得稅開支	5	–	–	–	–
Loss for the period	期內虧損	6	(7,456)	(3,222)	(23,753)	(10,351)
Other comprehensive income/ (loss) for the period, net of tax:	期內其他全面收入/(虧損)，扣除稅項：					
Item that may be reclassified to profit or loss:	可能重新分類至損益的項目：					
Exchange differences on translating foreign operations	換算海外業務時的匯兌差額		345	(1,425)	710	(2,062)
Total comprehensive loss for the period	期內全面虧損總額		(7,111)	(4,647)	(23,043)	(12,413)
Profit/(loss) for the period attributable to:	以下人士應佔期內溢利/(虧損)：					
Owners of the Company	本公司擁有人		(7,855)	(3,218)	(24,396)	(10,347)
Non-controlling interests	非控股權益		399	(4)	643	(4)
			(7,456)	(3,222)	(23,753)	(10,351)
Total comprehensive income/ (loss) attributable to:	以下人士應佔全面收入/(虧損)總額：					
Owners of the Company	本公司擁有人		(7,483)	(4,643)	(23,650)	(12,409)
Non-controlling interests	非控股權益		372	(4)	607	(4)
			(7,111)	(4,647)	(23,043)	(12,413)
Loss per share attributable to ordinary equity holders of the Company (cents)	本公司普通權益持有人應佔每股虧損(港仙)					
— basic	— 基本	8	(0.14)	(0.06)	(0.44)	(0.20)
— diluted	— 攤薄	8	(0.14)	(0.06)	(0.44)	(0.20)

Unaudited Condensed Consolidated Statement of Changes in Equity

未經審核簡明綜合權益變動表

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

		Share capital	Share premium	Statutory reserve	Merger reserve	Option reserve	Foreign currency translation reserve	Accumulated losses	Total reserve	Non-controlling interests	Total equity
		股本	股份溢價	法定儲備	合併儲備	購股權儲備	外幣換算儲備	累計虧損	總儲備	非控股權益	總權益
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Balance at 1 January 2017 (audited)	於二零一七年一月一日的結餘(經審核)	1,046	38,747	766	12,400	-	2,986	(49,814)	5,085	-	6,131
Placing of new shares under general mandate (unaudited)	根據一般授權配售新股份(未經審核)	54	23,880	-	-	-	-	-	23,880	-	23,934
Total comprehensive loss for the period (unaudited)	期內全面虧損總額(未經審核)	-	-	-	-	-	(2,062)	(10,347)	(12,409)	(4)	(12,413)
Balance at 30 September 2017 (unaudited)	於二零一七年九月三十日的結餘(未經審核)	1,100	62,627	766	12,400	-	924	(60,161)	16,556	(4)	17,652
Balance at 1 January 2018 (audited)	於二零一八年一月一日的結餘(經審核)	1,100	62,627	766	12,400	15,565	785	(83,479)	8,664	37	9,801
Issue of new shares (unaudited)	發行新股份(未經審核)	11	9,017	-	-	-	-	-	9,017	-	9,028
Recognition of share-based payments	確認以股份為基礎的付款	-	-	-	-	15,762	-	-	15,762	-	15,762
Total comprehensive income/(loss) for the period (unaudited)	期內全面收入/(虧損)總額(未經審核)	-	-	-	-	-	746	(24,396)	(23,650)	607	(23,043)
Balance at 30 September 2018 (unaudited)	於二零一八年九月三十日的結餘(未經審核)	1,111	71,644	766	12,400	31,327	1,531	(107,875)	9,793	644	11,548

Notes to the Unaudited Condensed Consolidated Financial Statements

未經審核簡明綜合財務報表附註

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempt company with limited liability on 10 September 2013 under the Company Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is Clifton House, 75 Fort Street, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands. The address of its principal place of business is located at 4th Floor, Building C, 101 Kang Wei Plaza, No. 52, Xinhe Community Industrial South Road, Fuhai Street, Baoan District, Shenzhen, the People's Republic of China* (the "PRC"). The Company's shares are listed on GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 18 July 2014 (the "Listing").

The Company is an investment holding company. The principal activities of the Company's subsidiaries are research and development, manufacture, sale of electronic devices.

2. BASIS OF PRESENTATION AND PREPARATION OF FINANCIAL STATEMENTS

The unaudited condensed consolidated financial statements of the Group for the three months and nine months ended 30 September 2018 have been prepared in accordance with accounting principles generally accepted in Hong Kong and comply with Hong Kong Financial Reporting Standards ("HKFRSs") issued by Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the applicable disclosure requirements of the Rules Governing the Listing of Securities on GEM of the Stock Exchange.

The unaudited condensed consolidated financial statements of the Group are presented in Hong Kong dollars, which is the functional currency of the Company.

The unaudited condensed consolidated results of the Group for the nine months ended 30 September 2018 do not include all the information and disclosures required in the annual financial statements of the Group and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2017 (the "2017 Consolidated Financial Statements"). Except as described in paragraph headed "Change in accounting policies" below, the accounting policies and methods of computation used in the preparation of the unaudited condensed consolidated results are consistent with those used in the 2017 Consolidated Financial Statements.

Change in accounting policies

The Group has initially adopted HKFRS 9 "Financial Instruments" and HKFRS 15 "Revenue from Contracts with Customers" from 1 January 2018. A number of other new standards are effective from 1 January 2018 but they do not have a material effect on the Group's consolidated financial statements.

* For identification purpose

1. 一般資料

本公司於二零一三年九月十日根據開曼群島公司法第22章（一九六一年第三號法律，經綜合及修訂）在開曼群島註冊成立為一家獲豁免有限公司。其註冊辦事處的地址為Clifton House, 75 Fort Street, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands。其主要營業地點的地址為中華人民共和國（「中國」）深圳市寶安區福海街道新和社區工業南路52號101康威廣場C棟四樓。本公司股份自二零一四年七月十八日起於香港聯合交易所有限公司（「聯交所」）GEM上市（「上市」）。

本公司為一間投資控股公司。本公司附屬公司之主要業務為研發、製造及銷售電子設備。

2. 財務報表的呈報及編製基準

本集團截至二零一八年九月三十日止三個月及九個月之未經審核簡明綜合財務報表已按照香港公認會計原則及遵照香港會計師公會（「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」）及聯交所GEM證券上市規則之適用披露規定編製。

本集團的未經審核簡明綜合財務報表乃以港元呈列，此乃本公司的功能貨幣。

本集團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業績並未包括本集團年度財務報表所需的所有資料及披露，並應與本集團截至二零一七年十二月三十一日止年度的綜合財務報表（「二零一七年綜合財務報表」）一併閱讀。除下文「會計政策變更」一段所述者外，編製未經審核簡明綜合業績所用會計政策及計算方法與二零一七年綜合財務報表所用者貫徹一致。

會計政策變動

本集團自二零一八年一月一日起初步採納香港財務報告準則第9號「金融工具」及香港財務報告準則第15號「來自客戶合約的收益」。若干其他新訂準則自二零一八年一月一日起生效，但對本集團的綜合財務報表並無重大影響。

Notes to the Unaudited Condensed Consolidated Financial Statements

未經審核簡明綜合財務報表附註

2. BASIS OF PRESENTATION AND PREPARATION OF FINANCIAL STATEMENTS (Continued)

HKFRS 9 Financial Instruments

The Group has applied HKFRS 9 "Financial Instruments" on 1 January 2018. HKFRS 9 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 includes a new expected loss impairment model for all financial assets not measured at fair value through profit or loss ("FVTPL") replacing the incurred loss model in HKAS 39 and new general hedge accounting requirements to allow entities to better reflect their risk management activities in financial statements. HKFRS 9 carries forward the recognition, classification and measurement requirements for financial liabilities from HKAS 39, except for financial liabilities designated at FVTPL, where the amount of change in fair value attributable to change in credit risk of the liability is recognised in other comprehensive income unless that would create or enlarge an accounting mismatch. In addition, HKFRS 9 retains the requirements in HKAS 39 for derecognition of financial assets and financial liabilities. Under HKFRS 9, it is no longer necessary for a loss event to occur before an impairment loss is recognised.

The adoption of HKFRS 9 at the date of initial application on 1 January 2018 has no impact on the consolidated financial statements of the Group with regard to the classification and measurement of financial instruments nor has any material impairment been recognised upon application of the expected loss approach as at same date.

HKFRS 15 Revenue from Contracts with Customers

The Group has applied HKFRS 15 "Revenue from Contracts with Customers" on 1 January 2018. This new standard establishes a single revenue recognition framework. The core principle of the framework is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. HKFRS 15 has superseded existing revenue recognition guidance including HKAS 18 Revenue, HKAS 11 Construction Contracts and related interpretations.

The adoption of HKFRS 15 at the date of initial application on 1 January 2018 does not have material effect on the Group's consolidated financial statements.

3. REVENUE

An analysis of the Group's revenue for the period is as follows:

		Three months ended 30 September 截至九月三十日止三個月		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)	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)
Sales of manufactured products	銷售製成產品	16,027	218	29,840	4,619
Sales on trading of electronic products, accessories and raw materials	電子產品、配件及原材料貿易銷售	9,764	24,504	16,415	68,077
Provision of application software development services	提供應用軟件開發服務	2,085	–	3,640	–
		27,876	24,722	49,895	72,696

2. 財務報表的呈報及編製基準(續)

香港財務報告準則第9號金融工具

本集團於二零一八年一月一日起應用香港財務報告準則第9號「金融工具」。香港財務報告準則第9號引入金融資產分類及計量的新規定。香港財務報告準則第9號就非按公平值計入損益(「按公平值計入損益」)計量的所有金融資產納入新的預期虧損減值模式，以取代香港會計準則第39號的已產生虧損模式，以及新的一般對沖會計規定，以使各實體於財務報表內更好地反映其風險管理活動。香港財務報告準則第9號沿用香港會計準則第39號項下金融負債的確認、分類及計量規定，惟指定按公平值計入損益的金融負債除外，而負債信貸風險變動引致的公平值變動金額於其他全面收益確認，除非會產生或擴大會計錯配則另作別論。此外，香港財務報告準則第9號保留香港會計準則第39號終止確認金融資產及金融負債的規定。根據香港財務報告準則第9號，確認減值虧損前毋須發生虧損事件。

於二零一八年一月一日首次應用日期採納香港財務報告準則第9號對本集團有關金融工具分類及計量的綜合財務報表並無影響，於同日應用預期虧損法亦無確認任何重大減值。

香港財務報告準則第15號來自客戶合約的收益

本集團於二零一八年一月一日應用香港財務報告準則第15號「來自客戶合約的收益」。該項新訂準則確立單獨收益確認框架。該框架的核心原則為實體應確認收益，以使用金額描述向客戶轉讓承諾商品或服務，該金額反映該實體預期有權就商品及服務交換所收取的代價。香港財務報告準則第15號已取代現行收益確認指引，包括香港會計準則第18號收益、香港會計準則第11號建築合約及相關詮釋。

於二零一八年一月一日首次應用日期採納香港財務報告準則第15號對本集團的綜合財務報表並無重大影響。

3. 收益

本集團期內收益的分析如下：

Notes to the Unaudited Condensed Consolidated Financial Statements

未經審核簡明綜合財務報表附註

4. OTHER INCOME

		4. 其他收入			
		Three months ended 30 September 截至九月三十日止三個月		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)	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)
Interest income	利息收入	6	–	12	1
Foreign exchange gain, net	匯兌收益淨額	–	1,619	–	2,324
Others	其他	197	148	798	563
		203	1,767	810	2,888

5. INCOME TAX EXPENSE

No provision for Hong Kong Profits Tax has been made for the three and nine months ended 30 September 2018 as the Group's Hong Kong subsidiaries did not generate any assessable profit for the three and nine months ended 30 September 2018.

No provision for PRC Enterprise Income Tax is required for the three and nine months ended 30 September 2018 as the Group's PRC subsidiaries did not generate any assessable profit for the three and nine months ended 30 September 2018.

5. 所得稅開支

截至二零一八年九月三十日止三個月及九個月，概無就香港利得稅計提撥備，原因是本集團的香港附屬公司於截至二零一八年九月三十日止三個月及九個月概無產生任何應課稅溢利。

由於本集團中國附屬公司於截至二零一八年九月三十日止三個月及九個月概無產生任何應課稅溢利，故截至二零一八年九月三十日止三個月及九個月毋須計提中國企業所得稅撥備。

6. LOSS FOR THE PERIOD

		6. 期內虧損			
		Three months ended 30 September 截至九月三十日止三個月		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)	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)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	166	1,362	609	2,142
Staff costs (including Directors' emoluments)	員工成本(包括董事酬金)				
– Salaries, bonus and allowances	– 薪金、花紅及津貼	1,627	1,995	4,079	6,162
– Share-based payments	– 以股份為基礎付款	5,254	–	15,762	–
– Retirement benefits scheme contributions	– 退休福利計劃供款	63	91	183	408
		6,944	2,086	20,024	6,570
Cost of inventories sold	已售存貨成本	22,888	33,890	42,837	80,285
Cost of services provided	已提供服務成本	319	–	319	–
Foreign exchange loss, net	匯兌虧損淨額	1,093	–	1,510	–
Operating lease charges in respect of premises	物業經營租賃費用	2,006	907	5,671	1,411
Allowance for other receivables	其他應收款項撥備	–	–	551	–
Allowance/(reversal of allowance) for inventories	存貨撥備/(撥備撥回)	–	17	(2,140)	514

Notes to the Unaudited Condensed Consolidated Financial Statements

未經審核簡明綜合財務報表附註

6. LOSS FOR THE PERIOD (Continued)

Notes:

- (a) Depreciation of property, plant and equipment of approximately HK\$147,400 (2017: HK\$2,300) and HK\$181,400 (2017: HK\$48,300) for the three and nine months ended 30 September 2018 is included in cost of sales.
- (b) Staff costs of approximately HK\$620,300 (2017: HK\$7,700) and HK\$864,300 (2017: HK\$92,700) for the three and nine months ended 30 September 2018 is included in cost of sales.
- (c) Operating lease charges in respect of premises of Nil (2017: HK\$2,300) and approximately HK\$18,000 (2017: HK\$29,300) for the three and nine months ended 30 September 2018 is included in cost of sales.

7. DIVIDENDS

No dividends was declared or paid during the three months and nine months ended 30 September 2018 (three months and nine months ended 30 September 2017: Nil).

8. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of basic and diluted loss per share attributable to the ordinary equity holders of the Company is based on the following data:

(a) Basic loss per share

	Three months ended 30 September 截至九月三十日止三個月		Nine months ended 30 September 截至九月三十日止九個月	
	2018 二零一八年 (unaudited) (未經審核)	2017 二零一七年 (unaudited) (未經審核)	2018 二零一八年 (unaudited) (未經審核)	2017 二零一七年 (unaudited) (未經審核)
Loss for the purpose of calculating basic and diluted loss per share (HK\$'000)	(7,855)	(3,218)	(24,396)	(10,347)
Number of shares for the purpose of basic loss per share				
Weighted average number of ordinary shares for the purpose of basic loss per share (Note)	5,503,972,272	5,277,691,304	5,499,880,033	5,244,613,187

(b) Diluted loss per share

The effect of all potential ordinary shares of the Company in respect of share options for the three and nine months ended 30 September 2018 are anti-dilutive.

Note: On 21 September 2018, an aggregate of 56,784,906 shares had been successfully issued by the Company pursuant to the acquisition of 11% of issued share capital of an investment at the issue price of HK\$0.159 per share. The new shares were issued under the general mandate granted to the directors of the Company at the annual general meeting of the Company held on 21 June 2018. Details of the acquisition are set out in the Company's announcements dated 4 September 2018 and 21 September 2018.

6. 期內虧損(續)

附註：

- (a) 截至二零一八年九月三十日止三個月及九個月，物業、廠房及設備折舊約為147,400港元(二零一七年：2,300港元)及181,400港元(二零一七年：48,300港元)，計入銷售成本。
- (b) 截至二零一八年九月三十日止三個月及九個月，員工成本約為620,300港元(二零一七年：7,700港元)及864,300港元(二零一七年：92,700港元)，計入銷售成本。
- (c) 截至二零一八年九月三十日止三個月及九個月，物業經營租賃費用為零(二零一七年：2,300港元)及約18,000港元(二零一七年：29,300港元)，計入銷售成本。

7. 股息

截至二零一八年九月三十日止三個月及九個月，概無宣派或支付股息(截至二零一七年九月三十日止三個月及九個月：無)。

8. 本公司普通權益持有人應佔每股虧損

本公司普通權益持有人應佔每股基本及攤薄虧損乃基於以下數據計算：

(a) 每股基本虧損

	Three months ended 30 September 截至九月三十日止三個月		Nine months ended 30 September 截至九月三十日止九個月	
	2018 二零一八年 (unaudited) (未經審核)	2017 二零一七年 (unaudited) (未經審核)	2018 二零一八年 (unaudited) (未經審核)	2017 二零一七年 (unaudited) (未經審核)
Loss for the purpose of calculating basic and diluted loss per share (HK\$'000)	(7,855)	(3,218)	(24,396)	(10,347)
Number of shares for the purpose of basic loss per share				
Weighted average number of ordinary shares for the purpose of basic loss per share (Note)	5,503,972,272	5,277,691,304	5,499,880,033	5,244,613,187

(b) 每股攤薄虧損

本公司於截至二零一八年九月三十日止三個月及九個月購股權涉及的所有潛在普通股具有反攤薄影響。

附註：於二零一八年九月二十一日，本公司根據收購11%已發行股本之投資而按發行價每股0.159港元成功發行合共56,784,906股股份。新股份根據本公司於二零一八年六月二十一日舉行的股東週年大會上授予本公司董事的一般授權發行。收購詳情載於本公司日期為二零一八年九月四日及二零一八年九月二十一日的公告內。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

Overview

The Group is principally engaged in research and development, manufacture and sales of electronic devices, including fitness bracelets, GPS personal navigation devices, mobile internet devices and TV set-top boxes and software development. The Group provides one-stop services to its customers by offering design, prototyping/sampling, manufacturing, assembling and packaging of its products. To diversify its income streams and counter balance the market trends, the Group had expanded its manufacturing business to engage in a new line of business of software development and devoted most of its resources in this new segment during the nine months ended 30 September 2018 (the “**Reporting Period**”).

Revenue of the Group for the Reporting Period was approximately HK\$49.9 million, representing a decrease of approximately 31.4% from approximately HK\$72.7 million for the nine months ended 30 September 2017 (the “**Corresponding Period**”). The significant decrease in revenue was mainly attributable to material decrease in revenue of sales on trading of electronic products, accessories and raw materials, generating revenue of approximately HK\$16.4 million for the Reporting Period compared to approximately HK\$68.1 million for the Corresponding Period.

Financial Review

Cost of Sales and Gross Profit

The majority of the Group’s cost of sales was costs of merchandises and raw material. The Group’s cost of sales during the Reporting Period decreased by 37.7% to approximately HK\$43.8 million compared to the Corresponding Period. The gross profit margin increased from approximately 3.3% for the Corresponding Period to approximately 12.1% for the Reporting Period. The gross profit also increased from approximately HK\$2.4 million for the Corresponding Period to approximately HK\$6.0 million for the Reporting Period. The increase in gross profit margin and gross profit was mainly attributable to the significant increase in the revenue from the sales of manufactured products and provision of application software development services with higher gross profit, which was partially offset by a material decrease from sales on trading of electronic products with lower gross profit.

The proportion in sales on trading of electronic products, accessories and raw materials decreased to approximately 32.9% for the Reporting Period from approximately 93.6% for the Corresponding Period. The proportion in sales of manufactured products increased to approximately 59.8% for the Reporting Period from approximately 6.4% for the Corresponding Period.

Expenses

Staff costs of the Group for the Reporting Period was approximately HK\$20.0 million, representing an increase of approximately HK\$13.4 million as compared with staff costs for the Corresponding Period of approximately HK\$6.6 million. Such significant increase in staff costs was attributed to the recognition of share-based payment expenses of approximately HK\$15.8 million during the Reporting Period.

The administrative expenses of the Group for the Reporting Period were approximately HK\$30.1 million, representing an increase of approximately HK\$15.4 million from approximately HK\$14.7 million in the Corresponding Period. The significant increase in administrative expenses was mainly due to the increase in staff costs and operating lease charges on premises in respect of offices in Hong Kong and the PRC.

業務回顧

概覽

本集團主要從事研發、製造及銷售電子產品，包括健身手環、GPS個人導航設備、行動連網裝置及電視機頂盒以及軟件開發。本集團通過提供設計、原型機製造／樣機製造、製造、裝配及包裝產品向客戶提供一站式服務。為擴大收入來源並平衡市場趨勢，本集團於截至二零一八年九月三十日止九個月（「**報告期間**」）已擴展製造業務，以從事全新軟件開發業務線，並將大部分資源投入該新分部。

於報告期間本集團之收益為約49.9百萬港元，較截至二零一七年九月三十日止九個月（「**同期**」）約72.7百萬港元減少約31.4%。收益大幅減少主要由於電子產品、配件及原材料貿易銷售收益大幅減少，於報告期間產生收益約16.4百萬港元，而同期則為約68.1百萬港元。

財務回顧

銷售成本及毛利

本集團銷售成本主要為商品及原材料成本。本集團於報告期間的銷售成本較同期下降37.7%至約43.8百萬港元。毛利率由同期約3.3%增至報告期間約12.1%。毛利亦由同期約2.4百萬港元增至報告期間約6.0百萬港元。毛利率及毛利上升乃主要由於毛利較高的製成產品銷售及提供應用軟件開發服務收益大幅增加，惟部分被毛利較低的電子產品貿易的銷售額嚴重下滑所抵銷。

電子產品、配件及原材料貿易的銷售額比例由同期約93.6%下降至報告期間約32.9%。製成產品銷售額比例由同期約6.4%增至報告期間約59.8%。

開支

於報告期間本集團的員工成本約為20.0百萬港元，較同期的員工成本約6.6百萬港元增加約13.4百萬港元。員工成本大幅增加乃由於確認報告期間以股份為基礎的付款開支約15.8百萬港元。

於報告期間本集團的行政開支約為30.1百萬港元，較同期約14.7百萬港元增加約15.4百萬港元。行政開支大幅增加主要由於員工成本及香港及中國辦公室的物業經營租賃費用增加所致。

Management Discussion and Analysis

管理層討論及分析

Loss for the Period

The Group incurred a net loss of approximately HK\$23.8 million during the Reporting Period, as compared with a net loss of approximately HK\$10.4 million for the Corresponding Period. The increase of net loss was primarily due to increase in administrative expenses in particular increase in staff costs and operating lease charges on premises in respect of offices in Hong Kong and the PRC.

Dividend

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

Outlook

Due to the intensive market competition in the PRC where the Group's production base operates, the management had carefully considered the market factors such as market trends, capital expenditures and development cycles when selecting the appropriate product mix to which the Group should focus and devote its resources. To diversify its income streams and counter balance the market trends, the Group further developed its manufacturing business and expanded into the business of application software development during the Reporting Period. The Group plans to further its growth through the contribution of the new segment of application software development by (i) streamlining its software development process and (ii) recruiting more eligible candidates.

Looking forward, the Group will remain committed to the development of its business through various channels and continue to identify other business opportunities in higher growth sectors to extend its business in order to enhance the Group's profitability, broaden its revenue base and diversify its business exposure.

Significant Investments held, Material Acquisitions and Disposals of Subsidiaries, and Future Plans for Material Investments or Capital Assets

The Group has from time to time been seeking new investment opportunities in similar business of consumer electronic products. As such, during the period of three months ended 30 September 2018, on 4 September 2018, Millennium Pacific International Group Limited (“**Millennium International**”), a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement (the “**Agreement**”) with an independent third party, Ma Xingjin (the “**Vendor**”), pursuant to which Millennium International had conditionally agreed to acquire, and the Vendor had conditionally agreed to sell 11% of the entire issued share capital of Celestial Rainbow Limited (the “**Target Company**”) at the consideration of HK\$9,028,800 by way of the allotment and issue of consideration shares by the Company (the “**Acquisition**”). Shenzhen Ampeg Technology Company Limited, a wholly owned subsidiary of the Target Company, is a Hi-tech enterprise, specialized in research and development, manufacturing and marketing of wearing electronics products (smart bracelet, smart watch etc.). Upon completion, the Company will be indirectly interested in 11% of the entire issued share capital of the Target Company.

In order to settle the consideration in respect of the Acquisition, an aggregate of 56,784,906 shares of the Company were allotted and issued to the Vendor at the issue price of HK\$0.159 each on 21 September 2018 pursuant to the Agreement.

On 21 September 2018, conditions precedent as set out in the Agreement had been satisfied and completion of the Acquisition took place and details of the Acquisition are set out in the announcements of the Company dated 4 September 2018 and 21 September 2018.

期內虧損

本集團於報告期間產生虧損淨額約23.8百萬港元，而同期的虧損淨額則約為10.4百萬港元。虧損淨額增加乃主要歸因於行政開支增加所致，尤其是員工成本以及香港及中國辦公室的物業經營租賃費用增加。

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(二零一七年九月三十日：零)。

展望

由於本集團生產基地所在的中國市場競爭激烈，故管理層於選擇本集團適宜專注及投放資源的產品組合時，已審慎考慮市場趨勢、資本開支及發展周期等市場因素。為實現其收入來源多元化及平衡市場趨勢，本集團於報告期間進一步發展其製造業務並擴展至應用軟件開發業務。本集團計劃通過(i)精簡軟件開發流程及(ii)招聘更多合資格人選，透過應用軟件開發之新分部之貢獻實現其進一步增長。

展望未來，本集團仍將致力於透過不同渠道開發其業務，並繼續物色更高增長領域之其他商機以擴展其業務，從而提升本集團之盈利能力，拓闊其收益基礎並分散其業務風險。

所持有的重大投資、附屬公司的重大收購及出售以及重大投資或資本資產的未來計劃

本集團不時尋求與消費電子產品業務類似的新投資機會。因此，截至二零一八年九月三十日止三個月期間內，於二零一八年九月四日，本公司之全資附屬公司Millennium Pacific International Group Limited (“**Millennium International**”)與一名獨立第三方Ma Xingjin (“**賣方**”)訂立買賣協議 (“**協議**”)，據此Millennium International有條件同意收購，而賣方有條件同意出售Celestial Rainbow Limited (“**目標公司**”)之11%全部已發行股本，代價為9,028,800港元，以由本公司配發及發行代價股份之方式償付 (“**收購事項**”)。目標公司的全資附屬公司深圳市艾普科技有限公司為一家專業從事穿戴電子產品(智能手環、智能手錶等)研發、生產及銷售的高科技企業。於完成後，本公司將間接擁有目標公司11%全部已發行股本。

為償付有關收購事項之代價，已於二零一八年九月二十一日根據協議以發行價每股0.159港元向賣方合共配發及發行56,784,906股本公司股份。

於二零一八年九月二十一日，協議所載先決條件已獲達成及收購事項已完成。收購事項之詳情載於本公司日期為二零一八年九月四日及二零一八年九月二十一日之該等公告。

Management Discussion and Analysis

管理層討論及分析

On 24 May 2018, Shidai Jiufang (Shenzhen) Healthcare Technology Holdings Limited (“**Shidai Jiufang**”), a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement with an independent third party, Futaihua Industry (Shenzhen) Company Limited (“**Futaihua**”), pursuant to which Shidai Jiufang had conditionally agreed to acquire, and Futaihua had conditionally agreed to sell 25% equity interest in Hangzhou Zheyu New Energy Automotive Service Company Limited (“**Zheyu**”) at the consideration of RMB1.6 million (equivalent to approximately HK\$2.0 million) in cash (the “**Investment**”). The Investment was completed in September 2018 and thus, the Company was indirectly interested in 25% equity interest in Zheyu. Details of the Investment are set out in the announcement of the Company dated 24 May 2018.

Directors’ and Chief Executives’ Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company or any Associated Corporation

As at 30 September 2018, the interests and short positions of the Directors and chief executives 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 (“**SFO**”), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of listed issuers as referred to in Rules 5.46 of the GEM Listing Rules were as follows:

Long positions

Ordinary shares of the Company

於二零一八年五月二十四日，本公司的全資附屬公司時代九方(深圳)健康科技控股有限公司(「**時代九方**」)與一名獨立第三方富泰華工業(深圳)有限公司(「**富泰華**」)訂立買賣協議，據此，時代九方已有條件同意收購，且富泰華已有條件同意銷售杭州浙譽新能源汽車服務有限公司(「**浙譽**」)25%股權，現金代價為人民幣1,600,000元(相當於約2,000,000港元)(「**投資**」)。投資於二零一八年九月完成，因此，本公司已間接擁有浙譽25%股權。投資的詳情載於本公司日期為二零一八年五月二十四日的公告。

董事及主要行政人員於本公司或任何相聯法團的股份、相關股份及債券中的權益及淡倉

於二零一八年九月三十日，董事及本公司主要行政人員於本公司及其相聯法團(定義見證券及期貨條例(「**證券及期貨條例**」)第XV部)的股份、相關股份及債券中擁有須記入本公司根據證券及期貨條例第352條所存置之登記冊，或根據GEM上市規則第5.46條所述上市發行人董事進行交易的規定準則須另行知會本公司及聯交所的權益及淡倉如下：

好倉

本公司普通股

Name	Capacity and nature of Interest	Class of Shares	Number of Shares (note 1) 股份數目 (附註1)	Percentage of the Company's issued share capital 佔本公司已發行股本之百分比
Mr. Tang Wai Ting, Samson (note 2) 鄧偉廷先生(附註2)	Interest of controlled corporation 受控制法團權益	ordinary shares 普通股	35,900,000 (L)	0.65%
Mr. Liu Liang 劉亮先生	Beneficial owner 實益擁有人	share options (note 3) 購股權(附註3)	54,000,000 (L)	0.97%
Mr. Wu Jin Sheng 吳晉生先生	Beneficial owner 實益擁有人	share options (note 3) 購股權(附註3)	54,000,000 (L)	0.97%
Mr. Chong Yu Keung 莊儒強先生	Beneficial owner 實益擁有人	share options (note 3) 購股權(附註3)	54,000,000 (L)	0.97%

Notes:

- The letter “L” denotes a long position in the shareholder's interest in the share capital of the Company.
- The 35,900,000 shares were held by CPIT Investments Limited which is beneficially owned as to 99% by Mr. Tang and 1% by his spouse.
- These represented the interests in underlying shares in respect of share options granted by the Company, details of which are disclosed in section headed “Share Option Scheme” below.

附註：

- 「L」指股東於本公司股本權益的好倉。
- 該35,900,000股股份由CPIT Investments Limited持有，而CPIT Investments Limited由鄧先生及其配偶分別實益擁有99%及1%權益。
- 該項目指本公司所授出購股權涉及的相關股份權益，詳情披露於下文「購股權計劃」一節。

Management Discussion and Analysis

管理層討論及分析

Save as disclosed above, as at 30 September 2018, none of the Directors and chief executives of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of listed issuers as referred to in Rule 5.46 of the GEM Listing Rules.

Substantial Shareholders' and Other Persons' Interests and Short Positions in the Shares and Underlying Shares of the Company

As at 30 September 2018, the following persons (other than a Director or chief executive of the Company) had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO:

Long positions

Ordinary shares of the Company

Name	Capacity and nature of interest	Class of Shares	Number of shares (note 1) 股份數目 (附註 1)	Percentage of the Company's issued share capital 佔本公司已發行股本之百分比
Martford Limited (note 2)	Beneficial Owner	ordinary shares	3,145,250,000 (L)	56.6%
Martford Limited (附註 2)	實益擁有人	普通股		

Notes:

- The letter "L" denotes a long position in the shareholder's interest in the share capital of the Company.
- The 3,145,250,000 shares were held by Martford Limited which is wholly and beneficially owned by Mr. Wang Lianghai.

Save as disclosed above, as at 30 September 2018, no other interests or short positions in the shares or underlying shares of the Company were recorded in the register required to be kept by the Company under section 336 of the SFO.

CHANGE OF DIRECTORS

On 31 July 2018, Mr. Chan Hin Hang ("Mr. Chan") resigned as an independent non-executive director of the Company due to his personal affairs. Following the resignation of Mr. Chan, he also ceased to be the member of the Audit Committee, Remuneration Committee and Compliance Committee of the Board. On the same date, Mr. Zheng Wan Zhang, an independent non-executive director of the Company, has been appointed as a member of each of the Audit Committee and Remuneration Committee of the Board.

On 10 August 2018, Mr. Zheng Si Rong resigned as an executive director of the Company due to his decision to devote more time to his other business commitments and engagements.

Details of the appointment and resignation were set out in the announcements of the Company dated 31 July 2018, 10 August 2018 and 16 August 2018.

除上文所披露者外，於二零一八年九月三十日，概無董事及本公司主要行政人員於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的任何股份、相關股份或債券中擁有須記入本公司根據證券及期貨條例第352條所存置之登記冊，或根據GEM上市規則第5.46條所述上市發行人董事進行交易的規定準則須另行知會本公司及聯交所的任何權益或淡倉。

主要股東及其他人士於本公司股份及相關股份的權益及淡倉

於二零一八年九月三十日，下列人士(董事或本公司主要行政人員除外)於本公司股份及相關股份中擁有記錄在根據證券及期貨條例第336條須存置之登記冊內的權益或淡倉：

好倉

本公司普通股

Name	Capacity and nature of interest	Class of Shares	Number of shares (note 1) 股份數目 (附註 1)	Percentage of the Company's issued share capital 佔本公司已發行股本之百分比
Martford Limited (note 2)	Beneficial Owner	ordinary shares	3,145,250,000 (L)	56.6%
Martford Limited (附註 2)	實益擁有人	普通股		

Notes:

- [L] 指股東於本公司股本權益的好倉。
- 3,145,250,000股股份由Martford Limited持有，而Martford Limited由王良海先生全資實益擁有。

除上文所披露者外，於二零一八年九月三十日，概無於本公司股份或相關股份的其他權益或淡倉記錄在本公司根據證券及期貨條例第336條須存置之登記冊內。

董事變更

於二零一八年七月三十一日，陳衍行先生(「陳先生」)因私人事務而辭任本公司獨立非執行董事職務。於陳先生辭任後，彼亦不再擔任董事會轄下審核委員會、薪酬委員會及合規委員會成員。於同日，本公司獨立非執行董事鄭玩璋先生已獲委任為董事會轄下審核委員會及薪酬委員會成員。

於二零一八年八月十日，鄭思榮先生因決定投放更多時間於其他業務承擔及事務而辭任本公司執行董事職務。

有關委任及辭任的詳情載於本公司日期為二零一八年七月三十一日、二零一八年八月十日及二零一八年八月十六日之公告。

Management Discussion and Analysis

管理層討論及分析

Purchases, Sales or Redemption of Listed Securities of the Company

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the nine months ended 30 September 2018.

Events after the Reporting Date

Up to the date of this report, the Group had no significant subsequent events after the Reporting Period which needs to be disclosed.

Competing Interests

The Directors confirm that none of the controlling shareholders or Directors and their respective close associates (as defined in the GEM Listing Rules) is interested in any business apart from the business operated by the Group which competes or is likely to compete, directly or indirectly, with the business of the Group during the Reporting Period.

Compliance with the Required Standard of Dealings in Securities Transactions by Directors

The Group adopted the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding Directors' transactions in securities of the Company effective from 18 July 2014 upon the Listing. Upon the Group's specific enquiry, each Director confirmed that, he had fully complied with the required standard of dealings and there was no event of non-compliance during the Reporting Period.

Corporate Governance Practices

The Company endeavours to maintain high standards of corporate governance for enhancement of shareholders' value and to provide transparency, accountability and independence. The Company's corporate governance practices are based on the principles and the code provisions (the "Code Provisions") set out in the Corporate Governance Code (the "CG Code") contained in Appendix 15 of the GEM Listing Rules. The Company adopted the Code Provisions as set out in the CG Code since the listing of the Company on 18 July 2014. During the Reporting Period, the Company had complied with the applicable Code Provisions and mandatory disclosure requirement as set out in the CG Code, except for the following deviations in respect of which remedial steps for compliance had been taken or considered reasons are given below.

Code Provision A.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Tang Wai Ting, Samson ("Mr. Tang") was both the chairman and the chief executive officer of the Company since 2014. In view of Mr. Tang is one of the co-founders of the Group and has been operating and managing the Group since 2004, the Board believes that it is in the best interest of the Group to have Mr. Tang taking up both roles for effective management and business development. Therefore the Directors consider that the deviation from the Code Provision A.2.1 of the CG Code is appropriate in such circumstance.

購買、出售或贖回本公司上市證券

截至二零一八年九月三十日止九個月，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

報告日期後事件

截至本報告日期，本集團於報告期間後並無重大其後事項須予披露。

競爭權益

董事確認，於報告期間內概無控股股東或董事及彼等各自的緊密聯繫人士(定義見GEM上市規則)於與本集團業務直接或間接構成競爭或可能構成競爭的任何業務(本集團所營運業務除外)中擁有權益。

遵守董事進行證券交易的規定準則

自二零一四年七月十八日上市後，本集團已採納GEM上市規則第5.48至第5.67條所載交易規定標準，作為規管董事進行本公司證券交易的操守守則。經本集團作出具體查詢後，各董事已確認，於報告期間內，彼已全面遵守交易規定準則，且並無任何不合規事件。

企業管治常規

本公司致力維持高水準企業管治以提高股東價值，並提供透明度、問責性及獨立性。本公司的企業管治常規乃以GEM上市規則附錄十五的企業管治守則(「企業管治守則」)所載的原則及守則條文(「守則條文」)為基礎。本公司於二零一四年七月十八日上市以來一直採用企業管治守則所載的守則條文。於報告期間內，本公司已遵守企業管治守則所載的適用守則條文及強制披露規定，惟下列偏離事項除外，而本公司已就有關偏離事項採取補救措施，並於下文載列有關偏離原因。

企業管治守則之守則條文第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。鄧偉廷先生(「鄧先生」)自二零一四年起擔任本公司主席兼行政總裁。鑑於鄧先生為本集團共同創始人之一以及自二零零四年以來一直營運及管理本集團，董事會相信鄧先生兼任該兩個職位可以實現有效管理及業務發展，符合本集團的最佳利益。因此，董事認為，就此情況而言偏離企業管治守則之守則條文第A.2.1條屬恰當。

Management Discussion and Analysis

管理層討論及分析

On 17 January 2018, Mr. Lu Zhiming was appointed as the chief executive officer of the Company. At the same time, Mr. Tang ceased to be the chief executive officer of the Company but still held the post of the chairman of the Board. After separation of the two roles, Code Provision A.2.1 of the CG Code has been complied with and there are clear divisions among their responsibilities with a view to achieving a balance of power and authority. The chairman provides leadership to the Board in terms of formulating policies and strategies, and discharges those duties set out in Code Provision A.2 of the CG Code. The chief executive officer of the Company has the overall responsibility of implementing the decisions, policies and strategies approved by the Board, and overseeing the Group's business and operations.

Code Provision C.1.2 of the CG Code provides that management should provide all members of the board with monthly updates giving a balanced and understandable assessment of the issuer's performance, position and prospects in sufficient detail to enable the board as a whole and each director to discharge their duties under Rule 5.01 and Chapter 17 of the GEM Listing Rules. Although regular monthly updates to the members of the Board were not arranged, the management keeps providing information and updates to the members of the Board as and when appropriate. With the support from the company secretary, the management ensures that all members of the Board properly received adequate, complete and reliable information in a timely manner.

Code Provision A.1.8 of the CG Code provides that appropriate insurance cover in respect of legal action against directors should be arranged. Currently, the Company does not have insurance cover for legal action against its Directors. The Board believes that with the current risk management and internal control systems and the close supervision of the management, the Directors' risk of being sued or getting involved in litigation in the capacity as Directors is relatively low. Benefits to be derived from taking out insurance may not outweigh the cost. Despite it, every Director is, subject to the provisions of the applicable laws, indemnified out of the assets of the Company against all costs, charges, expenses, losses and liabilities he/she may sustain or incur in or about the execution of his/her office or otherwise in relation thereto pursuant to the articles of association of the Company. In view of the above, the Board considers that the Directors' exposure to risk is manageable.

Code Provision A.5.1 of the CG Code stipulates that the nomination committee shall be chaired by the chairman of the board or an independent non-executive director and comprises a majority of independent non-executive directors. Mr. Wu Jin Sheng, a non-executive Director, was appointed as the chairman of the nomination committee on 17 July 2017 which resulted in a non-compliance. Such deviation from Code Provision A.5.1 of the CG Code will be rectified as soon as practicable.

Code Provision A.6.7 of the CG Code stipulates that independent non-executive directors and non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders. Due to conflicting business schedules, Mr. Wu Jin Sheng, a non-executive Director, was unable to attend the annual general meeting of the Company held on 21 June 2018.

於二零一八年一月十七日，陸志明先生獲委任為本公司行政總裁。同時，鄧先生不再擔任本公司行政總裁，但仍就任董事會主席。兩個職務分開後，企業管治守則之守則條文第A.2.1條已獲遵守，且彼等之責任明確區分，以確保權力和職權平衡。主席領導董事會制訂政策及策略，並履行企業管治守則之守則條文第A.2條所載職責。本公司行政總裁整體負責執行董事會通過之決定、政策及策略，並監察本集團之業務及營運。

企業管治守則之守則條文第C.1.2條規定，管理層應每月向董事會全體成員提供最新資料，當中須載列有關發行人的表現、狀況及前景的公平且易於理解的評估，內容足以讓整個董事會及各董事履行GEM上市規則第5.01條及第十七章所規定的職責。儘管並無安排定期向董事會成員提供每月最新資料，惟管理層一直於適當時候向董事會成員提供信息及最新資料。在公司秘書的協助下，管理層確保所有董事會成員及時且適當獲得充分、完整及可靠之資料。

企業管治守則之守則條文第A.1.8條規定，應就董事面臨的法律訴訟安排適當的投保。現時，本公司並無就董事面臨的法律訴訟投保。董事會相信，在現有風險管理及內部監控制度和管理層密切監管下，各董事因董事身份而被控告或牽涉訴訟之風險偏低。投保所帶來之好處或低於成本。儘管如此，根據本公司章程細則規定，在適用法例條文規限下，本公司須以其資產就各董事執行職務或與此有關的事宜承擔或引致的所有成本、支出、開支、損失及負債彌償彼等。有見及此，董事會認為董事所承擔之風險處於可控制範圍內。

企業管治守則之守則條文第A.5.1條規定，提名委員會須由董事會主席或獨立非執行董事擔任主席，成員大部分由獨立非執行董事組成。非執行董事吳晉生先生於二零一七年七月十七日獲委任為提名委員會主席，導致不符合規定。有關偏離企業管治守則之守則條文第A.5.1條的情況將在實際可行情況下盡快糾正。

企業管治守則之守則條文第A.6.7條規定，獨立非執行董事及非執行董事須出席股東大會，並對股東之意見有公正之了解。由於業務安排衝突，非執行董事吳晉生先生未能出席本公司於二零一八年六月二十一日舉行之股東週年大會。

Management Discussion and Analysis

管理層討論及分析

Audit Committee

The Company has established an audit committee with written terms of reference in compliance with the GEM Listing Rules. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control systems of the Group. The audit committee comprises three independent non-executive Directors, namely Mr. Huang Jian (committee chairman), Mr. Zheng Wan Zhang and Mr. Wong Tik Tung.

The unaudited condensed consolidated financial statements of the Company for the nine months ended 30 September 2018 has been reviewed by the audit committee. The audit committee is of the opinion that such financial information complies with the applicable accounting standards, the GEM Listing Rules and legal requirements, and that adequate disclosure have been made.

Share Option Scheme

The Share Option Scheme adopted by the Company on 20 June 2014 is a share incentive scheme and is established to recognise and acknowledge the contributions that eligible participants (as defined in the Share Option Scheme) have made or may make to the Group.

The Share Option Scheme shall be valid and effective for a period of 10 years commencing from the adoption date (i.e. 20 June 2014) pursuant to the terms of the Share Option Scheme.

There is no movement for the share options for the nine months ended 30 September 2018.

By Order of the Board

Millennium Pacific Group Holdings Limited

Tang Wai Ting, Samson

Chairman

Hong Kong, 13 November 2018

As at the date of this report, the Board comprises three executive Directors, namely Mr. Tang Wai Ting, Samson, Mr. Liu Liang and Mr. Wang Li; two non-executive Directors, namely Mr. Wu Jin Sheng and Mr. Chong Yu Keung; and three independent non-executive Directors, namely Mr. Huang Jian, Mr. Zheng Wan Zhang and Mr. Wong Tik Tung.

審核委員會

本公司已遵循GEM上市規則成立審核委員會，並以書面列明其職權範疇。審核委員會的主要職責為檢討及監察本集團的財務報告程序及內部監控系統。審核委員會由三名獨立非執行董事組成，即黃健先生(委員會主席)、鄭玩樟先生及汪滌東先生。

本公司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已經審核委員會審閱。審核委員會認為，有關財務資料符合適用會計準則、GEM上市規則及法定要求，並已作出足夠披露。

購股權計劃

本公司於二零一四年六月二十日採納購股權計劃為股份獎勵計劃，旨在認可及獎勵對本集團曾經或可能作出貢獻的合資格參與者(定義見購股權計劃)。

根據購股權計劃條款，購股權計劃自採納日期(即二零一四年六月二十日)起計十年內有效及生效。

截至二零一八年九月三十日止九個月概無購股權變動。

承董事會命

匯思太平洋集團控股有限公司

主席

鄧偉廷

香港，二零一八年十一月十三日

於本報告日期，董事會包括三名執行董事鄧偉廷先生、劉亮先生及王歷先生；兩名非執行董事吳晉生先生及莊儒強先生；及三名獨立非執行董事黃健先生、鄭玩樟先生及汪滌東先生。

Millennium Pacific

GROUP HOLDINGS LIMITED

匯思太平洋集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號 : 8147