

MINDTELL TECHNOLOGY LIMITED

(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 : 8611

FIRST QUARTERLY REPORT
第一季度業績報告 **2020**



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

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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 of the Stock Exchange 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 Mindtell Technology 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之特色

GEM之定位，乃為中小型公司提供一個上市之市場，此等公司相比起其他在聯交所上市之公司帶有較高投資風險。有意投資之人士應了解投資於該等公司之潛在風險，並應經過審慎周詳之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買賣之證券可能會較於聯交所主板買賣之證券承受較大之市場波動風險，同時無法保證在GEM買賣之證券會有高流通量之市場。

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

本報告之資料乃遵照聯交所GEM證券上市規則(「GEM上市規則」)而刊載，旨在提供有關Mindtell Technology Limited(「本公司」)之資料；本公司董事(「董事」)願就本報告之資料共同及個別地承擔全部責任。各董事在作出一切合理查詢後，確認就其所知及所信，本報告所載資料在各重要方面均屬準確完備，沒有誤導或欺詐成分，且並無遺漏任何其他事項，足以令致本報告或其所載任何陳述產生誤導。

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The board of Directors (the “Board”) is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the three months ended 29 February 2020, together with the comparative unaudited figures for the corresponding period in 2019, as follows:

董事會(「董事會」)欣然宣佈本公司及其附屬公司(統稱「本集團」)截至二零二零年二月二十九日止三個月之未經審核簡明綜合業績，連同於二零一九年同期之可比較未經審核數據載列如下：

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months ended 29 February 2020

簡明綜合損益及其他全面收益表

截至二零二零年二月二十九日止三個月

		(Unaudited) (未經審核)	
		For the three months ended 29 February 2020 截至二零二零年 二月二十九日 止三個月 RM'000 馬幣千元	For the three months ended 28 February 2019 截至二零一九年 二月二十八日 止三個月 RM'000 馬幣千元
	Notes 附註		
Revenue	4	2,270	5,798
Revenue	4	2,270	5,798
Cost of services and materials sold	4	(1,722)	(3,173)
Gross profit		548	2,625
Other income	5	19	10
Administrative expenses	5	(2,096)	(590)
Finance costs	6	(20)	(15)
(Loss) Profit before income tax	6	(1,549)	2,030
Income tax expenses	7	-	(114)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months ended 29 February 2020

簡明綜合損益及其他 全面收益表

截至二零二零年二月二十九日止三個月

		(Unaudited) (未經審核)	
		For the three months ended 29 February 2020	For the three months ended 28 February 2019
		截至二零二零年 二月二十九日 止三個月 RM'000 馬幣千元	截至二零一九年 二月二十八日 止三個月 RM'000 馬幣千元
		<i>Notes</i> 附註	
(Loss) Profit for the period	本期間 (虧損)溢利	(1,549)	1,916
Other comprehensive income	其他全面收益	-	-
Total comprehensive (loss) income for the period	本期間全面總 (虧損)收益	(1,549)	1,916
(Loss) Earnings per share, basic and diluted (RM cents)	每股(虧損)盈利 (基本及攤薄) (馬幣分)	(0.40)	0.49
	8		

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months ended 29 February 2020

簡明綜合權益變動表

截至二零二零年二月二十九日止三個月

		Reserves 儲備				Accumulated profits (losses) 累計溢利 (虧損)	Total 總計
		Share capital 股本 RM'000 馬幣千元	Share premium 股份溢價 RM'000 馬幣千元	Capital reserve 資本儲備 RM'000 馬幣千元	Exchange reserve 匯兌儲備 RM'000 馬幣千元	RM'000 馬幣千元	RM'000 馬幣千元
At 1 December 2019 (Audited)	於二零一九年 十二月一日 (經審核)	2,067	28,732	4,952	(354)	(2,167)	33,230
Loss for the period and total comprehensive loss for the period	本期間虧損及 本期間全面 總虧損	-	-	-	-	(1,549)	(1,549)
At 29 February 2020 (Unaudited)	於二零二零年二月 二十九日 (未經審核)	2,067	28,732	4,952	(354)	(3,716)	(31,681)
At 1 December 2018 (Audited)	於二零一八年 十二月一日 (經審核)	2,067	28,732	4,952	-	(3,479)	32,272
Profit for the period and total comprehensive income for the period	本期間溢利及 本期間全面 總收益	-	-	-	-	1,916	1,916
At 28 February 2019 (Unaudited)	於二零一九年 二月二十八日 (未經審核)	2,067	28,732	4,952	-	(1,563)	34,188

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 29 February 2020

1. CORPORATE INFORMATION AND BASIS OF PREPARATION

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 27 February 2018. The Company's shares were listed on GEM of the Stock Exchange on 22 October 2018 (the "Listing"). The address of the Company's registered office is Cricket Square, Hutchins Drive, P. O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and its principal place of business in Hong Kong is Unit 1802, 18/F., Ruttonjee House, Ruttonjee Centre, 11 Duddell Street, Central, Hong Kong. The Group's headquarter is situated at B-7-7, Sky Park @ One City, Jalan USJ 25/1, 47650 Subang Jaya, Selangor, Malaysia.

The principal activity of the Company is an investment holding company. The Group is principally engaged in the provision of system integration and development services, IT outsourcing services and maintenance and consultancy services.

The unaudited condensed consolidated financial statements are presented in Malaysian Ringgit ("RM") and all amounts have been rounded to the nearest thousand ("RM'000"), unless otherwise indicated.

未經審核簡明綜合 財務報表附註

截至二零二零年二月二十九日止三個月

1. 公司資料及編製基準

本公司於二零一八年二月二十七日在開曼群島註冊成立為獲豁免有限公司。本公司股份於二零一八年十月二十二日在聯交所GEM上市(「上市」)。本公司註冊辦事處之地址為Cricket Square, Hutchins Drive, P. O. Box 2681, Grand Cayman KY1-1111, Cayman Islands，其香港主要營業地點為香港中環都爹利街11號律敦治中心律敦治大廈18樓1802室。本集團之總部位於B-7-7, Sky Park @ One City, Jalan USJ 25/1, 47650 Subang Jaya, Selangor, Malaysia。

本公司之主要業務為投資控股公司。本集團主要從事提供系統整合及開發服務、資訊科技外判服務，以及維修及顧問服務。

未經審核簡明綜合財務報表以馬幣(「馬幣」)呈列。除另有說明外，所有金額均湊整至最近千位(「馬幣千元」)。

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 29 February 2020

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements of the Group for the three months ended 29 February 2020 (the “First Quarterly Financial Statements”) are prepared in accordance with the applicable disclosure requirements of Chapter 18 of the GEM Listing Rules.

The preparation of the First Quarterly Financial Statements requires the management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a period to date basis. Actual results may differ from these estimates.

未經審核簡明綜合 財務報表附註

截至二零二零年二月二十九日止三個月

2. 編製基準及主要會計政策

本集團截至二零二零年二月二十九日止三個月之未經審核簡明綜合財務報表（「第一季度財務報表」）乃按GEM上市規則第18章之適用披露規定而編製。

編製第一季度財務報表需要管理層就對以一年為基礎之會計政策運用、資產及負債、收入及支出之列報額有影響之事宜作出判斷、估計及假設。實際結果可能有別於此等估算。

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 29 February 2020

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES *(continued)*

The First Quarterly Financial Statements include an explanation of events and transactions that are significant to an understanding of the changes in financial performance of the Group since 30 November 2019, and therefore, do not include all of the information required for full set of financial statements prepared in accordance with the International Financial Reporting Standards (“IFRSs”) issued by the International Accounting Standards Boards (the “IASB”), which collective term includes all applicable individual IFRSs, International Accounting Standards (the “IASs”) and Interpretations issued by the IASB. They shall be read in conjunction with the audited financial statements of the Group for the year ended 30 November 2019 (the “2019 Financial Statements”).

The First Quarterly Financial Statements have been prepared on the historical costs basis.

The accounting policies and methods of computation applied in the preparation of the First Quarterly Financial Statements are consistent with those applied in the preparation of the 2019 Financial Statements except for the adoption of the new/ revised IFRSs further described in the “Adoption of new/ revised IFRSs” section which are relevant to the Group and effective for the Group’s financial year beginning on 1 December 2019.

未經審核簡明綜合 財務報表附註

截至二零二零年二月二十九日止三個月

2. 編製基準及主要會計政策 (續)

第一季度財務報表包括針對自二零一九年十一月三十日起就理解本集團財務表現而具有重大意義之事件及交易所作之解釋，因此，並不包括根據國際會計準則委員會（「國際會計準則委員會」）頒佈之國際財務報告準則（「國際財務報告準則」）（其為國際會計準則委員會頒佈之所有適用獨立國際財務報告準則、國際會計準則（「國際會計準則」）及詮釋之統稱）編製之全份財務報表所規定之全部資料。此報表應與本集團截至二零一九年十一月三十日止年度的經審核綜合財務報表（「二零一九年財務報表」）一併閱讀。

第一季度財務報表乃按歷史成本基準編製。

除採用於「採用新訂／經修訂國際財務報告準則」一節進一步所述與本集團相關且於二零一九年十二月一日起生效之新訂／經修訂國際財務報告準則外，編製第一季度財務報表採用之會計政策及計算方法與編製二零一九年財務報表所採用者相同。

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 29 February 2020

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES (continued)

Adoption of new/revised IFRSs

Except for IFRS 16, the adoption of other new/revised IFRSs that are relevant to the Group and effective from the current period had no material impacts on the Group's consolidated financial statements for the current and prior periods.

IFRS 16: Leases

IFRS 16 replaces IAS 17 and related interpretations for annual periods beginning on or after 1 January 2019. It significantly changes, among others, the lessee accounting by replacing the dual-model under IAS 17 with a single model which requires a lessee to recognise right-of-use assets and lease liabilities for the rights and obligations created by all leases with a term of more than 12 months, unless the underlying asset is of low value. For lessor accounting, IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. IFRS 16 also requires enhanced disclosures to be provided by lessees and lessors.

未經審核簡明綜合 財務報表附註

截至二零二零年二月二十九日止三個月

2. 編製基準及主要會計政策 (續)

採用新訂／經修訂國際財務 報告準則

除國際財務報告準則第16號外，採用其他與本集團相關且自本期間生效之新訂／經修訂國際財務報告準則對本集團於本期間及過往期間之綜合財務報表並無重大影響。

國際財務報告準則第16號： 租賃

國際財務報告準則第16號於二零一九年一月一日或之後開始之年度期間取代國際會計準則第17號及相關詮釋。其對(其中包括)承租人的會計方法有重大變動，以單一模型取代國際會計準則第17號的雙重模型。該單一模型規定除非相關資產為低價值資產，否則承租人須就因年期超過12個月的所有租賃而產生的權利及責任確認使用權資產及租賃負債。就出租人會計處理而言，國際財務報告準則第16號大致繼承了國際會計準則第17號有關出租人會計處理的規定。因此，出租人繼續將其租賃分類為經營租賃或融資租賃，並且對兩類租賃進行不同之會計處理。國際財務報告準則第16號亦規定承租人及出租人提供更詳盡披露資料。

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 29 February 2020

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES (continued)

Adoption of new/revised IFRSs (continued)

IFRS 16: Leases (continued)

In accordance with the transitional provisions, the Group has applied IFRS 16 for the first time at 1 December 2019 (i.e. the date of initial application, the “DIA”) using the modified retrospective approach in which comparative information has not been restated. Instead, the Group recognised the cumulative effect of initially applying IFRS 16 as an adjustment to the balance of accumulated profits/losses or other component of equity, where appropriate, at the DIA.

The Group also elected to use the transition practical expedient not to reassess whether a contract was, or contained, a lease at the DIA and the Group applied IFRS 16 only to contracts that were previously identified as leases applying IAS 17 and to contracts entered into or changed on or after the DIA that are identified as leases applying IFRS 16.

未經審核簡明綜合 財務報表附註

截至二零二零年二月二十九日止三個月

2. 編製基準及主要會計政策 (續)

採用新訂／經修訂國際財務 報告準則(續)

國際財務報告準則第16號： 租賃(續)

根據過渡條文，本集團於二零一九年十二月一日(即首次應用日期「首次應用日期」)首次採用經修訂追溯調整法應用國際財務報告準則第16號，且並無重列比較資料。而本集團已於首次應用日期將首次應用國際財務報告準則第16號的累計影響確認為累計盈利／虧損結餘或其他權益組成部分(如適用)的調整。

本集團亦已選擇採用過渡可行權宜方法，不於首次應用日期重新評估合約是否為或包含一項租賃，且本集團僅將國際財務報告準則第16號應用於先前根據國際會計準則第17號確認為租賃的合約及於首次應用日期或之後訂立或變更並應用國際財務報告準則第16號確認為租賃的合約。

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 29 February 2020

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES (continued)

Adoption of new/revised IFRSs (continued)

IFRS 16: Leases (continued)

As lessee

Before the adoption of IFRS 16, lease contracts were classified as operating or finance lease in accordance with the Group's accounting policies applicable prior to the DIA.

Upon adoption of IFRS 16, the Group accounted for the leases in accordance with the transition provisions of IFRS 16 and the Group's accounting policies applicable from the DIA.

As lessee – leases previously classified as operating leases

The Group recognised right-of-use assets and lease liabilities for leases previously classified as operating leases at the DIA, except for leases for which the underlying asset is of low value, and the Group applied the following practical expedients on a lease-by-lease basis.

- (a) Applied a single discount rate to a portfolio of leases with reasonably similar characteristics.

未經審核簡明綜合 財務報表附註

截至二零二零年二月二十九日止三個月

2. 編製基準及主要會計政策 (續)

採用新訂／經修訂國際財務
報告準則(續)

國際財務報告準則第16號： 租賃(續)

作為承租人

於採納國際財務報告準則第16號前，根據首次應用日期前適用的本集團會計政策，租賃合約分類為經營或融資租賃。

於採納國際財務報告準則第16號後，本集團根據國際財務報告準則第16號的過渡條文及自首次應用日期起適用的本集團會計政策對租賃進行入賬。

作為承租人－先前分類為經 營租賃的租賃

於首次應用日期，本集團就先前分類為經營租賃的租賃確認使用權資產及租賃負債，惟相關資產價值較低的租賃除外。本集團已按逐項租賃基準採用以下可行權宜方法。

- (a) 對具有合理相似特徵的租賃組合採用單一貼現率。

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 29 February 2020

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES (continued)

Adoption of new/revised IFRSs (continued)

IFRS 16: Leases (continued)

As lessee (continued)

As lessee – leases previously classified
as operating leases (continued)

- (b) Adjusted the right-of-use assets at the DIA by the provision for onerous leases recognised immediately before the DIA by applying IAS 37, as an alternative to performing an impairment review at the DIA.
- (c) Did not recognise right-of-use assets and lease liabilities to leases for which the lease term ends within 12 months of the DIA.
- (d) Excluded initial direct costs from the measurement of the right-of-use assets at the DIA.
- (e) Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

未經審核簡明綜合 財務報表附註

截至二零二零年二月二十九日止三個月

2. 編製基準及主要會計政策 (續)

採用新訂／經修訂國際財務
報告準則(續)

國際財務報告準則第16號：
租賃(續)

作為承租人(續)

作為承租人－先前分類為經
營租賃的租賃(續)

- (b) 於首次應用日期，透過對緊接首次應用日期前應用國際會計準則第37號確認的虧損性租賃計提撥備而調整使用權資產，作為於首次應用日期進行減值審閱之替代方法。
- (c) 不就租期於首次應用日期起12個月內結束的租賃確認使用權資產及租賃負債。
- (d) 於首次應用日期計量使用權資產時撇除初步直接成本。
- (e) 倘合約包含延長或終止租賃之選擇權，則使用事後方式釐定租期。

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 29 February 2020

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES (continued)

Adoption of new/revised IFRSs (continued)

IFRS 16: Leases (continued)

As lessee (continued)

As lessee – leases previously classified
as operating leases (continued)

At the DIA, except for those that were previously or will be accounted for as investment property using the fair value model, right-of-use assets were, on a lease-by-lease basis, measured at either,

- (a) their carrying amount as if IFRS 16 had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate at the DIA; or
- (b) an amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to the lease recognised immediately before the DIA.

Lease liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the DIA. The weighted average incremental borrowing rate applied to the lease liabilities at the DIA is 4.8%.

未經審核簡明綜合 財務報表附註

截至二零二零年二月二十九日止三個月

2. 編製基準及主要會計政策 (續)

採用新訂／經修訂國際財務
報告準則(續)

國際財務報告準則第16號：
租賃(續)

作為承租人(續)

作為承租人－先前分類為經
營租賃的租賃(續)

於首次應用日期，除先前或將作為投資物業使用公平價值模式入賬者外，使用權資產乃根據逐項租賃基準按以下計量。

- (a) 其賬面值，猶如國際財務報告準則第16號已自開始日期起應用，惟須使用承租人於首次應用日期的增量借款利率進行貼現；或
- (b) 相等於租賃負債的金額，並經緊接首次應用日期前確認之租賃有關的任何預付或應計租賃付款的金額調整。

租賃負債按餘下租賃付款之現值計量，並使用承租人在首次應用日期的增量借款利率貼現。於首次應用日期對租賃負債採用的加權平均增量借款利率為4.8%。

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 29 February 2020

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES (continued)

Adoption of new/revised IFRSs (continued)

IFRS 16: Leases (continued)

As lessee (continued)

As lessee – leases previously classified
as finance leases

The Group measures the carrying amount of the right-of-use assets and lease liabilities at the DIA at the carrying amount of the lease assets and lease liabilities immediately before that date measured applying IAS 17. The Group accounts for those leases applying IFRS 16 from the DIA.

Upon adoption of IFRS 16, right-of-use assets of approximately RM901,000 were recognised at cost, and to be depreciated over the lease period on a straight-line basis. Lease liabilities of approximately RM971,000 were recognised upon initial measurement. The interest expense in respect of lease liabilities and depreciation of right-of-use assets charged to profit or loss during the three months ended 29 February 2020 was approximately HK\$10,000 and RM30,000, respectively.

未經審核簡明綜合 財務報表附註

截至二零二零年二月二十九日止三個月

2. 編製基準及主要會計政策 (續)

採用新訂／經修訂國際財務 報告準則(續)

國際財務報告準則第16號： 租賃(續)

作為承租人(續)

作為承租人－先前分類為融
資租賃的租賃

本集團應用國際會計準則第17號按緊接計量日期前租賃資產及租賃負債的賬面值計量於首次應用日期的使用權資產及租賃負債賬面值。本集團自首次應用日期起應用國際財務報告準則第16號入賬該等租賃。

於採用國際財務報告準則第16號後，使用權資產約馬幣901,000元按成本確認，並將使用直線法於租賃期內折舊。租賃負債約馬幣971,000元於初次計量後予以確認。計入截至二零二零年二月二十九日止三個月之損益的有關租賃負債利息開支及使用權資產折舊分別約為10,000港元及馬幣30,000元。

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 29 February 2020

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES *(continued)*

Future changes in IFRSs

At the date of authorisation of the First Quarterly Financial Statements, the Group has not early adopted the new/ revised IFRSs that have been issued but are not yet effective. The Directors do not anticipate that the adoption of the new/ revised IFRSs in future periods will have any material impact on the Group's consolidated financial statements.

3. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being identified as the chief operating decision makers (the "CODM"), for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group's reportable and operating segments are:

- (i) system integration and development services;
- (ii) IT outsourcing services; and
- (iii) maintenance and consultancy services.

未經審核簡明綜合 財務報表附註

截至二零二零年二月二十九日止三個月

2. 編製基準及主要會計政策 (續)

國際財務報告準則之未來變動

於批准第一季度財務報表當日，本集團並無提早採用已頒佈惟尚未生效之新訂／經修訂國際財務報告準則。董事預期於未來期間採用該等新訂／經修訂國際財務報告準則對本集團之綜合財務報表並無任何重大影響。

3. 分部資料

向本公司執行董事(即被識別為主要營運決策者(「主要營運決策者」))呈報之資料，就資源分配及評估分部表現而言，著重於已交付或提供之物品或服務之類型。於達致本集團可呈報分部時，並無綜合主要營運決策者所識別之經營分部。

具體而言，本集團之可呈報及經營分部為：

- (i) 系統整合及開發服務；
- (ii) 資訊科技外判服務；
及
- (iii) 維修及顧問服務。

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 29 February 2020

3. SEGMENT INFORMATION *(continued)*

Segment revenue and results *(continued)*

Segment revenue represents revenue derived from the system integration and development services, IT outsourcing services and maintenance and consultancy services.

Segment results represent the gross profit reported by each segment without allocation of other income, administrative expenses, finance costs and income tax expenses. This is the measure reported to the CODM of the Group for the purposes of resource allocation and performance assessment.

No analysis of the Group's assets and liabilities by operating segments is presented as it is not regularly provided to the CODM for review.

In addition, the Group's place of domicile is Malaysia, where the central management and control is located.

未經審核簡明綜合 財務報表附註

截至二零二零年二月二十九日止三個月

3. 分部資料 *(續)*

分部收益及業績 *(續)*

分部收益指來自系統整合及開發服務、資訊科技外判服務以及維修及顧問服務之收益。

分部業績指各分部已呈報毛利，而並未分配之其他收入、行政開支、融資成本及所得稅開支。就資源分配及表現評估而言，此乃向本集團之主要營運決策者呈報之方法。

由於本集團按經營分部劃分之資產及負債並無定期提供予主要營運決策者進行審閱，故並無呈報其分析。

此外，本集團之所在地為馬來西亞，即中央管理及控制之所在地。

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 29 February 2020

3. SEGMENT INFORMATION (continued)

Segment revenue and results (continued)

The segment information provided to the CODM for the reportable segments for the three months ended 29 February 2020 and 28 February 2019 is as follows:

		System integration and development services 系統整合及 開發服務 RM'000 馬幣千元	IT outsourcing services 資訊科技 外判服務 RM'000 馬幣千元	Maintenance and consultancy services 維修及 顧問服務 RM'000 馬幣千元	Total 總計 RM'000 馬幣千元
Three months ended 29 February 2020 (Unaudited)	截至二零二零年 二月二十九日止 三個月 (未經審核)				
Revenue from external customers and reportable segment revenue	來自外部客戶之 收益及可呈報 分部收益	1,931	189	150	2,270
Reportable segment results	可呈報分部業績	310	100	138	548
Other information: Amortisation	其他資料： 攤銷	392	-	-	392
Addition of intangible assets	添置無形資產	1,038	-	-	1,038

未經審核簡明綜合 財務報表附註

截至二零二零年二月二十九日止三個月

3. 分部資料(續)

分部收益及業績(續)

於截至及二零二零年二月二十九日及二零一九年二月二十八日止三個月，就可呈報分部向主要營運決策者提供之分部資料如下：

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 29 February 2020

未經審核簡明綜合 財務報表附註

截至二零二零年二月二十九日止三個月

3. SEGMENT INFORMATION (continued)

Segment revenue and results (continued)

3. 分部資料(續)

分部收益及業績(續)

		System integration and development services 系統整合及 開發服務 RM'000 馬幣千元	IT outsourcing services 資訊科技 外判服務 RM'000 馬幣千元	Maintenance and consultancy services 維修及 顧問服務 RM'000 馬幣千元	Total 總計 RM'000 馬幣千元
Three months ended 28 February 2019 (Unaudited)	截至二零一九年 二月二十八日止 三個月 (未經審核)				
Revenue from external customers and reportable segment revenue	來自外部客戶之 收益及可呈報 分部收益	5,478	213	107	5,798
Reportable segment results	可呈報分部業績	2,470	54	101	2,625
Other information: Amortisation	其他資料: 攤銷	58	-	-	58
Addition of intangible assets	添置無形資產	983	-	-	983

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 29 February 2020

3. SEGMENT INFORMATION (continued)

Reconciliation of reportable segment results

未經審核簡明綜合 財務報表附註

截至二零二零年二月二十九日止三個月

3. 分部資料(續)

可呈報分部業績之對賬

		(Unaudited) (未經審核)	
		For the three months ended 29 February 2020 截至二零二零年 二月二十九日 止三個月 RM'000 馬幣千元	For the three months ended 28 February 2019 截至二零一九年 二月二十八日 止三個月 RM'000 馬幣千元
Reportable segment results	可呈報分部業績	548	2,625
Unallocated income and expenses:	未分配收入及		
Other income	開支：	19	10
Administrative expenses	其他收入		
Finance costs	行政開支	(2,096)	(590)
	融資成本	(20)	(15)
(Loss) Profit before income tax	除所得稅前 (虧損)溢利	(1,549)	2,030
Income tax expenses	所得稅開支	-	(114)
(Loss) Profit for the period	本期間 (虧損)溢利	(1,549)	1,916

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 29 February 2020

3. SEGMENT INFORMATION (continued)

Geographical information – Revenue from external customers

The following table sets out information about the geographical location of the Group's revenue from external customers. The geographical location of revenue is based on the location of external customers.

未經審核簡明綜合 財務報表附註

截至二零二零年二月二十九日止三個月

3. 分部資料(續)

地區資料—來自外部客戶之 收益

下表載列本集團來自外部客戶收益之地理資料。收益之地理位置乃按外部客戶之位置計算。

(Unaudited) (未經審核)

		For the three months ended 29 February 2020 截至二零二零年 二月二十九日 止三個月 RM'000 馬幣千元	For the three months ended 28 February 2019 截至二零一九年 二月二十八日 止三個月 RM'000 馬幣千元
Malaysia	馬來西亞	2,270	5,785
Singapore	新加坡	–	13
		2,270	5,798

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 29 February 2020

4. REVENUE

未經審核簡明綜合 財務報表附註

截至二零二零年二月二十九日止三個月

4. 收益

(Unaudited)
(未經審核)

		For the three months ended 29 February 2020	For the three months ended 28 February 2019
		截至二零二零年 二月二十九日 止三個月 RM'000 馬幣千元	截至二零一九年 二月二十八日 止三個月 RM'000 馬幣千元
System integration and development services:	系統整合及開發服務：		
Services provided	所提供服務	1,931	4,921
Sales of externally acquired/purchased hardware and software	銷售外部收購/購買之硬件及軟件	-	557
		1,931	5,478
IT outsourcing services	資訊科技外判服務	189	213
Maintenance and consultancy services	維修及顧問服務	150	107
		2,270	5,798
<i>Timing of revenue recognition:</i>	<i>收益確認之時間性：</i>		
At a point in time	某一時點	-	557
Overtime	隨時間	2,270	5,241
		2,270	5,798

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 29 February 2020

5. OTHER INCOME

未經審核簡明綜合 財務報表附註

截至二零二零年二月二十九日止三個月

5. 其他收入

(Unaudited)

(未經審核)

		For the three months ended 29 February 2020	For the three months ended 28 February 2019
		截至二零二零年 二月二十九日 止三個月 RM'000 馬幣千元	截至二零一九年 二月二十八日 止三個月 RM'000 馬幣千元
Interest income	利息收入	18	9
Others	其他	1	1
		19	10

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 29 February 2020

6. (LOSS) PROFIT BEFORE INCOME TAX

This is stated after charging:

未經審核簡明綜合 財務報表附註

截至二零二零年二月二十九日止三個月

6. 除所得稅前(虧損)溢利

除所得稅前(虧損)溢利經扣除下列各項計算：

(Unaudited)
(未經審核)

		For the three months ended 29 February 2020	For the three months ended 28 February 2019
		截至二零二零年 二月二十九日 止三個月 RM'000 馬幣千元	截至二零一九年 二月二十八日 止三個月 RM'000 馬幣千元
Finance costs	融資成本		
Interest expenses on interest-bearing borrowings	計息借貸之利息開支	10	11
Finance charges on obligations under finance leases	融資租賃責任之融資費用	-	4
Finance charges on lease liabilities	租賃負債的融資費用	10	-
		20	15

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 29 February 2020

6. (LOSS) PROFIT BEFORE INCOME TAX (continued)

未經審核簡明綜合 財務報表附註

截至二零二零年二月二十九日止三個月

6. 除所得稅前(虧損)溢利(續)

(Unaudited)
(未經審核)

		For the three months ended 29 February 2020	For the three months ended 28 February 2019
		截至二零二零年 二月二十九日 止三個月 RM'000 馬幣千元	截至二零一九年 二月二十八日 止三個月 RM'000 馬幣千元
Other items	其他項目		
Amortisation of intangible assets, included in administrative expenses	無形資產攤銷 (計入行政 開支)	392	58
Auditors' remuneration	核數師薪酬	13	14
Cost of materials sold	已售材料成本	-	500
Depreciation of property, plant and equipment	物業、機器及 設備折舊	102	110
Operating lease expense	經營租賃開支	-	43

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 29 February 2020

7. INCOME TAX EXPENSES

未經審核簡明綜合 財務報表附註

截至二零二零年二月二十九日止三個月

7. 所得稅開支

(Unaudited)
(未經審核)

		For the three months ended 29 February 2020	For the three months ended 28 February 2019
		截至二零二零年 二月二十九日 止三個月 RM'000 馬幣千元	截至二零一九年 二月二十八日 止三個月 RM'000 馬幣千元
Current tax	即期稅項		
Malaysia corporate income tax ("Malaysia CIT")	馬來西亞企業 所得稅(「馬來 西亞企業所得 稅」)	-	114
Deferred tax	遞延稅項	-	-
Total income tax expenses for the period	本期間所得稅 開支總額	-	114

The group entities established in the Cayman Islands and the British Virgin Islands are exempted from income tax. No provision for Hong Kong profits tax has been made as the Group had no assessable profits arising in or derived from Hong Kong.

於開曼群島及英屬處女群島成立之集團實體獲豁免繳付當地所得稅。由於本集團並無於或自香港產生應課稅溢利，故並無計提香港利得稅。

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 29 February 2020

7. INCOME TAX EXPENSES (continued)

Malaysia CIT is calculated at 24% (2019: 24%) of the estimated assessable profits for the three months ended 29 February 2020. Malaysia incorporated entities with paid-up capital of RM2.5 million or less enjoy tax rate of 17% (2019: 17%) on the first RM600,000 (2019: RM500,000) and remaining balance of the estimated assessable profits at tax rate of 24% (2019: 24%) for the three months ended 29 February 2020.

Mixsol Sdn. Bhd. (“Mixsol”) and Tandem Advisory Sdn. Bhd. (“Tandem”) have obtained the pioneer status effective from 23 September 2011 and 7 December 2012, respectively. A pioneer status company is eligible for exemption from income tax on eligible activities and products for five years and subject to submitting a formal request to the Malaysia Investment Development Authority on or prior to expiration date and upon the Ministry of International Trade and Industry confirming that Mixsol and Tandem have been complying with all the applicable conditions as imposed, the tax relief period shall be extended for a further five years after each five-year tax relief period ends.

未經審核簡明綜合 財務報表附註

截至二零二零年二月二十九日止三個月

7. 所得稅開支(續)

馬來西亞企業所得稅於截至二零二零年二月二十九日止三個月按估計應課稅溢利之24%(二零一九年: 24%)計算。繳足資本為馬幣2,500,000元或以下之馬來西亞企業實體於截至二零二零年二月二十九日止三個月估計應課稅溢利之首筆馬幣600,000元(二零一九年: 馬幣500,000元)按稅率17%(二零一九年: 17%)繳稅,而餘額按稅率24%(二零一九年: 24%)繳稅。

Mixsol Sdn. Bhd.(「Mixsol」)及 Tandem Advisory Sdn. Bhd.(「Tandem」)已取得新興工業地位,分別自二零一一年起九月二十三日及二零一二年十二月七日生效。新興工業地位之公司合資格可就五年合資格活動及產品獲得所得稅豁免,惟須於屆滿日期向馬來西亞投資發展局提交正式申請及於國際貿易和工業局確認後遵守所施加之所有適用條件。於每五年免稅期結束後,免稅期可進一步延長五年。

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 29 February 2020

7. INCOME TAX EXPENSES (continued)

The pioneer status for Mixsol has been renewed during the year ended 30 November 2016 and subject to next renewal on or prior to 22 September 2021. The renewal of the pioneer status for Tandem has been submitted and was rejected on 27 August 2019 due to change in government policy on the pioneers status. Upon the rejection, Tandem is subject to Malaysia CIT in the absence of approval for the extension of pioneer status for the three months ended 29 February 2020.

The applicable tax rate is the weighted average of rates prevailing in the territories in which the Group's entities operate against profit or loss before tax. The change in applicable tax rate is caused by changes in the taxable results of the Group's subsidiaries in the respective countries in which the Group operates.

未經審核簡明綜合 財務報表附註

截至二零二零年二月二十九日止三個月

7. 所得稅開支(續)

於截至二零一六年十一月三十日止年度，Mixsol之新興工業地位已予重續，並須於二零二一年九月二十二日或之前再次重續。Tandem之新興工業地位重續已提交並於二零一九年八月二十七日遭到拒絕，原因是新興工業地位的政府政策變動。截至二零二零年二月二十九日止三個月，在缺少新興工業地位延長批准的情況下，Tandem須繳納馬來西亞企業所得稅。

適用稅率為本集團實體經營所在地區用以計算除稅前溢利或虧損之現行稅率之加權平均稅率。適用稅率之變動由本集團在經營業務所在各相關國家之本集團附屬公司之應課稅業績變動所致。

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 29 February 2020

8. (LOSS) EARNINGS PER SHARE

The calculation of basic and diluted (loss) earnings per share attributable to owners of the Company is based on the following information:

未經審核簡明綜合 財務報表附註

截至二零二零年二月二十九日止三個月

8. 每股(虧損)盈利

本公司擁有人應佔基本及攤薄(虧損)盈利乃根據以下數據計算：

(Unaudited)
(未經審核)

	For the three months ended 29 February 2020	For the three months ended 28 February 2019
	截至二零二零年 二月二十九日 止三個月 RM'000 馬幣千元	截至二零一九年 二月二十八日 止三個月 RM'000 馬幣千元
(Loss) Profit for the period attributable to the owners of the Company, used in basic and diluted (loss) earnings per share calculation	用作計算每股 基本及攤薄 (虧損) 盈利之本公 司擁有人應 佔(虧損)溢利	
	(1,549)	1,916

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 29 February 2020

8. (LOSS) EARNINGS PER SHARE

(continued)

Weighted average number of ordinary shares for basic and diluted (loss) earnings per share calculation	用作計算每股基本及攤薄(虧損)盈利之普通股加權平均股數
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Diluted (loss) earnings per share are same as the basic (loss) earnings per share as there are no dilutive potential ordinary shares in existence during the three months ended 29 February 2020 and 28 February 2019.

9. DIVIDENDS

The Directors did not recommend a payment of an interim dividend for the three months ended 29 February 2020 (2019: nil).

10. APPROVAL OF THE FIRST QUARTERLY FINANCIAL STATEMENTS

The First Quarterly Financial Statements were approved and authorised for issue by the Board on 6 April 2020.

未經審核簡明綜合 財務報表附註

截至二零二零年二月二十九日止三個月

8. 每股(虧損)盈利(續)

Number of shares 股份數目

390,000,000	390,000,000
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由於截至二零二零年二月二十九日及二零一九年二月二十八日止三個月，並無任何具潛在攤薄影響之普通股，每股攤薄(虧損)盈利與每股基本(虧損)盈利相同。

9. 股息

董事並不建議就截至二零二零年二月二十九日止三個月派付中期股息(二零一九年：無)。

10. 批准第一季度財務報表

董事會於二零二零年四月六日批准及授權刊發第一季度財務報表。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW

The Group is an IT service provider based in Malaysia and principally engaged in design, procurement, installation and maintenance of customised systems application for corporate customers. Our services mainly include system integration and development services, IT outsourcing services and maintenance and consultancy services.

The successful listing of the Company's shares (the "Shares") on GEM of the Stock Exchange on 22 October 2018 was an important milestone for the Group, enhancing our capital strength and reinforcing the Group's resources for future development.

FINANCIAL REVIEW

Revenue

The Group's revenue was derived from three principal businesses, namely, system integration and development services, IT outsourcing services and maintenance and consultancy services which are analysed in Note 4 to the First Quarterly Financial Statements.

For the three months ended 29 February 2020, the Group recorded a decrease in total revenue by approximately 60.8% to approximately RM2.3 million (three months ended 28 February 2019: approximately RM5.8 million). The decrease in revenue was mainly due to significant decrease in revenue from the system integration and development services. Details of changes in the revenue derived from system integration and development services, IT outsourcing services, and maintenances and consultancy services are analysed as below.

業務回顧

本集團是一間以馬來西亞為基地之資訊科技服務供應商，專門為企業客戶設計、採購、安裝及維修個人化系統應用程式。我們的服務主要包括系統整合及開發服務、資訊科技外判服務以及維修及顧問服務。

本公司股份（「股份」）於二零一八年十月二十二日於聯交所GEM成功上市為本集團的重要里程碑，加強我們之資本實力及鞏固本集團未來發展之資源。

財務回顧

收益

本集團之收益源自三大業務，即系統整合及開發服務、資訊科技外判服務以及維修及顧問服務，其詳情載於第一季度財務報表附註4。

截至二零二零年二月二十九日止三個月，本集團錄得總收益減少約60.8%至約馬幣2,300,000元（截至二零一九年二月二十八日止三個月：約馬幣5,800,000元）。收益減少主要是由於系統整合及開發服務之收益大幅減少。有關系統整合及開發服務、資訊科技外判服務以及維修及顧問服務之收益變動詳情如下。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

System integration and development services

For system integration and development services, the revenue decreased by approximately 64.7% from approximately RM5.5 million for the three months ended 28 February 2019 to approximately RM1.9 million for the three months ended 29 February 2020.

The significant decrease in revenue was due to the completion of several substantial projects and the intense competition in securing new projects; and delay of new projects as further consideration had to be made by the customers in secrecy information sectors with regard to the release of Risk management in technology (RMiT) measures by the Central Bank of Malaysia. The outbreak of COVID-19 in the early 2020 also hindered the seeking out of potential customers and negotiation of new projects.

IT outsourcing services

For IT outsourcing services, the revenue decreased by approximately 11.3% from approximately RM213,000 for the three months ended 28 February 2019 to approximately RM189,000 for the three months ended 29 February 2020. The decrease in revenue was mainly due to the decrease in the number of IT outsourcing projects.

系統整合及開發服務

就系統整合及開發服務而言，收益由截至二零一九年二月二十八日止三個月約馬幣5,500,000元減少約64.7%至截至二零二零年二月二十九日止三個月約馬幣1,900,000元。

收益大幅減少主要由於若干大型項目已完成及獲取新項目時面對激烈競爭；以及保密資料業務之客戶需要進一步考慮馬來西亞中央銀行頒佈之技術風險管理措施，故導致新項目延誤。此外，新冠病毒(COVID-19)於二零二零年初爆發阻礙接洽潛在客戶及磋商新項目。

資訊科技外判服務

就資訊科技外判服務而言，收益由截至二零一九年二月二十八日止三個月約馬幣213,000元減少約11.3%至截至二零二零年二月二十九日止三個月約馬幣189,000元。收益減少乃主要由於資訊科技外判服務之項目數量減少。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Maintenance and consultancy services

For maintenance and consultancy services, the revenue increased by approximately 40.2% from approximately RM107,000 for the three months ended 28 February 2019 to approximately RM150,000 for the three months ended 29 February 2020. The increase in revenue was mainly due to increase in the number of maintenance and consultancy projects.

Gross profit and gross profit margin

The following table sets forth a breakdown of gross profit and gross profit margin for the period indicated:

維修及顧問服務

就維修及顧問服務而言，收益由截至二零一九年二月二十八日止三個月約馬幣107,000元增加約40.2%至截至二零二零年二月二十九日止三個月約馬幣150,000元。收益增加乃主要由於維修及顧問項目增加。

毛利及毛利率

下表載列所示期間毛利及毛利率之明細：

		(Unaudited) (未經審核)	
		For the three months ended 29 February 2020 截至二零二零年二月二十九日止三個月 RM'000 馬幣千元	For the three months ended 28 February 2019 截至二零一九年二月二十八日止三個月 RM'000 馬幣千元
Revenue	收益	2,270	5,798
Cost of services and materials sold	服務及已售材料成本	(1,722)	(3,173)
Gross profit	毛利	548	2,625
Gross profit margin	毛利率	24.1%	45.3%

MANAGEMENT DISCUSSION AND ANALYSIS

The gross profit decreased by approximately 79.1%, from approximately RM2.6 million for the three months ended 28 February 2019 to approximately RM548,000 for the three months ended 29 February 2020. The decrease in gross profit was consistent with the decrease in revenue as set out above.

The gross profit margin decreased from approximately 45.3% for the three months ended 28 February 2019 to approximately 24.1% for the three months ended 29 February 2020. The decrease was due to the significant decrease in gross profit from system integration and development services due to the completion of several substantial projects and the intense competition in securing new projects.

Administrative expenses

Administrative expenses increased by approximately 255.3% from approximately RM590,000 for the three months ended 28 February 2019 to approximately RM2.1 million for the three months ended 29 February 2020. The increase is due to the combined effect of (i) the increase in staff costs of approximately RM820,000 since significant portion of staff costs for IT staff previously allocated to “cost of services” are included in administrative expenses during the three months ended 29 February 2020 as most of the substantial projects were completed and they are re-allocated to focus on tendering new projects, and staff costs for directors and administrative staff increased generally after listing; (ii) the increase in sales and marketing expenses as the Group has engaged in more marketing and promotion activities during the three months ended 29 February 2020 for the purpose of identifying and securing potential customers, negotiating new projects and bidding new tenders; and (iii) the increase in amortisation of intangible assets.

管理層討論及分析

毛利由截至二零一九年二月二十八日止三個月約馬幣2,600,000元減少約79.1%至截至二零二零年二月二十九日止三個月約馬幣548,000元。毛利減少與上述收益減少一致。

毛利率由截至二零一九年二月二十八日止三個月約45.3%減少至截至二零二零年二月二十九日止三個月約24.1%。該減幅是由於若干大型項目已完成及獲取新項目時面對激烈競爭，故導致系統整合及開發服務的毛利大幅下降。

行政開支

行政開支由截至二零一九年二月二十八日止三個月約馬幣590,000元增加約255.3%至截至二零二零年二月二十九日止三個月約馬幣2,100,000元。該增加乃由於以下各項之綜合影響所致：(i)由於大部分重大項目已完成，資訊科技員工被重新分配至投標新項目的工作，因此，先前分配至「服務成本」的資訊科技員工成本中的主要部分於截至二零二零年二月二十九日止三個月計入行政開支，而董事及行政員工的一般員工成本亦於上市後有所上升，故員工成本增加約馬幣820,000元；(ii)為求物色及爭取潛在客戶、就新項目展開磋商及投標新項目，本集團於截至二零二零年二月二十九日止三個月進行更多營銷及推廣活動，導致銷售及營銷開支增加；及(iii)無形資產攤銷增加。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Finance costs

The finance costs increased by approximately 33.3% from approximately RM15,000 for the three months ended 28 February 2019 to approximately RM20,000 for the three months ended 29 February 2020. The increase is mainly due to finance charges on lease liabilities resulted from the adoption of IFRS 16 for the three months ended 29 February 2020.

Income tax expenses

The income tax expenses decreased from approximately RM114,000 for the three months ended 28 February 2019 to nil for the three months ended 29 February 2020. The decrease was mainly due to the loss resulted in operating subsidiaries in Malaysia, for the three months ended 29 February 2020.

(Loss) Profit for the period

The Group recorded a loss of approximately RM1.5 million for the three months ended 29 February 2020, as compared to a profit of approximately RM1.9 million for the three months ended 28 February 2019. The loss was mainly attributable to the decrease in revenue and increase in administrative expenses as analysed above.

融資成本

融資成本由截至二零一九年二月二十八日止三個月的約馬幣15,000元增加約33.3%至截至二零二零年二月二十九日止三個月的約馬幣20,000元。該增加主要由於截至二零二零年二月二十九日止三個月採用國際財務報告準則第16號而產生的租賃負債融資費用。

所得稅開支

所得稅開支由截至二零一九年二月二十八日止三個月的約馬幣114,000元減少至截至二零二零年二月二十九日止三個月的零。所得稅開支減少主要是由於截至二零二零年二月二十九日止三個月馬來西亞營運附屬公司產生虧損。

本期間(虧損)溢利

與截至二零一九年二月二十八日止三個月的溢利約馬幣1,900,000元相比，本集團於截至二零二零年二月二十九日止三個月錄得虧損約馬幣1,500,000元。虧損乃主要由於上文所分析之收益減少及行政開支增加所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FUTURE BUSINESS AND DEVELOPMENT PLAN

Following the Listing, the Group consistently and actively pursues the following business strategies: (i) to be a major IT solution provider to the Digital Free Trade Zone in Malaysia; (ii) to capture new growth opportunities through our successful product, Square Intelligence; (iii) leveraging on the business networks of the Pre-IPO Investors to introduce IT products in the PRC into Malaysia, and diversifying its service offerings to its customers.

Details of the Group's future business and development plans are set out below:

- (i) To be a major IT solution provider to the Digital Free Trade Zone in Malaysia:

The Group has been recruiting IT specialists and outsourced to technology vendors in providing IT solution to the Digital Free Trade Zone in Malaysia. Since the Listing, the Group had already recruited additional 12 staff and outsourced partial development and upgrading works to technology vendors in providing IT solutions in Digital Free Trade Zone in Malaysia. The Group is still in the process of developing and rolling out the advanced version of our mobile payment application (i.e. Blackbutton) in order to localise the mobile payment product into Malaysia and integrating the payment operator with the banking infrastructure.

未來業務及發展計劃

上市後，本集團持續及積極推行以下業務策略：(i)成為馬來西亞數碼自由貿易區之主要資訊科技解決方案供應商；(ii)透過我們的成功產品Square Intelligence致力把握新增長機遇；(iii)憑藉首次公開發售前投資者之業務網絡將中國資訊科技產品引進馬來西亞，並向客戶提供多元化服務。

本集團未來業務和發展計劃的詳情載列如下：

- (i) 成為馬來西亞數碼自由貿易區之主要資訊科技解決方案供應商：

本集團已聘用資訊科技專家和外判科技供應商，為馬來西亞數碼自由貿易區提供資訊科技解決方案。本集團自上市以來，為馬來西亞數碼自由貿易區提供資訊科技解決方案中，已經聘請額外12名員工和將部份發展和提升工作外判予科技供應商。本集團仍在開發和推出流動付款應用程式的進階版本(即Blackbutton)，以將流動付款產品融入馬來西亞，並整合備有銀行基礎設施之營運商。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Affected by the growing concerns over the spread of the COVID-19 outbreak and its economic impact on the global market, it is expected that it gives rise to an uncertain economic environment to the Malaysian market. In coming years, the business in the IT industry in Malaysia is expected to remain challenging and competitive. Looking forward, the Group will remain cautious and continue to pay close attention and focus on providing IT solutions by integrating the existing resources and optimising the business performance.

The Group is also currently evaluating the potential acquisitions or development of 4 major functions to increase the product features and enhance the compatibility of Square Intelligence (i.e. NS3) and the customer relationship management system (i.e. CUSTPRO).

These functions include scalable mobility technology, statistical modeling of business performance, API technology, as well as building a digital banking feature on top of NS3 and CUSTPRO.

受到 COVID-19 爆發的疫情蔓延和其對全球市場的經濟衝擊所影響，預期疫情為馬來西亞市場的經濟環境帶來不確定性。我們預料馬來西亞資訊科技業在來年仍充滿挑戰，競爭依然激烈。展望未來，本集團將保持審慎，透過整合現有資源和改善業務表現，繼續密切監控及集中提供資訊科技解決方案。

本集團亦正評估潛在收購或開發四大功能，以提升產品特性和與 Square Intelligence（即 NS3）及客戶關係管理系統（即 CUSTPRO）的兼容能力。

相關功能包括具擴展能力的流動科技、業務表現的統計模式、應用程式介面科技，以及在 NS3 和 CUSTPRO 之外建立數碼銀行功能。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

- (ii) To capture new growth opportunities through our successful product, Square Intelligence:

Our products, Square Intelligence (i.e. NS3), has been successful since its introduction to the Malaysian market. The Group has successfully secured a contract from the Bursa Malaysia, the stock exchange of the Malaysia, pursuant to which the Bursa Malaysia agreed to use our products as a foundation to develop CDS e-Services solution platform.

The outbreak of COVID-19 in early 2020 throughout the world has certain impacts on the business operation of the Group and overall global economy. Due to operation suspension in Malaysia and global travel restriction, it directly and indirectly affects the seeking out of potential customers and negotiation of new projects of the Group. However, the Board will actively formulate more alternative business plans and perform a series of sales and marketing efforts in order to expand its existing market share. The Board expects that the expansion of our products will continuously generate a sustainable cash inflow to the Group through the aforesaid measures and means.

The Group is also currently evaluating new data science API plug-in to the Square Intelligence to enrich the business dashboard reporting with natural language processing (NLP) and text mining capabilities.

- (ii) 透過成功產品 Square Intelligence 致力把握新增長機遇：

自從我們的產品 Square Intelligence (即 NS3) 於馬來西亞市場推出以來，已經取得了成功。本集團成功從馬來西亞證券交易所 (馬來西亞交易所) 接獲合約，據此，馬來西亞交易所同意使用我們的產品，作為開發中央數據服務之電子服務解決方案平台的基礎。

二零二零年初 COVID-19 肆虐全球，對本集團業務營運及整體全球經濟帶來若干影響。由於馬來西亞營運暫停及全球旅遊限制，本集團尋找潛在客戶和商討新項目均受到直接及間接影響。然而，董事會積極制定更多不同業務計劃，以及實行一系列銷售及營銷活動，以擴大現時市場份額。董事會預期，透過上述的措施及方法來擴充我們的產品，可為本集團帶來持續的現金流入。

本集團亦在評估 Square Intelligence 的新數據科學應用程式介面外加附件，以通過自然語言處理及文字探勘能力豐富業務儀表板報告內容。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

- (iii) Leveraging on the business networks of the Pre-IPO Investors to introduce IT products in the PRC into Malaysia; and diversifying our service offerings to our customers:

Various in-roads have been made to discuss with potential PRC partners regarding their interests in launching their services/products in Malaysia. However, with the change in Malaysian government in May 2018, these potential partners decided to take a wait and see approach on their expansion plan. These potential partners worried on the likelihood of changes in government policy towards foreign investors, especially from the PRC. The discussions were resumed in late 2019 as the Malaysian government settled in and showed their openness to PRC investors. We have also secured a potential cooperation project on co-working space from an operator in Hong Kong with an aim to further cooperate on data centre and cloud services in both Hong Kong and Malaysia. A memorandum of understanding has been executed before Chinese New Year in 2020. However, the progress has been interrupted due to the outbreak of COVID-19 and the Malaysian government had changed once again recently. Further, the Group is currently liaising with a group from Taiwan regarding a potential cooperation but the progress has also been slowed down due to the impact of COVID-19 outbreak.

- (iii) 憑藉首次公開發售前投資者之業務網絡，將中國資訊科技產品引進馬來西亞，並向客戶提供多元化服務：

我們與部份有意在馬來西亞推出服務／產品的潛在中國合作夥伴在商討上取得進展。然而，馬來西亞政府在二零一八年五月換屆，該等潛在合作夥伴在擴充計劃上決定採取觀望態度。該等潛在合作夥伴憂慮政府對外商投資者（特別是中國）的政策可能有變。由於馬來西亞政府安頓下來並對中國投資者表達開放態度，討論於二零一九年年底恢復。我們亦從一個香港營運商獲得有關共用工作空間的潛在合作項目，藉此在香港和馬來西亞的數據中心及雲端服務方面進一步合作。我們於二零二零年農曆新年之前已簽訂一份諒解備忘錄。然而，由於COVID-19爆發及馬來西亞政府近期再次換屆，使進度受阻。此外，本集團現時就潛在合作與一個台灣集團接洽，但亦因COVID-19爆發的影響而進展緩慢。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

During the three months ended 29 February 2020, the Group did not have any material acquisitions and disposals of subsidiaries and affiliated companies.

USE OF PROCEEDS

The net proceeds raised by the Company from the share offer of the Company were approximately RM30.5 million (equivalent to approximately HK\$58.6 million) (based on the final Offer Price (as defined in the Prospectus) of HK\$0.62 per offer share adjusted by the Downward Offer Price Adjustment (as defined in the Prospectus)). The Company intends to apply the net proceeds on a pro rata basis for the purposes as disclosed in the section headed “Future Plans and Use of Proceeds — Use of Proceeds” of the Prospectus and the price reduction announcement dated 16 October 2018, which are as follows:

附屬公司及聯屬公司之重大收購 及出售

於截至二零二零年二月二十九日止三個月，本集團並無任何附屬公司及聯屬公司之重大收購及出售。

所得款項用途

經下調發售價調整（定義見招股章程）作出調整後，本公司自股份發售籌募之所得款項淨額約為馬幣30,500,000元（相當於約58,600,000港元）（按最終發售價（定義見招股章程）每股發售股份0.62港元計算）。本公司擬按招股章程「未來計劃及所得款項用途—所得款項用途」一節及於二零一八年十月十六日之發售價下調公告所披露之用途按比例應用所得款項淨額，詳情如下：

MANAGEMENT DISCUSSION AND ANALYSIS

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- approximately RM3.05 million (equivalent to approximately HK\$5.86 million), representing approximately 10% of the net proceeds, for strengthening our technical team by recruiting more IT specialists
 - approximately RM18.3 million (equivalent to approximately HK\$35.2 million), representing approximately 60% of the net proceeds, for purchase of hardware and equipment for establishment of IT infrastructure for the provision of cloud storage and cloud computing services
 - approximately RM6.1 million (equivalent to approximately HK\$11.7 million), representing approximately 20% of the net proceeds, for research and development of advanced and adapted versions of our Group's existing IT products
 - approximately RM3.05 million (equivalent to approximately HK\$5.86 million), representing approximately 10% of the net proceeds, as general working capital
- 約馬幣3,050,000元(相當於約5,860,000港元)(佔所得款項淨額約10%)將用於招聘更多資訊科技專才以加強技術團隊
 - 約馬幣18,300,000元(相當於約35,200,000港元)(佔所得款項淨額約60%)將於購買硬件及設備以建立資訊科技基礎設施，從而提供雲端儲存及雲端運算服務
 - 約馬幣6,100,000元(相當於約11,700,000港元)(佔所得款項淨額約20%)將用於研發本集團現有資訊科技產品之進階版及適應版
 - 約馬幣3,050,000元(相當於約5,860,000港元)(佔所得款項淨額約10%)將用作為一般營運資金

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The table below sets out the proposed applications of the net proceeds up to 29 February 2020:

下表載列直至二零二零年二月二十九日所得款項淨額的擬定用途：

		Planned use of proceeds up to 29 February 2020 直至二零二零年二月二十九日所得款項計劃用途 RM million 馬幣百萬元	Actual use of proceeds up to 29 February 2020 直至二零二零年二月二十九日所得款項實際用途 RM million 馬幣百萬元	Unutilised use of proceeds up to 29 February 2020 直至二零二零年二月二十九日所得款項未動用所得款項 RM million 馬幣百萬元	Total unutilised use of proceeds from the Listing Date to 29 February 2020 自上市日期至二零二零年二月二十九日所得款項總額未動用 RM million 馬幣百萬元
Strengthening our technical team by recruiting more IT specialists	招聘更多資訊科技專才以加強技術團隊	3.05	3.05	-	-
Purchase of hardware and equipment for establishment of IT infrastructure for the provision of cloud storage and cloud computing services	購買硬件及設備以建立資訊科技基礎設施，從而提供雲端儲存及雲端運算服務	18.30	1.02	17.28	17.28
Research and development of advanced and adapted versions of our Group's existing IT products	研發本集團現有資訊科技產品之進階版及適應版	6.10	5.38	0.72	0.72
General working capital	一般營運資金	3.05	3.05	-	-
Total	總計	30.50	12.50	18.00	18.00

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Expected completion timeline for utilising the remaining net proceeds

For the unutilised net proceeds up to 29 February 2020, the Company intends to use them in the manner and proportions as described above. The expected completion timeline for utilising the remaining unused net proceeds is set out below:

動用餘下所得款項淨額的預期完成時間表

就直至二零二零年二月二十九日的未動用所得款項淨額而言，本公司擬按上文所述方式及比例動用。動用餘下未使用所得款項淨額的預期完成時間表載列如下：

Expected timeline for utilising the remaining unused net proceeds

動用餘下未使用所得款項淨額的預期時間表
(Note)
(附註)

Purchase of hardware and equipment for establishment of IT infrastructure for the provision of cloud storage and cloud computing services

購買硬件及設備以建立資訊科技基礎設施，從而提供雲端儲存及雲端運算服務

From 1 December 2019 to 31 May 2021

自二零一九年十二月一日至二零二一年五月三十一日

Research and development of advanced and adapted versions of our Group's existing IT products

研發本集團現有資訊科技產品之進階版及適應版

From 1 December 2019 to 31 May 2021

自二零一九年十二月一日至二零二一年五月三十一日

Note:

The expected timeline for utilising the remaining unused proceeds is based on the best estimation of the present and future business market conditions in Malaysia made by the Board.

附註：

動用餘下未使用所得款項的預期時間表乃由董事會基於馬來西亞現時及未來業務市場的最佳估計而作出。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The delay in utilisation of the net proceeds are mainly due to (i) the sudden change of the Malaysian government which prolonged the implementation of the government policies and the related projects and hindered the Group's decisions and strategies on the size, extent and timing of the infrastructure of the cloud storage and cloud computing services to be built by the Group; (ii) the unexpected extension of time for the Group to thoroughly review the service providers for the hardware and the equipment for establishment of IT infrastructure for the provision of cloud storage and cloud computing services; (iii) the unexpected postponement of the Group in reviewing the alignment of its software systems with the configurations of hardware equipment before undertaking an upgrade to its hardware equipment for the provision of cloud storage and cloud computing services; and (iv) the acceptance of customers in the secrecy information sectors (such as central banks, stock exchange, employee provident fund, taxation authority, as well as banks and insurance companies in general) with regard to the release of Risk management in technology (RMiT) by the Central Bank of Malaysia on 18 July 2019, which alleviated the concerns of using private infrastructure as a service, compared to other options such as public cloud (Amazon AWS, Microsoft Azure), as well as on-premise IT infrastructure options. All of the above have caused the Company to reconsider the use of remaining proceeds with regard to the original plan in the Prospectus.

所得款項淨額的使用延遲主要由於(i)馬來西亞政府的突然變動延長了政府政策及相關項目的實施時間，並阻礙了本集團對其即將建設的雲端儲存及雲端運算服務基礎設施的規模、範圍及時間的決策及戰略；(ii)本集團意外延長時間以徹底審查建立資訊科技基礎設施以提供雲端儲存及雲端計算服務的硬件及設備的服務供應商；(iii)本集團於升級其硬件設備以提供雲端儲存及雲端計算服務之前意外推遲審視其軟件系統與硬件設備配置的一致性；及(iv)關於馬來西亞中央銀行於二零一九年七月十八日發佈的技術風險管理(RMiT)，與公共雲端平台(亞馬遜AWS、微軟Azure)等其他選擇及本地資訊科技基礎設施選擇相比，保密資料界別(例如中央銀行、證券交易所、僱員公積金、稅務機關以及一般銀行及保險公司)客戶的接納，減低對使用私有基礎設施作為服務的關注。所有上述原因令本公司重新考慮招股章程中餘下所得款項用途的原始計劃。

DIVIDENDS

The Board does not recommend the payment of an interim dividend for the three months ended 29 February 2020 (three months ended 28 February 2019: nil).

股息

董事會並不建議派付截至二零二零年二月二十九日止三個月之中期股息(截至二零一九年二月二十八日止三個月：無)。

OTHER INFORMATION

其他資料

CORPORATE GOVERNANCE PRACTICES

The Company has adopted the principles and the code provisions in the Corporate Governance Code (the “CG Code”) as set out in Appendix 15 to the GEM Listing Rules.

During the three months ended 29 February 2020, the Company had complied with the CG Code, except for the deviation as stated below:

Code Provision A.2.1

Pursuant to code provision A.2.1 of the CG Code, the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive officer should be clearly established and set out in writing.

企業管治守則

本公司已採納GEM上市規則附錄十五所載企業管治守則(「企業管治守則」)之準則及守則條文。

於截至二零二零年二月二十九日止三個月期間，本公司已遵守企業管治守則；惟下文所述之偏離情況除外：

守則條文A.2.1條

根據企業管治守則守則條文第A.2.1條，主席與行政總裁之角色應有區分，並不應由同一人兼任。主席與行政總裁之間的職責分工應明確規定並以書面載述。

OTHER INFORMATION

Mr. Chong Yee Ping is currently the Chairman of the Board and the Chief Executive Officer of the Company, responsible for formulating the overall business development strategy and planning of the Group. In view that Mr. Chong has been responsible for the overall management of the Group since its inception, the Board believes that it is in the best interest of the Group to have Mr. Chong taking up both roles for effective management and business development. The Board considers that the balance of power and authority, accountability and independent decision-making under our present arrangement will not be impaired because of the diverse background and experience of the other executive director, non-executive Directors and independent non-executive Directors. Further, the Audit Committee has free and direct access to the Company's external auditors and independent professional advisers when it considers necessary. Therefore, the Directors consider that the deviation from code provision A.2.1 of the CG Code is appropriate in such circumstance.

其他資料

鍾宜斌先生目前為本公司之董事會主席兼行政總裁，負責制定本集團之整體業務發展策略及規劃。鑑於鍾先生自創立以來一直負責本集團之整體管理，董事會相信，鍾先生兼任該等職務符合本集團最佳利益，以取得有效之管理及業務發展。董事會認為，目前安排無損權力及授權與問責性及獨立決策能力之平衡，原因為其他執行董事、非執行董事及獨立非執行董事之多元化背景及經驗。此外，審核委員會可就其認為有必要時自由及直接聯繫本公司之外部核數師及獨立專業顧問。因此，董事認為偏離企業管治守則守則條文第A.2.1條在此情況下屬恰當。

OTHER INFORMATION

In order to maintain good corporate governance and to fully comply with code provision A.2.1 of the CG Code, the Board comprises six other experienced and high-calibre individuals including one other executive Director, two non-executive Directors and three independent non-executive Directors who would be able to offer advice from various perspectives. In addition, for major decisions of the Group, the Company will consult the relevant Board committees and senior management. Considering the present size and the scope of business of the Group, we consider that it is not in the best interest of the Company and the shareholders as a whole to separate the roles of the chairman and the chief executive officer, because the separation would render the decision-making process of the Company less efficient than the current structure. Therefore, the Board consider that the present arrangement is beneficial to and in the interest of the Company and the shareholders as a whole.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the required standard of dealings set out in Rules 5.46 to 5.67 of the GEM Listing Rules (the "Standard of Dealings"), as the code of conduct regarding the Directors' securities transactions. Having made specific enquiries of all Directors, each of the Directors has confirmed that he/she has complied with the Standard of Dealings from the date on which the shares of the Company are first listed on the Stock Exchange and up to the date of this report.

其他資料

為維持良好企業管治及全面遵守企業管治守則守則條文第A.2.1條，董事會還有其餘六名具經驗及卓越才幹之人士，包括另外一名執行董事、兩名非執行董事及三名獨立非執行董事，彼等能夠在不同方面提供意見。此外，就本集團之重大決策而言，本公司將會諮詢有關的董事會委員會及高級管理層。經考慮本集團現時規模及業務範疇，吾等認為區分主席與行政總裁之角色並不符合本公司及其股東之整體最佳利益，原因是相比現有架構，區分該等角色將令本集團之決策過程效率降低。因此，董事會認為現時安排對本公司及股東整體有利及符合彼等整體利益。

董事之證券交易

本公司已採納GEM上市規則第5.46至5.67條所載交易規定標準（「交易標準」），作為董事之證券交易之操作守則。經向所有董事作出特定查詢後，董事各自已確認自本公司股份首次於聯交所上市當日及直至本報告日期已遵守交易標準。

OTHER INFORMATION

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

None of the Company or any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the three months ended 29 February 2020.

SHARE OPTION SCHEME

The Company conditionally adopted a share option scheme (the "Share Option Scheme") on 19 September 2018. The purpose of the Share Option Scheme is to grant an option to subscribe for Shares of the Company (the "Option") to eligible persons as defined in the Share Option Scheme (including, inter alia, directors, employees, suppliers, customers and consultants of the Group) as incentives or rewards for their contribution to the Group.

Unless otherwise cancelled or amended, the Share Option Scheme will remain in force for a period of 10 years from the date of its adoption on 19 September 2018. During the three months ended 29 February 2020, no Option has been granted by the Company. As of the date of this report, the Company had 39,000,000 Shares available for issue under the Share Option Scheme (representing 10% of the existing issued share capital of the Company as at the date of this report). An option may be accepted within 21 days from the date of offer. A sum of HK\$1.00 shall be payable on acceptance. Unless determined by the Directors otherwise, there is no minimum holding period before it can be exercised. The maximum entitlement of each participant and the exercise price shall be in accordance with the GEM Listing Rules. Details of the Share Option Scheme are set out in the paragraph headed "Share Option Scheme" of the section headed "Statutory and General Information" of the Prospectus.

其他資料

購買、出售或贖回上市證券

概無本公司或其任何附屬公司於截至二零二零年二月二十九日止三個月購買、出售或贖回本公司任何上市證券。

購股權計劃

本公司於二零一八年九月十九日有條件地採納一項購股權計劃（「購股權計劃」）。購股權計劃旨在向合資格人士（包括本集團之董事、僱員、供應商、客戶及顧問）（定義見購股權計劃）授出購股權以認購本公司股份（「購股權」），作為彼等對本集團作出貢獻之獎勵或回報。

除非獲取消或修訂，否則購股權將自其採納日期（二零一八年九月十九日）起計10年內一直有效。截至二零二零年二月二十九日止三個月期間，本公司並無授出購股權。截至本報告日期，本公司根據購股權計劃有39,000,000股可供發行之股份（佔於本報告日期本公司現有已發行股本之10%）。購股權可於授出之日起21日內獲接納。接納時須支付合共1.00港元。除董事另有決定外，並無可予行使前的最短持有期限。每位參與者的最高配額及行使價應符合GEM上市規則的規定。有關購股權計劃之詳情載列於招股章程「法定及一般資料」一節「購股權計劃」一段。

OTHER INFORMATION

其他資料

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

At 29 February 2020, 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 (Chapter 571 of the Laws of Hong Kong) (the "SFO")), which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO; or (b) pursuant to Section 352 of the SFO, to be recorded in the register referred therein; or (c) pursuant to Rule 5.46 of the GEM Listing Rules to be notified to the Company and the Stock Exchange, were as follows:

董事及主要行政人員於本公司及其相聯法團之股份、相關股份及債券之權益及淡倉

於二零二零年二月二十九日，董事及本公司主要行政人員於本公司及其相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券中，擁有(a)須根據證券及期貨條例第XV部第7及8分部知會本公司於聯交所之權益或淡倉；或(b)本公司根據證券及期貨條例第352條須登記於該條所指之登記冊內之權益或淡倉；或(c)或根據GEM上市規則第5.46條須知會本公司及聯交所之權益或淡倉如下：

OTHER INFORMATION

其他資料

Long position in Shares or underlying shares of the Company:

於本公司股份或相關股份之好倉：

Name of Director	Notes	Capacity and nature of interest	Number of Shares interested	Approximate percentage of the Company's issued share capital 本公司已發行股本概約百分比
董事姓名	附註	身份及權益性質	擁有權益之股份數目	
Mr. Chong Yee Ping 鍾宜斌先生	(1)	Interests of controlled corporation and person acting in concert 受控法團權益及一致行動人士	196,560,000 (L)	50.4%
Mr. Siah Jiin Shyang 謝錦祥先生	(1)	Interests of controlled corporation and person acting in concert 受控法團權益及一致行動人士	196,560,000 (L)	50.4%
Mr. Liu Yan Chee James 劉恩賜先生		Beneficial owner 實益擁有人	57,720,000 (L)	14.8%
Mr. Lam Pang 林鵬先生		Beneficial owner 實益擁有人	38,220,000 (L)	9.8%

Notes:

(1) *Delicate Edge Limited is wholly and beneficially owned by Mr. Chong Yee Ping whereas King Nordic Limited is wholly and beneficially owned by Mr. Siah Jiin Shyang. Each of Delicate Edge Limited and King Nordic Limited holds 98,280,000 Shares representing 25.2% of the total issued share capital of the Company.*

附註:

(1) *Delicate Edge Limited由鍾宜斌先生全資實益擁有，而King Nordic Limited由謝錦祥先生全資實益擁有。Delicate Edge Limited及King Nordic Limited各自持有98,280,000股股份，佔本公司已發行股本總額25.2%。*

OTHER INFORMATION

Mr. Chong Yee Ping and Mr. Siah Jiin Shyang are parties acting in concert (having the meaning ascribed to it under the Hong Kong Code on Takeovers and Mergers (the "Takeovers Code")) as confirmed by them in writing. As such, each of Mr. Chong Yee Ping, Mr. Siah Jiin Shyang, Delicate Edge Limited and King Nordic Limited is deemed to be interested in 196,560,000 Shares held by Delicate Edge Limited and King Nordic Limited in aggregate under the SFO.

(2) *The Letter "L" denotes as long positions in the Shares.*

Save as disclosed above, as at 29 February 2020, none of the Directors and chief executives of the Company and/or any of their respective associates had any interests and short positions in the Shares, underlying shares and debentures of the Company and/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 under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or the GEM Listing Rules.

其他資料

誠如鍾宜斌先生及謝錦祥先生書面確認，彼等為一致行動人士（具香港公司收購及合併守則（「收購守則」）項下賦予該詞之涵義）。因此，根據證券及期貨條例，鍾宜斌先生、謝錦祥先生、Delicate Edge Limited及King Nordic Limited各自被視為於Delicate Edge Limited及King Nordic Limited合共持有之196,560,000股股份中擁有權益。

(2) 字母「L」指股份中之好倉。

除上文所披露者外，於二零二零年二月二十九日，概無董事及本公司主要行政人員及／或其各自之聯繫人於本公司／或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債券中擁有須根據證券及期貨條例第352條須由本公司登記於該條所指之登記冊內之任何權益或淡倉，或根據證券及期貨條例第XV部或GEM上市規則須知會本公司及聯交所之權益或淡倉。

OTHER INFORMATION

其他資料

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the paragraphs headed "Directors' and chief executives' interests and short positions in the Shares, underlying shares and debentures of the Company and its associated corporations" and "Share Option Scheme" above, at no time during the three months ended 29 February 2020 was the Company, its holding company, or any of its subsidiaries or associated corporations, a party to any arrangement that would enable the Directors and chief executives of the Company (including their respective spouse and children under 18 years of age) to acquire benefits by means of the acquisition of the Shares or underlying shares in, or debentures of, the Company or any of its associated corporations.

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

So far as the Directors are aware, as at 29 February 2020, the following persons have or are deemed or taken to have an interest and/or short position in the Shares or the underlying Shares which would fall to be disclosed under the provisions of Division 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

董事購入股份或債券之權利

除於上文「董事及主要行政人員於本公司及其相聯法團之股份、相關股份及債券之權益及淡倉」及「購股權計劃」兩節所披露者外，截至二零二零年二月二十九日止三個月內任何時間，本公司、其控股公司或其任何附屬公司或其相聯法團均無訂立任何安排，使董事及本公司主要行政人員（包括其各自之配偶及未滿18歲之子女）通過購入本公司或其任何相聯法團之股份或相關股份或債券之方式獲得利益。

主要股東於本公司股份及相關股份之權益及淡倉

據董事所悉，於二零二零年二月二十九日，以下人士於股份或相關股份中擁有或被視作或當作擁有根據證券及期貨條例第XV部第2及第3分部的條文須作出披露，或須載入本公司根據證券及期貨條例第336條所存置的登記冊內的權益及／或淡倉。

OTHER INFORMATION

其他資料

Long position in the Shares or underlying shares of the Company:

於本公司股份或相關股份之好倉：

Name of substantial shareholders	Notes	Capacity and nature of interest	Number of Shares interested	Percentage of the Company's issued share capital 本公司已發行股本百分比
主要股東姓名	附註	身份及權益性質	擁有權益之股份數目	
Delicate Edge Limited	(1)	Beneficial owner and person acting in concert 實益擁有人及一致行動人士	196,560,000 (L)	50.4%
King Nordic Limited	(1)	Beneficial owner and person acting in concert 實益擁有人及一致行動人士	196,560,000 (L)	50.4%
Mr. Liu Yan Chee James 劉恩賜先生		Beneficial owner 實益擁有人	57,720,000 (L)	14.8%
Mr. Lam Pang 林鵬先生		Beneficial owner 實益擁有人	38,220,000 (L)	9.8%

Notes:

附註：

(1) *Delicate Edge Limited is wholly and beneficially owned by Mr. Chong Yee Ping whereas King Nordic Limited is wholly and beneficially owned by Mr. Siah Jiin Shyang. Each of Delicate Edge Limited and King Nordic Limited holds 98,280,000 Shares representing 25.2% of the total issued share capital of the Company.*

(1) *Delicate Edge Limited由鍾宜斌先生全資實益擁有，而King Nordic Limited由謝錦祥先生全資實益擁有。Delicate Edge Limited及King Nordic Limited各自持有98,280,000股股份，佔本公司已發行股本總額25.2%。*

OTHER INFORMATION

Mr. Chong Yee Ping and Mr. Siah Jiin Shyang are parties acting in concert (having the meaning ascribed to it under the Takeovers Code) as confirmed by them in writing. As such, each of Mr. Chong Yee Ping, Mr. Siah Jiin Shyang, Delicate Edge Limited and King Nordic Limited is deemed to be interested in 196,560,000 Shares held by Delicate Edge Limited and King Nordic Limited in aggregate under the SFO.

- (2) *The Letter "L" denotes as long positions in the Shares.*

Save as disclosed above, as at 29 February 2020, the Company has not been notified by any persons (other than the Directors or chief executive of the Company) who had interests or short positions in the Shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

COMPETING INTERESTS

None of the Directors and controlling shareholders of the Company nor their respective associates (as defined under the GEM Listing Rules) had any interest in any other companies as at 29 February 2020 which may, directly or indirectly compete with the Group's business.

其他資料

誠如鍾宜斌先生及謝錦祥先生書面確認，彼等為一致行動人士（具收購守則項下賦予該詞之涵義）。因此，根據證券及期貨條例，鍾宜斌先生、謝錦祥先生、Delicate Edge Limited 及 King Nordic Limited 各自被視為於 Delicate Edge Limited 及 King Nordic Limited 合共持有之 196,560,000 股股份中擁有權益。

- (2) 字母「L」指股份中之好倉。

除上文所披露者外，本公司並不知悉任何其他人士（本公司董事或主要行政人員除外）於二零二零年二月二十九日有關於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司披露之權益或淡倉、或記錄於根據證券及期貨條例第336條規定須由本公司存置之股東名冊之權益或淡倉。

競爭權益

概無董事及本公司控股股東或彼等各自之聯繫人（定義見GEM上市規則）於二零二零年二月二十九日會與本集團業務直接或間接構成競爭之任何其他公司擁有任何權益。

OTHER INFORMATION

其他資料

DEED OF NON-COMPETITION

Mr. Chong Yee Ping, Mr. Siah Jiin Shyang, Delicate Edge Limited and King Nordic Limited, being the controlling shareholders (as defined under the GEM Listing Rules) of the Company, have entered into a deed of non-competition dated 19 September 2018 in favour of the Company (the “Deed of Non-Competition”). Details of the Deed of Non-Competition was set out in the section headed “Relationship with Controlling Shareholders” of the Prospectus.

The independent non-executive Directors of the Company have reviewed the status of compliance and confirmed that all the undertakings under the Deed of Non-Competition have been complied with by Mr. Chong Yee Ping, Mr. Siah Jiin Shyang, Delicate Edge Limited and King Nordic Limited up to the date of this report.

INTERESTS OF COMPLIANCE ADVISER

As at 29 February 2020, save as the compliance adviser agreement entered into between the Company and VBG Capital Limited (“VBG”), neither VBG nor its directors, employees or close associates had any interest in relation to the Group which is required to be notified to the Company pursuant to Rule 6A.32 of the GEM Listing Rules.

不競爭契據

鍾宜斌先生、謝錦祥先生、Delicate Edge Limited 及 King Nordic Limited (即本公司控股股東 (定義見GEM上市規則)) 已訂立日期為二零一八年九月十九日以本公司為受益人之不競爭契據 (「不競爭契據」)。有關不競爭契據之詳情載於招股章程「與控股股東之關係」一節。

直至本報告日期，本公司獨立非執行董事已審視不競爭契據的遵守情況並確認鍾宜斌先生、謝錦祥先生、Delicate Edge Limited及 King Nordic Limited已遵守所有不競爭契據項下之承諾。

合規顧問之權益

於二零二零年二月二十九日，除本公司與建泉融資有限公司 (「建泉」) 訂立之合規顧問協議外，建泉及其董事、僱員或緊密聯繫人概無擁有有關本集團須根據GEM上市規則第6A.32條知會本公司之任何權益。

OTHER INFORMATION

其他資料

AUDIT COMMITTEE

The Company established an Audit Committee with written terms of reference in compliance with Rule 5.28 of the GEM Listing Rules and the paragraph C.3 of CG Code and Corporate Governance Report as set out in Appendix 15 of the GEM Listing Rules.

The primary duties of the Audit Committee are to assist the Board in providing an independent view of the effectiveness of the Company's financial reporting process, internal control and risk management system, to oversee the audit process and to perform other duties and responsibilities as assigned by the Board. As at the date of this report, the Audit Committee consists of three independent non-executive Directors, namely Ms. Ho Suet Man Stella (chairman of the Audit Committee), Mr. Chan San Ping and Mr. Su Chi Wen.

The Audit Committee has reviewed with the management the accounting standards and practices adopted by the Group, and discussed financial reporting matters including the review of unaudited condensed consolidated financial statements for the three months ended 29 February 2020 and is of the opinion that the preparation of such statements complied with applicable accounting standards and that adequate disclosures have been made in respect thereof.

審核委員會

本公司已成立審核委員會，並遵守GEM上市規則第5.28條及GEM上市規則附錄十五所載之企業管治守則及企業管治報告第C.3段以書面形式訂明之職權範圍。

審核委員會之主要職責為協助董事會就本公司財務報告程序、內部監控及風險管理系統之有效性提供獨立意見、監督審核過程及履行董事會指派之其他職務及職責。於本報告日期，審核委員會由三名獨立非執行董事組成，即何雪雯女士（審核委員會之主席）、陳生平先生及蘇熾文先生。

審核委員會已與管理層審閱本集團所採納之會計準則及慣例，並討論有關財務申報事宜、包括審閱截至二零二零年二月二十九日止三個月之未經審核簡明綜合財務報表，並認為該等報表已按照適用會計準則而編製，且已作出充分披露。

OTHER INFORMATION

其他資料

BOARD OF DIRECTORS

Executive Directors

Mr. Chong Yee Ping
(*Chairman and Chief Executive Officer*)
Mr. Liu Yan Chee James

Non-executive Directors

Mr. Siah Jiin Shyang
Mr. Lam Pang

Independent Non-executive Directors

Mr. Chan San Ping
Ms. Ho Suet Man Stella
Mr. Su Chi Wen

By order of the Board
Mindtell Technology Limited

Chong Yee Ping
Chairman and Chief Executive Officer

Hong Kong, 6 April 2020

董事會

執行董事

鍾宜斌先生
(*主席兼行政總裁*)
劉恩賜先生

非執行董事

謝錦祥先生
林鵬先生

獨立非執行董事

陳生平先生
何雪雯女士
蘇熾文先生

承董事會命
Mindtell Technology Limited

鍾宜斌
主席兼行政總裁

香港，二零二零年四月六日

MINDTELL TECHNOLOGY LIMITED