The following is the text of a report set out on pages I-1 to I-3 received from the Company's reporting accountant, PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this document. It is prepared and addressed to the directors of the Company and to the Sponsor pursuant to the requirements of HKSIR 200 Accountants' Reports on Historical Financial Information in Investment Circulars issued by the Hong Kong Institute of Certified Public Accountants.

[Draft]

[Letterhead of PricewaterhouseCoopers]

ACCOUNTANT'S REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF ETERNITY TECHNOLOGY HOLDINGS LIMITED AND DAKIN CAPITAL LIMITED

Introduction

We report on the historical financial information of Eternity Technology Holdings Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages I-4 to I-88, which comprises the consolidated balance sheets as at 31 December 2015, 2016 and 2017 and 30 April 2018, the balance sheets of the Company as at 31 December 2017 and 30 April 2018, and the consolidated income statements, the consolidated statements of comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows for each of the years ended 31 December 2015, 2016 and 2017 and the four months ended 30 April 2018 (the "Track Record Period") and a summary of significant accounting policies and other explanatory information (together, the "Historical Financial Information"). The Historical Financial Information set out on pages I-4 to I-88 forms an integral part of this report, which has been prepared for inclusion in the document of the Company dated [REDACTED] (the "Document") in connection with the [REDACTED] of shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited.

Directors' responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of Historical Financial Information that gives a true and fair view in accordance with the basis of presentation and preparation set out in Notes 1.3 and 2.1 to the Historical Financial Information, and for such internal control as the directors determine is necessary to enable the preparation of Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountant's responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200, *Accountants' Reports on Historical Financial Information in Investment Circulars* issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountant's judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountant considers internal control relevant to the entity's preparation of Historical Financial Information that gives a true and fair view in accordance with the basis of presentation and preparation set out in Notes 1.3 and 2.1 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion the Historical Financial Information gives, for the purposes of the accountant's report, a true and fair view of the financial position of the Company as at 31 December 2017 and 30 April 2018 and the consolidated financial position of the Group as at 31 December 2015, 2016 and 2017 and 30 April 2018 and of its consolidated financial performance and its consolidated cash flows for the Track Record Period in accordance with the basis of presentation and preparation set out in Notes 1.3 and 2.1 to the Historical Financial Information.

Review of stub period comparative financial information

We have reviewed the stub period comparative financial information of the Group which comprises the consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the four months ended 30 April 2017 and other explanatory information (the "Stub Period Comparative Financial Information"). The directors of the Company are responsible for the preparation and presentation of the Stub Period Comparative Financial Information in accordance with the basis of presentation and preparation set out in Notes 1.3 and 2.1 to the Historical Financial Information. Our responsibility is to express a conclusion on the Stub Period Comparative Financial Information based on our review. We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the HKICPA. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Based on our review, nothing has come to our attention that causes us to believe that the Stub Period Comparative Financial Information, for the purposes of the accountant's report, is not prepared, in all material respects, in accordance with the basis of presentation and preparation set out in Notes 1.3 and 2.1 to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and the Companies (Winding Up and Miscellaneous Provisions) Ordinance

Adjustments

In preparing the Historical Financial Information no adjustments to the Underlying Financial Statements as defined on page I-4 have been made.

Dividends

We refer to Note 29 to the Historical Financial Information which states that no dividends have been paid by Eternity Technology Holdings Limited in respect of the Track Record Period.

No statutory financial statements for the Company

No statutory financial statements have been prepared for the Company since its date of incorporation.

[PricewaterhouseCoopers]
Certified Public Accountants
Hong Kong
[REDACTED]

I. HISTORICAL FINANCIAL INFORMATION OF THE GROUP

Preparation of Historical Financial Information

Set out below is the Historical Financial Information which forms an integral part of this accountant's report.

The consolidated financial statements of the Group for the Track Record Period, on which the Historical Financial Information is based, were audited by PricewaterhouseCoopers in accordance with Hong Kong Standards on Auditing issued by the HKICPA ("Underlying Financial Statements").

The Historical Financial Information is presented in Renminbi ("RMB") and all values are rounded to the nearest thousand ("RMB'000") except when otherwise indicated.

CONSOLIDATED INCOME STATEMENTS

		Year ended 31 December			Four months ended 30 April	
	Note	**2015**	**2016**	**2017**	**2017**	**2018**
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(unaudited)*	*RMB'000*
Revenue	5	182,925	267,890	370,162	134,351	181,174
Cost of sales	6	(148,334)	(220,360)	(309,824)	(112,643)	(153,326)
Gross profit		34,591	47,530	60,338	21,708	27,848
Other income	7	93	694	828	—	1,626
Other (losses)/gains, net	8	(132)	(983)	1,223	81	265
Selling and distribution expenses	6	(3,673)	(6,687)	(9,534)	(2,747)	(3,853)
Administrative expenses	6	(10,327)	(12,795)	(18,404)	(7,719)	(8,667)
Operating profit		20,552	27,759	34,451	11,323	17,219
Finance income	10	24	32	99	16	22
Finance costs	10	(1,982)	(1,098)	(800)	(287)	(224)
Finance costs, net		(1,958)	(1,066)	(701)	(271)	(202)
Profit before income tax		18,594	26,693	33,750	11,052	17,017
Income tax expense	11	(4,602)	(4,612)	(5,239)	(2,281)	(3,083)
Profit for the year/period		13,992	22,081	28,511	8,771	13,934
Profit attributable to:						
Owners of the Company		13,992	22,081	28,511	8,771	13,934
Earnings per share attributable to ordinary equity holders of the Company						
Basic and diluted (RMB'000)	12	34.29	54.12	62.53	21.13	29.03

The earnings per share has not taken into account the proposed [REDACTED] pursuant to the shareholders' resolution dated 25 July 2018 because the proposed [REDACTED] has not been effected as at the date of this report.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Year ended 31 December			Four months ended 30 April	
	2015	**2016**	**2017**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(unaudited)	
Profit for the year/period	13,992	22,081	28,511	8,771	13,934
Other comprehensive losses:					
Items that may be subsequently reclassified to profit or loss					
Currency translation differences	(125)	(10)	(250)	12	(272)
Total comprehensive income for the year/period	13,867	22,071	28,261	8,783	13,662
Attributable to:					
Owners of the Company	13,867	22,071	28,261	8,783	13,662

CONSOLIDATED BALANCE SHEETS

		As at 31 December			As at 30 April
	Note	**2015**	**2016**	**2017**	**2018**
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
ASSETS					
Non-current assets					
Properties, plant and equipment	13	15,863	11,309	13,853	14,456
Intangible assets	14	—	1,720	1,478	1,375
Prepayments and deposits	16	394	336	401	2,433
Deferred tax assets	22	2,158	1,186	1,085	888
		18,415	14,551	16,817	19,152
Current assets					
Inventories	17	22,143	21,606	31,449	70,312
Trade and bills receivables	20	52,987	80,730	71,090	150,170
Prepayments, deposits and other receivables	16	2,479	3,737	10,425	16,318
Financial assets at fair value through profit or loss	18	12,669	20,254	—	—
Amount due from a related party	28	2,530	4,000	—	—
Pledged bank deposits	19	615	1,490	—	4,045
Cash and cash equivalents	19	28,901	21,241	53,134	51,183
		122,324	153,058	166,098	292,028
Total assets		140,739	167,609	182,915	311,180
EQUITY					
Equity attributable to owners of the Company					
Share capital	21	—	—	—	—
Reserves		23,200	45,271	86,359	100,021
Total equity		23,200	45,271	86,359	100,021

		As at 31 December			As at 30 April
	Note	**2015**	**2016**	**2017**	**2018**
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
LIABILITIES					
Current liabilities					
Trade payables	23	33,082	53,182	55,632	150,101
Current income tax liabilities		6,233	8,905	4,835	4,996
Bank borrowings	25	20,628	12,326	5,000	13,466
Receipts in advance, other payables and accruals	24	28,287	25,543	31,089	42,596
Amounts due to related parties	28	29,309	22,382	—	—
		117,539	122,338	96,556	211,159
Total liabilities		117,539	122,338	96,556	211,159
Total equity and liabilities		140,739	167,609	182,915	311,180

BALANCE SHEETS OF THE COMPANY

	Note	**As at 31 December 2017** *RMB'000*	**As at 30 April 2018** *RMB'000*
ASSETS			
Non-current assets			
Interests in subsidiaries	32	19,949	19,949
Current assets			
Prepayments, other receivable and deposit	16	1,486	2,527
Amounts due from subsidiaries	33	3,369	234
Cash and cash equivalents	19	2,436	1,064
		7,291	3,825
Total assets		27,240	23,774
EQUITY			
Equity attributable to owners of the Company			
Share capital	21	—	—
Share premium	21	12,165	12,165
Reserves	34	19,505	19,292
Accumulated losses		(5,167)	(9,468)
Total equity		26,503	21,989
LIABILITIES			
Current liabilities			
Accruals	24	562	405
Amount due to a subsidiary	33	175	1,380
Total liabilities		737	1,785
Total equity and liabilities		27,240	23,774

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the Company					
	Share capital	Statutory reserve	Other reserves	Exchange reserve	(Accumulated losses)/ retained earnings	Total equity
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
			Note (b)			
Balance at 1 January 2015	—	—	12,000	(3)	(2,664)	9,333
Comprehensive income						
Profit for the year	—	—	—	—	13,992	13,992
Other comprehensive losses						
Currency translation differences	—	—	—	(125)	—	(125)
Total comprehensive income	—	—	—	(125)	13,992	13,867
Transactions with owners						
Appropriation (Note (a))	—	1,275	—	—	(1,275)	—
Total transactions with owners	—	1,275	—	—	(1,275)	—
Balance at 31 December 2015	—	1,275	12,000	(128)	10,053	23,200

	Attributable to owners of the Company					
	Share capital	Statutory reserve	Other reserves	Exchange reserve	Retained earnings	Total equity
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
			Note (b)			
Balance at 1 January 2016	—	1,275	12,000	(128)	10,053	23,200
Comprehensive income						
Profit for the year	—	—	—	—	22,081	22,081
Other comprehensive losses						
Currency translation differences	—	—	—	(10)	—	(10)
Total comprehensive income	—	—	—	(10)	22,081	22,071
Transactions with owners						
Appropriation (Note (a))	—	2,076	—	—	(2,076)	—
Total transactions with owners	—	2,076	—	—	(2,076)	—
Balance at 31 December 2016	—	3,351	12,000	(138)	30,058	45,271

	Attributable to owners of the Company					
	Share capital	**Statutory reserve**	**Other reserves**	**Exchange reserve**	**Retained earnings**	**Total equity**
	RMB'000	*RMB'000*	*RMB'000* *Note (b)*	*RMB'000*	*RMB'000*	*RMB'000*
Balance at 1 January 2017	—	3,351	12,000	(138)	30,058	45,271
Comprehensive income						
Profit for the year	—	—	—	—	28,511	28,511
Other comprehensive losses						
Currency translation differences	—	—	—	(250)	—	(250)
Total comprehensive income	—	—	—	(250)	28,511	28,261
Transactions with owners						
Capital injection from a shareholder (Note 1.2(c))	—	—	919	—	—	919
Effect of reorganisation in respect of the capitalisation of shareholders' loans (Note 1.2(j)) and the acquisition of subsidiaries (Note 1.2(e) & (i))	—	—	(257)	—	—	(257)
Issuance of ordinary shares of the Company (Note 1.2(a)&(g))	—	—	12,165	—	—	12,165
Appropriation (Note (a))	—	2,965	—	—	(2,965)	—
Total transactions with owners	—	2,965	12,827	—	(2,965)	12,827
Balance at 31 December 2017	—	6,316	24,827	(388)	55,604	86,359
Balance at 1 January 2018	—	6,316	24,827	(388)	55,604	86,359
Comprehensive income						
Profit for the period	—	—	—	—	13,934	13,934
Other comprehensive losses						
Currency translation differences	—	—	—	(272)	—	(272)
Total comprehensive income	—	—	—	(272)	13,934	13,662
Balance at 30 April 2018	—	6,316	24,827	(660)	69,538	100,021

	Attributable to owners of the Company					
	Share capital	**Statutory reserve**	**Other reserves**	**Exchange reserve**	**Retained earnings**	**Total equity**
	RMB'000	*RMB'000*	*RMB'000* *Note (b)*	*RMB'000*	*RMB'000*	*RMB'000*
Balance at 1 January 2017	—	3,351	12,000	(138)	30,058	45,271
Comprehensive income						
Profit for the period	—	—	—	—	8,771	8,771
Other comprehensive losses						
Currency translation differences	—	—	—	12	—	12
Total comprehensive income	—	—	—	12	8,771	8,783
Transactions with owners						
Capital injection from a shareholder (Note 1.2(c))	—	—	919	—	—	919
Appropriation (Note (a))	—	2,965	—	—	(2,965)	—
Total transactions with owners	—	2,965	919	—	(2,965)	919
Balance at 30 April 2017 (unaudited)	—	6,316	12,919	(126)	35,864	54,973

Note:

(a) The PRC laws and regulations require companies registered in the PRC to provide for certain statutory reserves, which are to be appropriated from the profit after income tax (after offsetting accumulated losses from prior years) as reported in their respective statutory financial statements, before profit distributions to equity holders. All statutory reserves are created for specific purposes. A PRC company is required to appropriate an amount of not less than 10% of statutory profits after income tax to statutory surplus reserves, prior to distribution of its post-tax profits of the current year. A company may discontinue the contribution when the aggregate sum of the statutory surplus reserve is more than 50% of its registered capital. The statutory surplus reserves shall only be used to make up losses of the company, to expand the company's operations, or to increase the capital of the company. In addition, a company may make further contribution to the discretional surplus reserve using its post-tax profits in accordance with resolutions of the board of directors.

(b) Other reserves as at 31 December 2015 and 31 December 2016 represent combined share capital of subsidiaries now comprising the Group before the completion of the reorganisation.

Other reserves as at 31 December 2017 and 30 April 2018 represent the share premium and fair value of the consideration given in excess of the share capital of the subsidiaries now comprising the Group in relation to the Group's reorganisation.

CONSOLIDATED STATEMENTS OF CASH FLOWS

		Year ended 31 December			Four months ended 30 April	
	Note	**2015**	**2016**	**2017**	**2017**	**2018**
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (*unaudited*)	*RMB'000*
Cash flows from operating activities						
Cash generated from operations	26(a)	37,043	22,426	38,249	24,353	1,694
Income tax paid		—	(984)	(9,175)	(2,200)	(2,709)
Interest received		24	32	99	16	22
Dividend received		—	39	—	—	—
Net cash generated from/(used in) operating activities		37,067	21,513	29,173	22,169	(993)
Cash flows from investing activities						
Purchase of financial assets at fair value through profit or loss		(53,694)	(112,678)	(62,818)	(47,436)	—
Proceeds from disposal of financial assets at fair value through profit or loss		41,344	104,925	83,133	54,891	—
Purchase of properties, plant and equipment		(2,236)	(601)	(5,091)	(1,401)	(3,552)
Proceeds from disposal of properties, plant and equipment	26(b)	49	471	1,129	378	—
Purchase of intangible assets		—	(1,762)	(119)	—	(27)
Net cash (used in)/generated from investing activities		(14,537)	(9,645)	16,234	6,432	(3,579)
Cash flows from financing activities						
Proceeds from bank borrowings	26(c)	78,830	21,088	14,316	6,855	8,466
Proceeds from loans from shareholders	1.2(h)	—	—	19,692	—	—
Proceeds from issuance of ordinary shares of the Company	1.2(g)	—	—	12,165	—	—
Consideration paid for the acquisition of subsidiaries in respect of reorganisation	1.2(e)&(i)	—	—	(19,949)	—	—
Repayments of bank borrowings	26(c)	(75,367)	(29,390)	(21,642)	(4,326)	—
Interest paid		(1,982)	(1,098)	(800)	(242)	(179)
Change in pledged bank deposits		(43)	(875)	1,490	(567)	(4,045)
Advance from a related party		—	2,800	6,080	—	—
Repayment to a related party		(2,530)	(4,270)	(2,080)	(680)	—
Proceeds from amounts due to related parties	26(c)	319	2,200	8,130	5,173	—
Repayment of amounts due to related parties	26(c)	(10,113)	(10,096)	(29,716)	(7,611)	—
Payment of [REDACTED] expenses		—	—	[REDACTED]	[REDACTED]	[REDACTED]
Capital injection from a shareholder	1.2(c)	—	—	919	919	—
Net cash (used in)/generated from financing activities		(10,886)	(19,641)	(12,838)	(1,619)	3,001

		Year ended 31 December			Four months ended 30 April	
	Note	**2015**	**2016**	**2017**	**2017**	**2018**
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (*unaudited*)	*RMB'000*
Net increase/(decrease) in cash and cash equivalents		11,644	(7,773)	32,569	26,982	(1,571)
Cash and cash equivalents at beginning of the year/period		16,536	28,901	21,241	21,241	53,134
Currency translation differences		721	113	(676)	(81)	(380)
Cash and cash equivalents at end of the year/period	19	28,901	21,241	53,134	48,142	51,183

Major non-cash transaction:

During the year ended 31 December 2017, loans amounting to HK$22,640,000 (approximately RMB19,692,000) from shareholders of the Company were capitalised in other reserve as capital contribution to the Company.

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1 General information, reorganisation and basis of presentation

1.1 General information

The Company was incorporated in the Cayman Islands on 15 March 2017 as an exempted company with limited liability under the Companies Law Cap. 22, Law 3 of 1961 as consolidated and revised of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company is an investment holding company and its subsidiaries now comprising the Group are principally engaged in the business of electronics manufacturing services (the "[REDACTED] Business"). The ultimate holding company of the Company is Rich Blessing Group Limited, a company incorporated in the British Virgin Islands ("BVI"). The ultimate controlling party of the Group is Mr. Ma Fujun ("Mr. Ma").

The Historical Financial Information is presented in unit of Renminbi ("RMB") and all values are rounded to the nearest thousand ("RMB'000"), unless otherwise stated.

1.2 Reorganisation

Prior to the group reorganisation (the "Reorganisation"), the businesses of electronic manufacturing services and trading of electronic products were carried out by (a) Shenzhen Hengchang Sheng Technology Company Limited* (深圳恒昌盛科技有限公司) ("Shenzhen Hengchang Sheng"), a company incorporated in the People's Republic of China ("PRC") which was controlled by Mr. Ma; and (b) Eternity Technology Development Limited, a company incorporated in Hong Kong, which was wholly owned by Mr. Ma, throughout the Track Record Period.

In preparing for the [REDACTED] of the Company's shares on the Main Board of The Stock Exchange of Hong Kong Limited, the Group underwent the Reorganisation which mainly involved the following steps:

(a) On 15 March 2017, the Company was incorporated in the Cayman Islands. 323 shares and 17 shares of the Company were allotted and issued to Rich Blessing Group Limited and In Good Investment Limited ("In Good"), a former [REDACTED] investor, respectively on the same date.

(b) On 23 March 2017, the Company subscribed one fully paid share of Total United Holdings Limited. Total United Holdings Limited became a wholly owned subsidiary of the Company.

(c) On 27 March 2017, In Good injected capital in the amount of RMB919,000 into Shenzhen Hengchang Sheng.

* *For identification purpose only*

(d) On 30 March 2017, Agreeable Company Limited was incorporated in Hong Kong and controlled by Total United Holdings Limited, a wholly owned subsidiary of the Company.

(e) On 12 May 2017, Agreeable Company Limited acquired the entire equity interest in Shenzhen Hengchang Sheng from its then shareholders at a total cash consideration of RMB18,383,000.

(f) On 17 May 2017, In Good transferred its 17 shares of the Company to Elite Foster International Investment Limited (a [REDACTED] investor).

(g) On 18 May 2017, Elite Foster International Investment Limited subscribed for 40 shares of the Company at cash consideration of HK$13,860,000 (approximately RMB12,165,000). After the aforesaid subscription of shares, the Company was owned as to 85% by Rich Blessing Group Limited and 15% by Elite Foster International Investment Limited.

(h) On 23 May 2017 and 1 June 2017, Elite Foster International Investment Limited and Rich Blessing Group Limited advanced shareholders' loans in the amounts of HK$1,140,000 (approximately RMB992,000) (the "Elite Foster Shareholder's Loan") and HK$21,500,000 (approximately RMB18,700,000) (the "Rich Blessing Shareholder's Loan"), respectively, to the Company.

(i) On 1 June 2017, Total United Holdings Limited acquired the entire issued shares of Eternity Technology Development Limited from Mr. Ma at cash consideration of HK$1,800,000 (approximately RMB1,566,000).

(j) On 8 June 2017, the Company capitalised the full amount of the Rich Blessing Shareholder's Loan and Elite Foster Shareholder's Loan by allotment and issuing of 85 and 15 ordinary shares of the Company, credited as fully paid, to Rich Blessing Group Limited and Elite Foster International Investment Limited, respectively. After the aforesaid loan capitalisation, the Company remained owned as to 85% by Rich Blessing Group Limited and 15% by Elite Foster International Investment Limited.

Upon completion of the Reorganisation and as at the date of this report, the Company had direct or indirect interests in the following subsidiaries:

				Effective interest held by the Group					Name of statutory auditors		
Name of subsidiary	Place and date of incorporation	Principal activities and place of operation	Issued and paid up capital	31 December 2015	31 December 2016	31 December 2017	30 April 2018	As at date of this report	2015	2016	2017
Direct Interests:											
Total United Holdings Limited	BVI; 1 December 2016	Investment holding in BVI	1 United States Dollar ("USD")	N/A	100%	100%	100%	100%	N/A	(a)	(a)
Indirect Interests:											
Agreeable Company Limited	Hong Kong; 30 March 2017	Investment holding in Hong Kong	HK$1	N/A	N/A	100%	100%	100%	N/A	N/A	(b)
Shenzhen Hengchang Sheng	The PRC; 9 May 2005	Electronic manufacturing services in PRC	RMB12,631,579	100%	100%	100%	100%	100%	(c)	(c)	(c)
Eternity Technology Limited	Hong Kong; 2 January 2003	Trading of electronic products in Hong Kong	HK$2	100%	100%	100%	100%	100%	(d)	(d)	(d)

(a) No audited statutory financial statements have been issued for the subsidiary as it is not required to issue audited financial statements under the statutory requirement of its place of incorporation.

(b) No statutory financial statements for the period ended 31 December 2017 is required as it was incorporated on 30 March 2017.

(c) The statutory auditor for the year ended 31 December 2015, 2016 and 2017 was Shenzhen Huatu Certified Public Accountants Limited.

(d) The statutory auditor for the year ended 31 December 2015, 2016 and 2017 was SBC CPA Limited. The statutory financial statements for the year ended 31 December 2017 have not yet been issued.

All companies now comprising the Group have adopted 31 December as their financial year end date.

1.3 Basis of presentation

The companies now comprising the Group and the [REDACTED] Business were controlled by the same ultimate controlling party immediately before and after the Reorganisation with no change in their business substance or management. Accordingly, the Reorganisation is regarded as a business combination under common control, and for the purpose of this report, the Historical Financial Information has been prepared using the principles of merger accounting, as prescribed in Hong Kong Accounting Guideline 5 "Merger Accounting for Common Control Combinations" issued by the Hong Kong Institute of Certified Public Accountants.

The Historical Financial Information has been prepared by including the financial information of the companies now comprising the Group engaged in the [REDACTED] Business, as if the current group structure had been in existence throughout the years presented.

The net assets of the combining companies were combined using the existing book values before the Reorganisation. No amount is recognised in consideration for goodwill or excess of acquirer's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost at the time of business combination under common control, to the extent of the continuation of the controlling party's interest.

Inter-company transactions, balances and unrealised gains/losses on transactions between group companies are eliminated on consolidation.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of the Historical Financial Information are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The Historical Financial Information of the Company has been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") . The Historical Financial Information has been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss, which are carried at fair value.

The preparation of the Historical Financial Information in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires the directors of the Group to exercise judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Historical Financial Information, are disclosed in Note 4.

The Group has adopted HKFRS 15 using the full retrospective approach with which the relevant accounting policies have been consistently applied to the Group's consolidated financial statements throughout the Track Record Period. The Group has also adopted HKFRS 9 using the modified retrospective approach with which the cumulative impact of the adoption, if any, will have been recognised in the retained earnings as of 1 January 2018 and that comparatives will not be restated.

Pursuant to the adoption of HKFRS 9 and 15, there has been changes to certain of the Group's accounting policies. HKFRS 15 replaces both the provisions of HKAS 18 and HKAS 11 and the related interpretations that relate to the recognition, classification and measurement of revenue and costs. HKFRS 9 addresses the classification, measurement and derecognition of financial assets and liabilities, and a new impairment model for financial assets.

The adoption of HKFRS 9 did not result in any restatement of comparative financial information or any impact to the retained earnings as of 1 January 2018 or any impact to the consolidated financial statements during the four months ended 30 April 2018.

The following new standards, amendments and interpretation to existing standards, which are relevant to the Group, have been issued and are effective for future reporting periods and have not been early adopted by the Group.

		Effective for accounting periods beginning on or after
HKFRS 9 (Amendments)	Prepayment features with negative compensation	1 January 2019
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined
HKAS 28 (Amendments)	Long-term interests in associates and joint ventures	1 January 2019
HKFRS 16	Leases	1 January 2019
HKFRS 17	Insurance Contracts	1 January 2021
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments	1 January 2019
Annual Improvements Project (Amendments)	Annual Improvements 2015-2017 Cycle	1 January 2019

The Group will adopt the above new or revised standards, amendments and interpretations to existing standards as and when they become effective. Management is in the process of assessing the impact of these standards, amendments and interpretations to existing HKFRS and set out below are the expected impact on the Group's financial performance and position: HKFRS 16 "Leases" which addresses the definition of a lease, recognition and measurement of leases and establishes principles for reporting useful information to users of financial statements about the leasing activities of both lessees and lessors. A key change arising from HKFRS 16 is that most operating leases will be accounted for on balance sheet for lessees. The Group is a lessee of various properties which are currently classified as operating leases. The Group's current accounting policy for such leases is set out in note 2.21 with the Group's future operating lease commitments, which are not reflected in the consolidated balance sheets, falling due as follows:

	As at 31 December			As at 30 April
	2015	**2016**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
No later than 1 year	1,563	2,558	7,635	4,829
Later than 1 year and no later than 5 years	10,689	7,186	5,542	5,944
	12,252	9,744	13,177	10,773

HKFRS 16 provides new provisions for the accounting treatment of leases and will in the future no longer allow lessees to recognise certain leases outside of the consolidated balance sheets. Instead, when the Group is the lessee, almost all leases must be recognised in the form of an asset (for the right of use) and a financial liability (for the payment obligation). Thus, each lease will be mapped in the Group's consolidated balance sheets. Short-term leases of less than twelve months and leases of low-value assets are exempt from the reporting obligation. The new standard will therefore result in an increase in assets and financial liabilities in the consolidated balance sheets. As for the financial performance impact in the consolidated statements of comprehensive income, rental expenses will be replaced with straight-line depreciation expense on the right-of-use asset and interest expenses on the lease liability. The combination of the straight-line depreciation of the right-of-use asset and the effective interest rate method applied to the lease liability will result in a higher total charge to profit or loss in the initial years of the lease, and decreasing expenses during the latter part of the lease term. The new standard is not expected to apply until the financial year ending 31 December 2019. Early adoption is permitted only if HKFRS 15 is adopted at the same time.

Management has performed a preliminary assessment on the implementation of HKFRS 16 and the initial results indicated that it would not result in any significant impact on the Group's financial position and results of operation other than increase in assets and financial liabilities in the Group's financial statements. The adoption of HKFRS 16 would also not affect the Group's total cash flows in respect of the leases.

Other than those analysed above, management does not anticipate any significant impact on the Group's financial positions and results of operations upon adopting the above other amendments to existing standard.

2.2 Subsidiaries

2.2.1 Consolidation

A subsidiary is an entity (including a structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

(a) Business combination

Except for the Reorganisation, the Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with HKFRS 9 in profit or loss. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the profit or loss.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries now comprising the Group have been changed where necessary to ensure consistency with the policies adopted by the Group.

(b) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in a loss of control are accounted for as equity transactions — that is, as transactions with the owners of the subsidiary in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying amount of net assets of the subsidiary is recorded in equity. Gains or losses on disposal to non-controlling interests are also recorded in equity.

(c) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(d) Merger accounting for common control combinations

During the year ended 31 December 2017, the Group has completed the Reorganisation as detailed in Note 1.2 under which the Company has acquired subsidiaries which are under common control of Mr. Ma since their dates of incorporation. These acquisitions are regarded as "business combination under common control" and are accounted for using the principles of merger accounting, as prescribed in Hong Kong Accounting Guideline 5 "Merger Accounting for Common Control Combinations" ("AG 5") issued by the HKICPA.

The net assets of the combining entities are consolidated using the existing book values from the controlling parties' perspective. No amount is recognised in respect of goodwill or excess of acquirers' interest in the net fair value of acquirees' identifiable assets, liabilities and contingent liabilities over cost at the time of common control combinations, to the extent of the continuation of the controlling party's interest.

The consolidated income statement includes the results of each of the combining entities from the earliest date presented or since the date when the combining entities first came under the common control, where this is a shorter period, regardless of the date of the common control combinations.

2.2.2 Separate financial statements

Investments in subsidiaries are accounted for by the Company at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the Historical Financial Information of the investee's net assets including goodwill.

2.3 Segment reporting

Operating segment is reported in a manner consistent with the internal reporting provided to the chief operating decision-maker ("CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the directors who make strategic decisions.

2.4 Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The Historical Financial Information is presented in RMB, which is the Group's presentation currency. The Company's functional currency is Hong Kong Dollar ("HK$").

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are generally recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other income or other expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as available-for-sale financial assets are recognised in other comprehensive income.

(iii) Group companies

The results and financial positions of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

- income and expenses for each income statement and statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and

- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign operations are taken to other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign entity and translated at the closing rate.

2.5 Properties, plant and equipment

Properties, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the assets' carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation of properties, plant and equipment is calculated using the straight-line method to allocate their costs, net of their residual value, over their estimated useful lives, as follows:

Buildings	20 years
Furniture and fixtures	5 years
Office equipment	3 to 5 years
Plant and machinery	3 to 10 years
Motor vehicles	3 to 5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gain or loss on disposal are determined by comparing proceeds with carrying amount and are recognised in profit or loss.

2.6 Intangible assets

(i) System software

Acquired system software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised using straight-line method over their estimated useful lives of three to five years.

Research and development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use;
- management intends to complete the software and use or sell it;
- there is an ability to use or sell the software;
- it can be demonstrated how the software will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised research and development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each balance sheet date.

(ii) Research and development

Research and development costs that do not meet the criteria in (i) above are recognised as expenses as incurred. Research and development costs previously recognised as expenses are not recognised as an asset in a subsequent period.

2.7 Financial assets

2.7.1 Classification

For the years ended 31 December 2015, 2016 and 2017

The Group classifies its financial assets as financial assets at fair value through profit or loss and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(a) Financial assets at fair value through profit or loss

The Group classifies financial assets at fair value through profit or loss if they are acquired principally for the purpose of selling in the short term, i.e. held for trading. They are presented as current assets if they are expected to be sold within twelve months after the end of the reporting period; otherwise they are presented as non-current assets.

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. If collection of the amounts is expected in one year or less they are classified as current assets. If not, they are presented as non-current assets. The Group's loans and receivables comprise trade and other receivables and cash and cash equivalents. (Notes 2.10 and 2.12).

For the four months ended 30 April 2018

The Group classifies its financial assets in the following categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss) and;

- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

2.7.2 Recognition and measurement

For the years ended 31 December 2015, 2016 and 2017

Regular way purchases and sales of financial assets are recognised on the trade-date — the date on which the Group commits to purchase or sell the asset.

Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the consolidated income statements within 'other gains/(losses) — net' in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised within 'other income' when the Group's right to receive payments is established.

For the four months ended 30 April 2018

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- Fair value through other comprehensive income: assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses in other expenses.

- Fair value through profit or loss: assets that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the consolidated income statements within 'other gains/(losses)-net' in the period in which it arises.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the consolidated income statements within 'other gains /(losses) — net' in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised within 'other income' when the Group's right to receive payments is established.

2.7.3 Derecognition

For the years ended 31 December 2015, 2016 and 2017

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

For the four months ended 30 April 2018

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and reward of ownership.

2.8 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated balance sheets when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.9 Impairment of financial assets

For the years ended 31 December 2015, 2016 and 2017

The Group assesses at the balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the profit or loss. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group, may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the profit or loss.

For the four months ended 30 April 2018

The Group's financial assets measured at amortised cost are subject to HKFRS 9's expected credit loss model. The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 3.1(iii) sets out the details on how the Group determines whether there has been a significant increase in credit risk.

For trade and bills receivables, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The provision matrix is determined based on historical observed default rates over the expected life of the trade and bills receivables with similar credit risk characteristics and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For other receivables, the Group measures the impairment as either 12-month expected credit losses or life-time expected credit losses, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of the other receivables has occurred since initial recognition, then impairment is measured as lifetime expected credit losses.

2.10 Trade, bills and other receivables

Trade and bills receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection of trade and bills receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade, bills and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment.

2.11 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted-average method. The cost of finished goods and work in progress comprises raw material, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.12 Cash and cash equivalents

For the purpose of presentation in the consolidated statements of cash flows, cash and cash equivalents include cash on hand and deposits held at call with banks with original maturities of three months or less.

2.13 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.14 Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.15 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in interest expense over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

2.16 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.17 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.18 Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(b) Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial information. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The deferred tax liability in relation to investment property that is measured at fair value is determined assuming the property will be recovered entirely through sale.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.19 Employee benefits

(a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) Other long-term employee benefit obligations

The liabilities for annual leave are not expected to be settled wholly within twelve months after the end of the period in which the employees render the related service.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(c) Defined contribution plans

The Group pays contributions to state-managed pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(d) Bonus plans

The Group recognises a liability and an expense for bonuses based on a formula that takes into consideration the profit attributable to the company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2.20 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amount for the sale of goods in the ordinary course of the Group's activity. Revenue is shown net of returns and after eliminating sales within the Group.

The Group does not expect to have any contracts where the period between the transfer of the promised goods to the customers and the payment by the customers exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

When either party to a contract has performed, the Group presents the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the Group's performance and the customer's payment.

A contract asset is the Group's right to consideration in exchange for goods that the Group has transferred to a customer. Incremental costs incurred to obtain a contact, if recoverable, are capitalised and presented as assets and subsequently amortised when the related revenue is recognised.

If a customer pays consideration or the Group has a right to an amount of consideration that is unconditional, before the Group transfers the promised goods to the customer, the Group presents the contract as a contract liability when the payment is received or a receivable is recorded (whichever is earlier). A contract liability is the Group's obligation to transfer the promised goods to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

A receivable is recorded when the Group has an unconditional right to consideration. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due.

Revenue is recognised when specific criteria have been met for the Group's activity as described below:

(a) Sales of goods

Sales of goods transferred at a point in time are recognised when control of the goods has transferred, being when the Group has delivered the products to the customers and the customers have accepted the products. The customers have full discretion over the products, and there is no unfulfilled obligation that could affect the customers' acceptance of the products.

(b) Interest income

Interest income is recognised on a time-proportion basis using the effective interest method.

(c) Dividend income

Dividend income is recognised when the right to receive payment is established.

2.21 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are charged to the profit or loss on a straight-line basis over the period of the lease.

2.22 Dividend distribution

Dividend distribution to the shareholders is recognised as a liability in the years in which the dividend are approved by the Company's shareholders or directors, where appropriate.

2.23 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the income statements over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

2.24 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the financial statements. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

3 Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

3.1 Market risk

(i) Foreign exchange risk

The Group operates in Hong Kong and the PRC and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD and RMB. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations, which are denominated in these currencies.

During the Track Record Period, the Group has not entered into any derivative instruments to hedge its foreign exchange exposures.

As at 31 December 2015, 2016 and 2017 and 30 April 2018, if USD had strengthened/weakened by 1% against RMB, with all other variables held constant, pre-tax profit for each year would have changed mainly as a result of foreign exchange losses/gains on translation of USD denominated cash and cash equivalents, trade and other receivables and trade and other payables.

	Year ended 31 December			Four months ended 30 April
	2015	**2016**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Pre-tax profit (decrease)/increase				
- Strengthened 1%	(91)	(72)	(55)	(71)
- Weakened 1%	91	72	55	71

(ii) Interest rate risk

The Group's interest rate risk is mainly attributable to its pledged bank deposits, cash at banks and bank borrowings with floating interest rates. Details of the Group's pledged bank deposits, cash and cash equivalents, and bank borrowings have been disclosed in Notes 19 and 25 to the Historical Financial Information respectively.

Other than pledged bank deposits, cash at banks and bank borrowings, the Group does not have significant interest-bearing assets or liabilities.

As at 31 December 2015, 2016 and 2017 and 30 April 2018, if interest rates on pledged bank deposits, cash at banks and bank borrowings had been 100 basis points higher/lower with all variables held constant, profit before tax for the years and the period then ended would have been RMB89,000, RMB104,000, RMB481,000 and RMB418,000 higher/lower, mainly as a result of higher/lower of interest income on the pledged bank deposits and cash at banks netted with interest expenses on the bank borrowings respectively.

(iii) Credit risk

The credit risk of the Group mainly arises from bank deposits and trade and other receivables, amount due from a related party and a shareholder. Majority of bank deposits are placed with reputable banks and financial institutions.

The Group has policies in place to ensure that credit terms are made to customers with an appropriate credit history and the Group performs periodic credit evaluations of its customers. The Group's historical experience in collection of trade and other receivables falls within the recorded allowances and the directors are of the opinion that adequate provision for uncollectible receivables has been made.

The carrying amounts of trade and bills receivables, deposits and other receivables, amount due from a related party, bank deposits and cash at banks represent the Group's maximum exposure to credit risk in relation to financial assets.

The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected loss provision for all trade and bills receivables.

The Group considers the credit risk characteristics and the days past due of the trade and bills receivables to measure the expected credit loss. For the past due trade and bills receivables, the Group has assessed the expected credit loss by considering historical default rates, existing market conditions and forward-looking information. Based on the Group's assessment, expected credit loss rate of trade and bills receivables is close to zero. Therefore, the loss allowance provision for these trade and bills receivables balances was not material.

The Group's bank deposits and cash at banks were deposited with high quality financial institutions. Therefore, the Group does not expect any losses arising from non-performance by these counterparties.

For the years ended 31 December 2015, 2016 and 2017 and for the four months ended 30 April 2018, 66%, 76%, 80%, and 87%, respectively, of the Group's revenue was derived from its top five customers. As at 31 December 2015, 2016 and 2017 and 30 April 2018, 81%, 78%, 77% and 89% of the total trade and bills receivables were due from the Group's top five customers, respectively.

Management makes periodic assessments on the recoverability of trade and bills receivables, and is of the opinion that adequate provision for receivables with significant credit risk has been made.

The credit risk on bank deposits, cash at banks and amount due from a related party are limited because deposits are in banks with sound credit ratings and management does not expect any loss from non-performance by the related party. The amount due from a related party was fully settled as at 31 December 2017.

(iv) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the shorter and longer term.

As at 31 December 2015, 2016 and 2017 and 30 April 2018, the Group held cash and cash equivalents of RMB28,901,000, RMB21,241,000 RMB53,134,000 and RMB51,183,000 respectively, that are expected to be readily available to generate cash inflows for managing liquidity risk.

The Group maintains liquidity by a number of sources including orderly realisation of short-term financial assets, receivables and certain assets that the Group considers appropriate and long term financing including long-term borrowings are also considered by the Group in its capital structuring. The Group aims to maintain flexibility in funding by keeping sufficient bank balances, committed credit lines available and interest bearing borrowings which enable the Group to continue its business for the foreseeable future.

As at 31 December 2015, 2016 and 2017 and 30 April 2018, the Group's total undrawn banking facilities amounted to approximately RMB12,660,000, RMB22,000,000, RMB19,000,000 and RMB19,000,000 respectively, and the Group's total drawn banking facilities amounted to approximately RMB20,628,000, RMB12,326,000, RMB5,000,000 and RMB13,466,000 respectively.

The table below analyses the non-derivative financial liabilities of the Group into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date.

The amounts disclosed in the table were the contractual undiscounted cash flows and the earliest date the Group can be required to pay. Balances within twelve months equal their carrying balances as impact from discounting is not significant.

Specifically, for bank borrowings which contain a repayment on demand clause which can be exercised at the banks' sole discretion, the analysis shows the cash outflow based on the earliest period in which the Group can be required to pay, that is if the lender were to invoke their unconditional rights to call the loans with immediate effect.

	Repayable on demand	Less than 1 year	Total
	RMB'000	*RMB'000*	*RMB'000*
At 31 December 2015			
Trade payables	—	33,082	33,082
Other payables and accruals	—	6,962	6,962
Amounts due to related parties	29,309	—	29,309
Bank borrowings - principal portion	20,628	—	20,628
	49,937	40,044	89,981

	Repayable on demand	Less than 1 year	Total
	RMB'000	*RMB'000*	*RMB'000*
At 31 December 2016			
Trade payables	—	53,182	53,182
Other payables and accruals	—	3,272	3,272
Amounts due to related parties	22,382	—	22,382
Bank borrowings - principal portion	12,326	—	12,326
	34,708	56,454	91,162

	Repayable on demand	Less than 1 year	Total
	RMB'000	*RMB'000*	*RMB'000*
At 31 December 2017			
Trade payables	—	55,632	55,632
Other payables and accruals	—	3,828	3,828
Bank borrowings - principal portion	5,000	—	5,000
	5,000	59,460	64,460

	Repayable on demand	Less than 1 year	Total
	RMB'000	*RMB'000*	*RMB'000*
At 30 April 2018			
Trade payables	—	150,101	150,101
Other payables and accruals	—	5,970	5,970
Bank borrowings - principal portion	13,466	—	13,466
	13,466	156,071	169,537

The table below analyses the bank borrowings of the Group into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date without taking into consideration the effect of repayment on demand clause.

	As at 31 December			As at 30 April
	2015	2016	2017	2018
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Less than 1 year				
Bank borrowings				
- principal portion	20,628	12,326	5,000	13,466
- interest portion	754	434	319	230
	21,382	12,760	5,319	13,696

3.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend paid to shareholders, return capital to shareholders or sell assets to reduce debt.

The Group monitors capital on the basis of the total debt to total capital ratio. Total debt represents total borrowings. Total capital represents total equity, as shown in the consolidated balance sheets. The total debt to total capital ratios at 31 December 2015, 2016 and 2017 and 30 April 2018 were as follows:

	As at 31 December			As at 30 April
	2015	2016	2017	2018
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Total borrowings	20,628	12,326	5,000	13,466
Total equity	23,200	45,271	86,359	100,021
Total debt to total capital ratio	89%	27%	6%	13%

The decrease in total debt to total capital ratio from 89% as at 31 December 2015 to 27% as at 31 December 2016 was mainly due to the increase in total equity as a result of profit for the year then ended and decrease in total borrowings as a result of repayment of borrowings. The decrease in total debt to total capital ratio from 27% as at 31 December 2016 to 6% as at 31 December 2017 was mainly due to the increase in total equity as a result of profit or the year then ended and from the group reorganisation and decrease in total borrowings as a result of repayment of borrowings. The increase in total debt to total capital ratio from 6% as at 31 December 2017 to 13% as at 30 April 2018 was mainly due to the increase in total borrowings as a result of utilisation of borrowings.

3.3 Fair value estimation

The following table presents the Group's financial instruments carried at fair value as at 31 December 2015, 2016 and 2017 and 30 April 2018 by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).

- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).

- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

At 31 December 2015

	Level 1	Level 2	Level 3	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Assets				
Financial assets at fair value through profit or loss				
Listed equity securities	2,169	—	—	2,169
Unlisted financial products	—	10,500	—	10,500
	2,169	10,500	—	12,669

At 31 December 2016

	Level 1	Level 2	Level 3	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Assets				
Financial assets at fair value through profit or loss				
Listed equity securities	754	—	—	754
Unlisted financial products	—	19,500	—	19,500
	754	19,500	—	20,254

At 31 December 2017

	Level 1	Level 2	Level 3	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Assets				
Financial assets at fair value through profit or loss				
Listed equity securities	—	—	—	—
Unlisted financial products	—	—	—	—
	—	—	—	—

At 30 April 2018

	Level 1	Level 2	Level 3	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Assets				
Financial assets at fair value through profit or loss				
Listed equity securities	—	—	—	—
Unlisted financial products	—	—	—	—
	—	—	—	—

There were no transfers between levels 1, 2 and 3 during the Track Record Period.

(a) Financial instruments in level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1. Instruments included in level 1 comprise primarily equity investments listed on the Shenzhen Stock Exchange and Shanghai Stock Exchange classified as trading securities.

(b) Financial instruments in level 2

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments.

- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

These unlisted investments in level 2 represent investments in trust schemes and private investment funds. They have initial terms ranging from 1 to 14 days. The fair values of these investments approximated their carrying values as at 31 December 2015 and 2016. As at 31 December 2017 and 30 April 2018, the Group had no unlisted investments.

4 Critical accounting estimates and assumptions

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

4.1 Net realisable value of inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated cost to completion and selling expenses. These estimates are based on the current market condition and the historical experience of manufacturing and selling products of similar nature. Management reassesses the estimation at the end of each reporting period.

4.2 Income taxes

The Group is subject to income taxes mainly in Hong Kong and the PRC. Significant judgement is required in determining provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the periods in which such determination are made.

Deferred income tax assets relating to certain temporary differences and tax losses are recognised as management considers it is probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. Where the expectation is different from the original estimate, such differences will impact the recognition of deferred income tax assets and tax expense in the periods in which such estimate is changed.

4.3 Impairment of receivables

The Group makes provision for impairment of receivables based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's historical default rates, existing market conditions as well as forward looking estimates at the end of each reporting period. The identification of impairment of receivables requires the use of judgment and estimates. Where the expectations are different from the original estimates, such differences will impact the carrying value of receivables and loss for the impairment of receivables recognised in the periods in which such estimates have been changed.

5 Revenue and segment information

The Company is an investment holding company and its subsidiaries now comprising the Group are principally engaged in manufacturing of electronic products.

The CODM has been identified as the directors of the Company. The directors review the Group's internal reporting in order to assess performance and allocate resources. The directors have determined the operating segment based on these reports.

The directors consider the Group's operation from a business perspective and determine that the Group has one reportable operating segment being electronics manufacturing services ("EMS").

The directors assess the performance of the operating segment based on a measure of revenue and gross profit.

During the Track Record Period, all of the Group's revenues are from contracts with customers and are recognised at a point in time. Please refer to note 2.20 for details of accounting policies on revenue recognition.

(a) Revenue from major customers who have individually contributed to 10% or more of the total revenue of the Group

	Year ended 31 December			Four months ended 30 April	
	2015	**2016**	**2017**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(unaudited)	
Customer A	49,307	N/A*	N/A*	N/A*	N/A*
Customer B	31,169	110,019	166,057	77,369	111,102
Customer C	21,947	N/A*	N/A*	N/A*	N/A*
Customer D	19,066	48,066	61,544	20,079	N/A*
Customer E	N/A*	29,737	N/A*	N/A*	N/A*
Customer F	N/A*	N/A*	N/A*	N/A*	21,054

* *The corresponding customers did not contribute over 10% of the total revenue of the Group for the respective years and periods.*

(b) Segment revenue by customers' geographical location

The Group is domiciled in the PRC. The Group's revenue by geographical location, which is determined by the location of customers, is as follows:

	Year ended 31 December			Four months ended 30 April	
	2015	**2016**	**2017**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(unaudited)	
The PRC	145,676	219,183	333,650	121,827	155,069
Hong Kong	8,962	3,898	38	38	—
The United States of America ("USA")	6,340	37,488	6,828	4,658	2,040
Mexico	—	—	16,502	6,246	21,054
Others (*Note*)	21,947	7,321	13,144	1,582	3,011
	182,925	267,890	370,162	134,351	181,174

Note: Others include South Korea, Taiwan, Spain and Austria.

(c) Details of contract liabilities

	As at 31 December			As at 30 April
	2015	**2016**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Contract liabilities *(Note 24)*	5,958	1,680	11,389	19,553

Notes:

(i) Contract liabilities represent advanced payments received from the customers for goods that have not yet been transferred to the customers. As at 31 December 2015, 2016 and 2017 and 30 April 2018, the contract liabilities mainly included the advance payments received from sale of electronic products. The contract liabilities fluctuate during the Track Record Period due to fluctuation in sales with advanced payments.

(ii) During the years ended 31 December 2015, 2016 and 2017 and the four months ended 30 April 2018, all brought-forward contract liabilities at the beginning of the financial year/period were fully recognised as revenue.

(d) Non-current assets by geographical location

All of the Group's non-current assets other than deferred tax assets and intangible assets are located in the PRC.

6 Expenses by nature

Expenses included in cost of sales, selling and distribution expenses and administrative expenses are analysed as follows:

	Year ended 31 December			Four months ended 30 April	
	2015	**2016**	**2017**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (*unaudited*)	*RMB'000*
Cost of raw materials used	73,782	166,036	239,449	86,512	128,042
Consumables*	3,171	5,471	3,464	1,369	890
Subcontracting charges	2,527	600	22,950	10,360	10,348
Employee benefit expenses and manpower services expenses, including directors' emoluments (Notes 9 and 30)*	56,370	47,468	34,980	12,693	10,453
Operating lease rentals in respect of:					
- machinery	4,223	1,476	8,658	309	3,284
- offices, warehouses, production plant and staff quarters	2,709	2,612	2,700	889	996
Utilities	4,194	3,169	3,226	808	831
Amortisation (Note 14)	42	42	361	119	130
Depreciation (Note 13)*	8,743	4,883	2,337	802	748
Auditor's remuneration					
- Audit services (excluding [REDACTED] expenses)	6	7	6	—	—
- Non-audit services	—	—	—	—	—
[REDACTED] expenses	—	—	[REDACTED]	[REDACTED]	[REDACTED]
Professional fees	136	234	221	19	616
Office expenses	414	360	337	122	161
Provision for inventories (Note 17)	229	967	1,072	477	150
Other tax and surcharges	1,227	1,376	2,079	598	234
Transportation	873	1,633	2,114	543	1,448
Service fees for product development*	—	447	2,531	2,172	1,553
Commission expenses	852	801	1,381	390	200
Repair and maintenance	896	221	928	279	188
Others (Note)	1,940	2,039	3,326	1,048	1,294
Total cost of sales, selling and distribution and administrative expenses	162,334	239,842	337,762	123,109	165,846

* The Group incurred expenses amounting to a total of approximately RMB7,265,000, RMB7,373,000, RMB12,413,000, RMB3,880,000 and RMB3,036,000 related to research and development, verification and development of the conceptual designs from customers and turning customers' design concepts into deliverable electronic products by improving the products' specifications and design, designs of products, recommending of the proper and suitable raw materials for assembling and testing of the trial products for the years ended 31 December 2015, 2016 and 2017 and the four months ended 30 April 2017 and 2018 respectively. All of these expenses are charged in the income statements, and comprise material costs in "consumables", remuneration paid to certain staff in "employee benefit expenses", depreciation of certain equipment in "depreciation", and service fees payable to third parties for product development.

Note: Others mainly include telecommunication, courier, travelling, office expenses and sundry expenses.

7 Other income

	Year ended 31 December			Four months ended 30 April	
	2015	**2016**	**2017**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(unaudited)	
Government grants	93	655	828	—	1,626
Dividend income on financial assets at fair value through profit or loss	—	39	—	—	—
	93	694	828	—	1,626

8 Other (losses)/gains, net

	Year ended 31 December			Four months ended 30 April	
	2015	**2016**	**2017**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(unaudited)	
Exchange differences	(406)	(944)	435	183	269
Net realised and unrealised gains/(losses) on financial assets at fair value through profit or loss	269	(168)	61	(124)	—
Gain on disposal of properties, plant and equipment	5	129	727	22	(4)
	(132)	(983)	1,223	81	265

9 Employee benefit expenses and manpower service expenses, including directors' emoluments

	Year ended 31 December			Four months ended 30 April	
	2015	**2016**	**2017**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (*unaudited*)	*RMB'000*
Wages and salaries	27,348	30,633	29,368	9,331	9,192
Pension costs - defined contribution plans (Note a)	3,058	1,762	1,951	582	743
Other staff welfares	1,270	143	157	50	109
Total employee benefit expenses (including directors' remunerations)	31,676	32,538	31,476	9,963	10,044
Manpower service expenses (Note b)	24,694	14,930	3,504	2,730	409
	56,370	47,468	34,980	12,693	10,453

(a) Pensions — defined contribution plans

The PRC

As stipulated under the relevant rules and regulations in the PRC, the subsidiary operating in the PRC contributes to state-sponsored retirement plans for its employees. For the years ended 31 December 2015, 2016 and 2017 and the four months ended 30 April 2017 and 2018, depending on the provinces of the employees' registered residences and their current region of work, the subsidiary contributed certain percentages of the basic salaries of its employees and had no further obligations for the actual payment of pensions or postretirement benefits beyond the contributions. The state-sponsored retirement plans are responsible for the entire pension obligations payable to the retired employees.

(b) Manpower service expenses

During the years ended 31 December 2015, 2016 and 2017 and the four months ended 30 April 2017 and 2018, the Group entered into certain manpower service arrangements with several external manpower service organisations in the PRC. Under these arrangements, certain of the Group's manpower requirements were fulfilled by these organisations at agreed service fees whereas the human resources provided were directly employed by the relevant service organisations. The individuals providing services to the Group do not have any employment relationship with the Group.

(c) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group include two, three, three, three and three directors for the years ended 31 December 2015, 2016 and 2017 and the four months ended 30 April 2017 and 2018, respectively, whose emoluments are reflected in the analysis presented in Note 30. The emoluments payable to the remaining three, two, two, two and two individuals for the years ended 31 December 2015, 2016 and 2017 and the four months ended 30 April 2017 and 2018 are as follows:

	Year ended 31 December			Four months ended 30 April	
	2015	**2016**	**2017**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(unaudited)	
Wages and salaries	496	855	1,095	365	365
Pension costs — defined contribution plans	108	66	127	37	46
	604	921	1,222	402	411

The emoluments fell within the following bands:

	Number of individuals				
	Year ended 31 December			Four months ended 30 April	
	2015	**2016**	**2017**	**2017**	**2018**
				(unaudited)	
Emolument bands					
Not more than HK$500,000	3	—	—	2	2
HK$500,001 - HK$1,000,000	—	2	2	—	—
	3	2	2	2	2

During the Track Record Period, no emoluments were paid by the Group to any of the directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

10 Finance costs, net

	Year ended 31 December			Four months ended 30 April	
	2015	**2016**	**2017**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(unaudited)	
Finance income					
Interest income on cash and cash equivalents	24	32	99	16	22
Finance costs					
Interest expense on borrowings	(1,830)	(950)	(615)	(211)	(166)
Bank charges	(152)	(148)	(185)	(76)	(58)
	(1,982)	(1,098)	(800)	(287)	(224)
Finance costs, net	(1,958)	(1,066)	(701)	(271)	(202)

11 Income tax expense

During the years ended 31 December 2015, 2016 and 2017 and the four months ended 30 April 2017 and 2018, Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profit.

During the year ended 31 December 2015, the Group's subsidiary in the PRC is subject to corporate income tax ("CIT") at a standard rate of 25%.

During the years ended 31 December 2016 and 2017 and the four months ended 30 April 2017 and 2018, the Group's subsidiary in the PRC has qualified for new/high-tech technology enterprises status and is therefore subject to a preferential income tax rate of 15%.

	Year ended 31 December			Four months ended 30 April	
	2015	**2016**	**2017**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(unaudited)	
Current income tax					
- PRC CIT	4,029	3,378	4,724	2,043	1,905
- Hong Kong profits tax	215	262	414	142	981
Total current income tax	4,244	3,640	5,138	2,185	2,886
Deferred income tax (Note 22)	358	972	101	96	197
Income tax expense	4,602	4,612	5,239	2,281	3,083

The taxation on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of subsidiaries now comprising the Group as follows:

	Year ended 31 December			Four months ended 30 April	
	2015	**2016**	**2017**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(unaudited)*	*RMB'000*
Profit before income tax	18,594	26,693	33,750	11,052	17,017
Tax calculated at tax rates applicable to profits of the respective subsidiaries	4,530	4,028	5,031	1,616	2,577
Tax effect of:					
Income not subject to tax	(28)	—	—	—	—
Expenses not deductible for tax purpose	116	233	894	713	734
Re-measurement of deferred tax — change in the tax status of the PRC subsidiary	—	863	—	—	—
Tax exemption and rebate	(16)	(512)	(686)	(48)	(228)
Income tax expense	4,602	4,612	5,239	2,281	3,083

The changes in the weighted average applicable tax rate were mainly due to the changes in the proportion of the taxable profit under Hong Kong profits tax and CIT which were subject to different applicable tax rates.

During the year ended 31 December 2016, as a result of the Group's subsidiary in the PRC qualifying for new/high-tech technology enterprises status, the relevant deferred tax balances have been re-measured. Deferred tax expected to reverse after the year ended 31 December 2016 has been measured using the effective tax rate of 15%.

12 Earnings per share

The basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the Track Record Period.

In determining the weighted average number of ordinary shares deemed to be in issue during the Track Record Period, 480 ordinary shares, being the number of issued ordinary shares of the Company as at 30 April 2018, were deemed to have been issued and allocated on 1 January 2015 as if the Company has been incorporated by then. In addition, the aforementioned 480 ordinary shares have been adjusted and applied retrospectively for the proportional changes in the number of ordinary shares with corresponding change in resources as a result of the issuance of ordinary shares by the Company as part of the group reorganisation described in notes 1.2(c) and 1.2 (g) when computing the basic and diluted earnings per share for each year/period of the Track Record Period.

	Year ended 31 December			Four months ended 30 April	
	2015	**2016**	**2017**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(unaudited)*	*RMB'000*
Profit attributable to owners of the Company (RMB'000)	13,992	22,081	28,511	8,771	13,934
Weighted average number of ordinary shares in issue	408	408	456	415	480
Basic and diluted earnings per share (RMB'000)	34.29	54.12	62.53	21.13	29.03

There were no differences between the basic and diluted earnings per share as there were no potential dilutive ordinary shares outstanding during the Track Record Period.

The earnings per share has not taken into account the proposed [REDACTED] pursuant to the shareholders' resolution dated 25 July 2018 because the proposed [REDACTED] has not been effected as at the date of this report.

13 Properties, plant and equipment

	Buildings	Furniture and fixtures	Office equipment	Plant and machinery	Motor vehicles	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2015						
Cost	6,015	904	704	86,622	1,461	95,706
Accumulated depreciation	(381)	(578)	(394)	(70,804)	(1,031)	(73,188)
Net book amount	5,634	326	310	15,818	430	22,518
Year ended 31 December 2015						
Opening net book amount	5,634	326	310	15,818	430	22,518
Additions	—	—	1,078	981	84	2,143
Depreciation	(301)	(169)	(250)	(7,906)	(128)	(8,754)
Disposals	—	—	—	(44)	—	(44)
Closing net book amount	5,333	157	1,138	8,849	386	15,863
At 31 December 2015						
Cost	6,015	904	1,782	87,556	1,545	97,802
Accumulated depreciation	(682)	(747)	(644)	(78,707)	(1,159)	(81,939)
Net book amount	5,333	157	1,138	8,849	386	15,863
Year ended 31 December 2016						
Opening net book amount	5,333	157	1,138	8,849	386	15,863
Additions	—	—	80	649	—	729
Depreciation	(301)	(94)	(348)	(4,046)	(152)	(4,941)
Disposals	—	(22)	(17)	(286)	(17)	(342)
Closing net book amount	5,032	41	853	5,166	217	11,309
At 31 December 2016						
Cost	6,015	503	1,696	87,384	1,385	96,983
Accumulated depreciation	(983)	(462)	(843)	(82,218)	(1,168)	(85,674)
Net book amount	5,032	41	853	5,166	217	11,309

	Buildings	Furniture and fixtures	Office equipment	Plant and machinery	Motor vehicles	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Year ended 31 December 2017						
Opening net book amount	5,032	41	853	5,166	217	11,309
Additions	—	—	988	3,686	615	5,289
Depreciation	(301)	(17)	(369)	(1,519)	(152)	(2,358)
Disposals	—	—	(4)	(383)	—	(387)
Closing net book amount	4,731	24	1,468	6,950	680	13,853
At 31 December 2017						
Cost	6,015	484	2,488	78,863	2,000	89,850
Accumulated depreciation	(1,284)	(460)	(1,020)	(71,913)	(1,320)	(75,997)
Net book amount	4,731	24	1,468	6,950	680	13,853
Four months ended 30 April 2018						
Opening net book amount	4,731	24	1,468	6,950	680	13,853
Additions	—	—	155	753	465	1,373
Depreciation	(100)	(5)	(157)	(422)	(82)	(766)
Disposals	—	—	—	(4)	—	(4)
Closing net book amount	4,631	19	1,466	7,277	1,063	14,456
At 30 April 2018						
Cost	6,015	484	2,643	79,596	2,465	91,203
Accumulated depreciation	(1,384)	(465)	(1,177)	(72,319)	(1,402)	(76,747)
Net book amount	4,631	19	1,466	7,277	1,063	14,456

	Buildings	Furniture and fixtures	Office equipment	Plant and machinery	Motor vehicles	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
(Unaudited)						
Four months ended 30 April 2017						
Opening net book amount	5,032	41	853	5,166	217	11,309
Additions	—	—	234	885	—	1,119
Depreciation	(100)	(6)	(98)	(582)	(41)	(827)
Disposals	—	—	(4)	(352)	—	(356)
Closing net book amount	4,932	35	985	5,117	176	11,245
At 30 April 2017						
Cost	6,015	502	1,783	87,226	1,386	96,912
Accumulated depreciation	(1,083)	(467)	(798)	(82,109)	(1,210)	(85,667)
Net book amount	4,932	35	985	5,117	176	11,245

During the years ended 31 December 2015, 2016 and 2017 and the four months ended 30 April 2017 and 2018, depreciation expenses of RMB429,000, RMB449,000, RMB495,000, RMB151,000 and RMB174,000 have been charged in administrative expenses; RMB77,000, RMB93,000, RMB122,000, RMB31,000 and RMB72,000 have been charged in selling expenses; RMB8,237,000, RMB4,341,000, RMB1,720,000, RMB620,000 and RMB502,000 have been charged in cost of sales; and RMB11,000, RMB58,000, RMB21,000, RMB25,000 and RMB18,000 have been included in inventories.

14 Intangible assets

	System software *RMB'000*
At 1 January 2015	
Cost	111
Accumulated amortisation	(69)
Net book amount	42
Year ended 31 December 2015	
Opening net book amount	42
Amortisation (Note 6)	(42)
Closing net book amount	—
At 31 December 2015	
Cost	111
Accumulated amortisation	(111)
Net book amount	—
Year ended 31 December 2016	
Opening net book amount	—
Additions	1,762
Amortisation (Note 6)	(42)
Closing net book amount	1,720
At 31 December 2016	
Cost	1,873
Accumulated amortisation	(153)
Net book amount	1,720
Year ended 31 December 2017	
Opening net book amount	1,720
Additions	119
Amortisation (Note 6)	(361)
Closing net book amount	1,478

	System software
	RMB'000
At 31 December 2017	
Cost	1,881
Accumulated amortisation	(403)
Net book amount	1,478
Four months ended 30 April 2018	
Opening net book amount	1,478
Additions	27
Amortisation (Note 6)	(130)
Closing net book amount	1,375
At 30 April 2018	
Cost	1,908
Accumulated amortisation	(533)
Net book amount	1,375
Four months ended 30 April 2017 (Unaudited)	
Opening net book amount	1,720
Additions	—
Amortisation (Note 6)	(119)
Closing net book amount	1,601
At 30 April 2017	
Cost	1,762
Accumulated amortisation	(161)
Net book amount	1,601

During the years ended 31 December 2015, 2016 and 2017 and the four months ended 30 April 2017 and 2018, amortisation expenses of RMB42,000, RMB13,000, RMB51,000, RMB9,000 and RMB9,000 have been charged in administrative expenses; and Nil, RMB29,000, RMB310,000, RMB110,000 and RMB121,000 have been charged in cost of sales.

15 Financial instruments by category

	Loans and receivables	Financial assets at fair value through profit or loss	Total
	RMB'000	*RMB'000*	*RMB'000*
31 December 2015			
Assets as per balance sheets			
Financial assets at fair value through profit or loss (Note 18)	—	12,669	12,669
Trade and bills receivables (Note 20)	52,987	—	52,987
Deposits and other receivables (Note 16)	2,052	—	2,052
Amount due from a related party (Note 28)	2,530	—	2,530
Pledged bank deposits (Note 19)	615	—	615
Cash and cash equivalents (Note 19)	28,901	—	28,901
	87,085	12,669	99,754
31 December 2016			
Assets as per balance sheets			
Financial assets at fair value through profit or loss (Note 18)	—	20,254	20,254
Trade and bills receivables (Note 20)	80,730	—	80,730
Deposits and other receivables (Note 16)	1,752	—	1,752
Amount due from a related party (Note 28)	4,000	—	4,000
Pledged bank deposits (Note 19)	1,490	—	1,490
Cash and cash equivalents (Note 19)	21,241	—	21,241
	109,213	20,254	129,467
31 December 2017			
Assets as per balance sheets			
Trade and bills receivables (Note 20)	71,090	—	71,090
Deposits and other receivables (Note 16)	5,489	—	5,489
Cash and cash equivalents (Note 19)	53,134	—	53,134
	129,713	—	129,713

	Financial assets at amortised cost	Financial assets at fair value through profit or loss	Total
	RMB'000	*RMB'000*	*RMB'000*
30 April 2018			
Assets as per balance sheets			
Trade and bills receivables (Note 20)	150,170	—	150,170
Deposits and other receivables (Note 16)	5,451	—	5,451
Cash and cash equivalents (Note 19)	51,183	—	51,183
	206,804	—	206,804

	Financial liabilities at amortised cost
	RMB'000
31 December 2015	
Liabilities as per balance sheets	
Trade payables (Note 23)	33,082
Other payables and accruals (Note 24)	6,962
Amounts due to related parties (Note 28)	29,309
Bank borrowings (Note 25)	20,628
	89,981
31 December 2016	
Liabilities as per balance sheets	
Trade payables (Note 23)	53,182
Other payables and accruals (Note 24)	3,272
Amounts due to related parties (Note 28)	22,382
Bank borrowings (Note 25)	12,326
	91,162
31 December 2017	
Liabilities as per balance sheets	
Trade payables (Note 23)	55,632
Other payables and accruals (Note 24)	3,828
Bank borrowings (Note 25)	5,000
	64,460
30 April 2018	
Liabilities as per balance sheets	
Trade payables (Note 23)	150,101
Other payables and accruals (Note 24)	5,970
Bank borrowings (Note 25)	13,466
	169,537

16 Prepayments, deposits and other receivables

The Group

	As at 31 December			As at 30 April
	2015	**2016**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Total				
Prepayments	821	2,321	3,851	10,773
Deposits (Note a)	772	416	4,815	4,947
Other receivables (Note a and b)	1,280	1,336	674	504
Prepaid [REDACTED] expenses (Note c)	—	—	[REDACTED]	[REDACTED]
	2,873	4,073	10,826	18,751
Non-current portion				
Deposits	(394)	(336)	(401)	(536)
Prepayments for the acquisition of property, plant and equipment	—	—	—	(1,897)
Less: non-current portion	(394)	(336)	(401)	(2,433)
Current portion	2,479	3,737	10,425	16,318

The Company

	As at 31 December	As at 30 April
	2017	**2018**
	RMB'000	*RMB'000*
Current		
Prepaid [REDACTED] expenses (Note c)	[REDACTED]	[REDACTED]

Notes:

(a) As at 31 December 2015, 2016 and 2017 and 30 April 2018, the carrying amounts of deposits and other receivables approximated their fair values.

(b) The amounts were unsecured, interest free and repayable on demand.

(c) The prepaid [REDACTED] expenses are incurred in connection with the [REDACTED] of the Group and will be deducted from equity upon the [REDACTED] of the Group.

The carrying amounts of the Group's prepayments, deposits and other receivables were denominated in the following currencies:

	As at 31 December			As at 30 April
	2015	**2016**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
RMB	2,830	2,034	7,857	10,207
USD	38	2,035	31	30
HK$	5	4	2,938	8,514
	2,873	4,073	10,826	18,751

The carrying amount of the Company's prepayments was denominated in the following currencies:

	As at 31 December 2017	As at 30 April 2018
	RMB'000	*RMB'000*
RMB	174	494
USD	24	24
HK$	1,288	2,009
	1,486	2,527

17 Inventories

	As at 31 December			As at 30 April
	2015	**2016**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Raw materials	13,811	13,111	25,477	36,935
Work in progress	2,550	2,672	982	4,249
Finished goods	5,782	5,823	4,990	29,128
	22,143	21,606	31,449	70,312

The cost of inventories recognised as expense and included in cost of sales during the years ended 31 December 2015, 2016 and 2017 and the four months ended 2017 and 2018 amounted to RMB147,107,000, RMB218,985,000, RMB308,439,000, RMB112,045,000 and RMB153,092,000 respectively, which included inventory provision amounting to RMB229,000, RMB967,000, RMB1,072,000, RMB477,000 and RMB150,000, respectively.

18 Financial assets at fair value through profit or loss

	As at 31 December			As at 30 April
	2015	**2016**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Listed equity securities — held-for-trading – PRC (note a)	2,169	754	—	—
Unlisted financial products — held-for-trading – PRC (note b)	10,500	19,500	—	—
	12,669	20,254	—	—

Purchase and disposal of financial assets at fair value through profit or loss are presented within investing activities in the consolidated statements of cash flows.

Changes in fair values of financial assets at fair value through profit or loss are recorded in 'other gains/(losses), net' in the consolidated income statements (Note 8).

(a) Listed equity securities — held-for-trading

Amount represented equity interest listed on the Shenzhen Stock Exchange and Shanghai Stock Exchange in the PRC. The fair value of all listed equity securities is based on their current bid prices in an active market. The fair value measurement of the listed equity securities is categorised within level 1 of the fair value hierarchy.

(b) Unlisted financial products — held-for-trading

Unlisted financial products are mainly investments in trust schemes and private investment funds. They have initial terms ranging from 1 to 14 days. The fair values of these investments approximated their carrying values as at 31 December 2015 and 2016. The fair value measurement of the unlisted financial products is categorised within level 2 of the fair value hierarchy.

19 Cash and cash equivalents and pledged bank deposits

The Group

	As at 31 December			As at 30 April
	2015	**2016**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Cash at banks	29,434	22,569	53,032	55,162
Cash on hand	82	162	102	66
Less: pledged bank deposits	(615)	(1,490)	—	(4,045)
Cash and cash equivalents	28,901	21,241	53,134	51,183
Maximum exposure to credit risk	29,434	22,569	53,032	55,162

As at 31 December 2015, 2016 and 30 April 2018, deposits amounted to RMB615,000, RMB1,490,000 and RMB4,045,000 respectively were pledged for the facilities granted by banks to the Group, details of which are set out in Note 25.

Cash and cash equivalents include the following for the purposes of the consolidated statements of cash flows:

	As at 31 December			As at 30 April
	2015	**2016**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Cash and cash equivalents	28,901	21,241	53,134	51,183

The carrying amounts of the Group's cash and cash equivalents and pledged bank deposits are denominated in the following currencies:

	As at 31 December			As at 30 April
	2015	**2016**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
RMB	14,937	19,085	36,419	37,559
USD	14,500	3,591	7,015	12,172
HK$	79	55	9,700	5,497
	29,516	22,731	53,134	55,228

Cash at banks earned interest at floating rates based on daily bank deposits rate. As at 31 December 2015, 2016 and 2017 and 30 April 2018, the carrying amounts of cash and cash equivalents approximated their fair values.

As at 31 December 2015, 2016 and 2017 and 30 April 2018, cash and cash equivalent of the Group amounting to approximately RMB14,241,000, RMB17,611,000, RMB39,296,000 and RMB40,217,000, respectively, are deposited with the banks in the PRC where the remittance of funds out of the PRC is subject to the rules and regulations of foreign exchange control promulgated by the Government of the PRC.

The Company

Cash and cash equivalents represent cash at banks and denominated in HK$.

20 Trade and bills receivables

	As at 31 December			As at 30 April
	2015	**2016**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables	47,292	69,663	61,490	146,115
Bills receivables	5,695	11,067	9,600	4,055
Less: allowance for impairment of trade and bills receivables	—	—	—	—
	52,987	80,730	71,090	150,170

As at 31 December 2015, 2016 and 2017 and 30 April 2018, the carrying amounts of trade and bills receivables approximated their fair values.

The Group's sales are on credit terms primarily from 30 to 120 days.

As at 31 December 2015, 2016 and 2017 and 30 April 2018, the aging analysis of trade and bills receivables, based on invoice date, was as follows:

	As at 31 December			As at 30 April
	2015	**2016**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
1 to 3 months	50,079	77,944	69,248	146,247
Over 3 months	2,908	2,786	1,842	3,923
	52,987	80,730	71,090	150,170

As at 31 December 2015, 2016 and 2017 and 30 April 2018, the aging analysis of trade and bills receivables, based on due date, was as follows:

	As at 31 December			As at 30 April
	2015	**2016**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Current	48,025	71,367	62,684	133,673
1 to 3 months	4,903	7,886	6,564	12,629
Over 3 months	59	1,477	1,842	3,868
	52,987	80,730	71,090	150,170

As at 31 December 2015, 2016 and 2017 and 30 April 2018, trade receivables of approximately RMB4,962,000, RMB9,363,000, RMB8,406,000 and RMB16,497,000, respectively were past due.

For these past due trade receivables, the Group has assessed the expected credit losses by considering historical default rates, existing market conditions and forward-looking information. Based on the assessment, expected credit loss rate of trade receivables is close to zero. Therefore, the loss allowance provision for these trade receivables balances was not material.

The carrying amounts of the Group's trade and bills receivables were denominated in the following currencies:

	As at 31 December			As at 30 April
	2015	**2016**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
RMB	52,874	75,842	67,462	144,718
USD	113	4,888	3,628	5,452
	52,987	80,730	71,090	150,170

The maximum exposure to credit risk as at 31 December 2015, 2016 and 2017 and 30 April 2018 was the carrying value of the receivables mentioned above. The Group does not hold any collateral as security.

21 Share capital and share premium

The Group and the Company

	Number of shares	Nominal value *HK$*
Share capital		
Authorised:		
Ordinary shares of HK$0.01	38,000,000	380,000

	Number of shares	Nominal value *HK$*
Issued:		
At 15 March 2017 (date of incorporation) (Note 1.2(a))	340	3
Issue of ordinary shares on 18 May 2017 and 8 June 2017 (Note 1.2(g) & (j))	140	1
At 31 December 2017 and 30 April 2018	480	4

On 25 July 2018, the authorised share capital of the Company was increased to HK$80,000,000 comprising 8,000,000,000 shares of HK$0.01 each.

On 15 March 2017, 340 ordinary shares were issued at approximately HK$3. During the year ended 31 December 2017, 140 additional ordinary shares were issued at approximately HK$1 pursuant to the Group's Reorganisation as detailed in Note 1.2. As at 31 December 2017 and 30 April 2018, total issued number and nominal value of ordinary shares of the Company amounted to 480 shares and HK$4.8 respectively.

Share premium

Share premium represents the excess of total cash consideration received from issuance of 40 ordinary shares on 18 May 2017, being HK$13,860,000 (approximately RMB 12,165,000), over their par value at HK$0.40 as detailed in Note 1.2(g).

22 Deferred income tax

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same tax authority.

The analysis of deferred income tax assets is as follows:

	As at 31 December			As at 30 April
	2015	**2016**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Deferred tax assets to be recovered after more than 12 months	406	618	279	473
Deferred tax asset to be recovered within 12 months	1,752	568	806	415
	2,158	1,186	1,085	888

The gross movement on the deferred income tax assets is as follows:

	As at 31 December			As at 30 April
	2015	**2016**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At beginning of year	2,516	2,158	1,186	1,085
Charged to consolidated income statements (Note 11)	(358)	(972)	(101)	(197)
At end of year	2,158	1,186	1,085	888

The movement in deferred income tax assets during the Track Record Period, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

Deferred tax assets	**Tax depreciation**	**PRC accrued expenses**	**Total**
	RMB'000	*RMB'000*	*RMB'000*
At 1 January 2015	1,715	801	2,516
(Charged)/credited to the consolidated income statements	(733)	375	(358)
At 31 December 2015	982	1,176	2,158
Charged to the consolidated income statements	(559)	(413)	(972)
At 31 December 2016	423	763	1,186
(Charged)/credited to the consolidated income statements	(118)	17	(101)
At 31 December 2017	305	780	1,085
(Charged)/credited to the consolidated income statements	(212)	15	(197)
At 30 April 2018	93	795	888

The Group had undistributed earnings of RMB11,173,000, RMB31,928,000, RMB62,949,000 and RMB72,055,000 as at 31 December 2015, 2016 and 2017 and 30 April 2018 respectively, which, if paid out as dividends, would be subject to tax in the hands of the recipient. An assessable temporary difference exists, but no deferred tax liability has been recognised as the parent entity is able to control the timing of distributions of dividends from the PRC subsidiary and is not expected to distribute these profits in the foreseeable future.

23 Trade payables

	As at 31 December			**As at 30 April**
	2015	**2016**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade payables	33,082	53,182	55,632	150,101

As at 31 December 2015, 2016 and 2017, the aging analysis of trade payables, based on invoice date, was as follows:

	As at 31 December			As at 30 April
	2015	**2016**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 1 month	7,502	17,430	24,467	111,362
1 to 2 months	8,946	21,295	13,976	27,024
2 to 3 months	1,258	6,482	11,183	5,045
Over 3 months	15,376	7,975	6,006	6,670
	33,082	53,182	55,632	150,101

The carrying amounts of the Group's trade payables were denominated in the following currencies:

	As at 31 December			As at 30 April
	2015	**2016**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
RMB	32,946	48,916	45,561	137,593
USD	136	4,266	10,071	12,508
	33,082	53,182	55,632	150,101

As at 31 December 2015, 2016 and 2017 and 30 April 2018, the carrying amounts of trade payables approximated their fair values.

24 Receipts in advance, other payables and accruals

The Group

	As at 31 December			As at 30 April
	2015	**2016**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Other payables	6,952	3,236	2,548	4,492
Other tax payables	5,417	8,548	5,743	8,879
Accruals	9,960	12,079	10,847	9,267
Accrued [REDACTED] expenses	—	—	[REDACTED]	[REDACTED]
Receipts in advance (Note 5(c))	5,958	1,680	11,389	19,553
	28,287	25,543	31,089	42,596

The Company

	As at 31 December 2017	As at 30 April 2018
	RMB'000	*RMB'000*
Accrued [REDACTED] expenses	[REDACTED]	[REDACTED]

As at 31 December 2015, 2016 and 2017 and 30 April 2018, the carrying amounts of other payables, accruals and receipts in advance approximated their fair values. They were unsecured, interest free and repayable on demand.

The carrying amounts of the Group's receipts in advance, other payables and accruals were denominated in the following currencies:

	As at 31 December			As at 30 April
	2015	**2016**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
RMB	22,952	24,291	22,713	23,082
USD	5,325	1,241	8,067	19,514
HK$	10	11	309	—
	28,287	25,543	31,089	42,596

The carrying amounts of the Company's accruals were denominated in RMB.

25 Bank borrowings

Bank borrowings are analysed as follows:

	As at 31 December			As at 30 April
	2015	**2016**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Borrowings due for repayment within one year - secured	18,050	12,326	5,000	13,466
Trade financing due for repayment within one year - secured	2,578	—	—	—
	20,628	12,326	5,000	13,466

As at 31 December 2015, the Group's bank borrowings were carried at floating rate ranged from 4.5% to 8.1% per annum. As at 31 December 2016, the Group's bank borrowings were carried at floating rate ranged from 5.7% to 6.3% per annum. As at 31 December 2017, the Group's borrowings loans were carried at floating rate ranged from 5.7% to 6.6% per annum. As at 30 April 2018, the Group's borrowings loans were carried at floating rate ranged from 5.7% to 6.6% per annum.

As at 31 December 2015, 2016 and 2017 and 30 April 2018, the carrying amounts of the borrowings approximated their fair values.

As at 31 December 2015, the above borrowings are secured by properties, plant and equipment with carrying amounts of RMB7,597,000; trade receivables with carrying amounts of RMB2,578,000,; inventories with carrying amounts of RMB2,050,000; pledged bank deposits with carrying amounts of RMB615,000; personal guarantee from Mr. Ma and Ms. Cheng Lihong; and corporate guarantee from a related company.

As at 31 December 2016, the above borrowings are secured by properties, plant and equipment with carrying amounts of RMB5,391,000; inventories with carrying amounts of RMB4,326,000; pledged bank deposits with carrying amounts of RMB1,490,000; and personal guarantee from Mr. Ma and Ms. Cheng Lihong.

As at 31 December 2017, the above borrowings are secured by properties, plant and equipment with carrying amounts of RMB4,731,000 and personal guarantee from Mr. Ma.

As at 31 December 2017, the personal guarantee provided by Ms. Cheng Lihong remains in place but no bank borrowings were drawn from the corresponding bank facilities.

As at 30 April 2018, the above borrowings are secured by properties, plant and equipment with carrying amounts of RMB4,631,000; inventories with carrying amounts of RMB8,466,000; pledged bank deposits with carrying amounts of RMB4,045,000; and personal guarantee from Mr. Ma and Ms. Cheng Lihong.

The personal guarantee provided by Mr. Ma and Ms. Cheng Lihong will be replaced by corporate guarantee provided by the Company upon [REDACTED].

At 31 December 2015, 2016 and 2017 and 30 April 2018, the Group's bank borrowings were repayable as follows:

	As at 31 December			As at 30 April
	2015	**2016**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 1 year or on demand	20,628	12,326	5,000	13,466

The carrying amounts of the Group's bank borrowings are denominated in RMB.

26 Notes to the consolidated statements of cash flows

(a) Reconciliation of profit before income tax for the Track Record Period to net cash generated from operations

	Year ended 31 December			Four months ended 30 April	
	2015	**2016**	**2017**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(unaudited)*	*RMB'000*
Profit before income tax	18,594	26,693	33,750	11,052	17,017
Adjustments for:					
Finance income	(24)	(32)	(99)	(16)	(22)
Finance expenses	1,982	1,098	800	287	224
Depreciation	8,743	4,883	2,337	802	748
Amortisation	42	42	361	119	130
Provision for inventories	229	967	1,072	477	150
Net realised and unrealised (gains)/losses on financial assets at fair value through profit or loss	(269)	168	(61)	124	—
Gain on disposal of properties, plant and equipment	(5)	(129)	(742)	(22)	4

	Year ended 31 December			Four months ended 30 April	
	2015	**2016**	**2017**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(unaudited)	
Dividend income on financial assets at fair value through profit or loss	—	(39)	—	—	—
	29,292	33,651	37,418	12,823	18,251
Changes in working capital:					
- Trade and bills receivables	13,809	(27,561)	9,447	(14,343)	(79,118)
- Prepayments, deposits and other receivables	(1,659)	(1,111)	(5,568)	(1,833)	(5,113)
- Inventories	(21,319)	(372)	(10,894)	(35,450)	(38,995)
- Trade payables	13,540	20,745	2,130	62,907	94,469
- Receipts in advance, other payables and accruals	3,380	(2,926)	5,716	249	12,200
Net cash generated from operations	37,043	22,426	38,249	24,353	1,694

*(b) **In the consolidated statements of cash flows, proceeds from disposal of properties, plant and equipment comprise:***

	Year ended 31 December			Four months ended 30 April	
	2015	**2016**	**2017**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(unaudited)	
Net book amount disposed	44	342	387	356	4
Gain on disposal of properties, plant and equipment	5	129	742	22	(4)
Proceeds from disposal of properties, plant and equipment	49	471	1,129	378	—

(c) The reconciliations of liabilities arising from financing activities is as follows:

	Amounts due to related parties	**Bank borrowings**
	RMB'000	*RMB'000*
At 1 January 2015	37,753	17,165
Cash flows		
- Proceeds from bank borrowings	—	78,830
- Repayment of bank borrowings	—	(75,367)
- Proceeds from amounts due to related parties	319	—
- Repayment of amounts due to related parties	(10,113)	—
- Currency translation differences	1,350	—
At 31 December 2015	29,309	20,628
Cash flows		
- Proceeds from bank borrowings	—	21,088
- Repayment of bank borrowings	—	(29,390)
- Proceeds from amounts due to related parties	2,200	—
- Repayment of amounts due to related parties	(10,096)	—
- Currency translation differences	969	—
At 31 December 2016	22,382	12,326
Cash flows		
- Proceeds from bank borrowings	—	14,316
- Repayment of bank borrowings	—	(21,642)
- Proceeds from amounts due to related parties	8,130	—
- Repayment of amounts due to related parties	(29,716)	—
- Currency translation differences	(796)	—
At 31 December 2017	—	5,000
Cash flow		
- Proceeds from bank borrowings	—	8,466
At 30 April 2018	—	13,466

27 Commitments

(a) Capital commitments

Capital expenditure contracted for at the end of the year but not yet incurred is as follows:

	As at 31 December			As at 30 April
	2015	**2016**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Contracted but not provided for	—	663	—	1,370

(b) Operating lease commitments

At 31 December 2015, 2016 and 2017 and 30 April 2018, the total future minimum lease payments under non-cancellable operating leases in respect of offices, warehouses, production plant and staff quarters are payable as follows:

	As at 31 December			As at 30 April
	2015	**2016**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 1 year	1,563	2,558	7,635	4,829
After 1 year and no later than 5 years	10,689	7,186	5,542	5,944
	12,252	9,744	13,177	10,773

28 Related party transactions

Related parties are those parties that have the ability to control, jointly control or exert significant influence over the other party in holding power over the investee; exposure, or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect the amount of the investor's returns. Parties are also considered to be related if they are subject to common control or joint control. Related parties may be individuals or other entities.

The ultimate holding company and controlling shareholders are disclosed in Note 1.1.

Major related parties that had transactions with the Group during the Track Record Period were as follows:

	Relationship with the Company			
Related parties	**As at 31 December**			**As at 30 April**
	2015	**2016**	**2017**	**2018**
Ma Fujun	Director and shareholder	Director and shareholder	Director and shareholder	Director and shareholder
Cheng Lihong	Shareholder	Shareholder	Shareholder	Shareholder
Chen Xiaoyuan	Director and shareholder	Director and shareholder	Director and shareholder	Director and shareholder
Cheng Bin	Director and shareholder	Director and shareholder	Director and shareholder	Director and shareholder
Shenzhen Qianhai Yufa Technology Company Limited* (深圳市前海宇發科技有限公司) (formerly known as 深圳前海恒昌盛電子科技有限公司)	Controlled by a director	Controlled by a director	Controlled by a director	Controlled by a director
Shenzhen City Bao'an District Shajing Cewei Electronics Business Department* (深圳市寶安區沙井策為電子經營部)	Controlled by a director	Controlled by a director	Controlled by a director	Controlled by a director

* *For identification purpose only*

(a) Balances with related parties

	As at 31 December			As at 30 April
	2015	**2016**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Receivable from a company controlled by a director#				
Shenzhen Qianhai Yufa Technology Company Limited* (深圳市前海宇發科技有限公司)	2,530	4,000	—	—
Payable to a director#				
Ma Fujun	(26,696)	(22,382)	—	—
Payable to a company controlled by a director#				
Shenzhen City Bao'an District Shajing Cewei Electronics Business Department* (深圳市寶安區沙井策為電子經營部)	(2,613)	—	—	—

Balances were unsecured, interest free and repayable within the next twelve months. Their carrying amounts approximate their fair values. These balances are not derived from operating activities and are non-trade in nature.

* *For identification purpose only*

(b) Transactions with related parties

Save as disclosed elsewhere in the Historical Financial Information, during the Track Record Period, the following transactions were carried out with related parties at terms mutually agreed by both parties:

(i) Personal guarantee provided by Mr. Ma and Ms. Cheng Lihong

During the years ended 31 December 2015, 2016 and 2017 and the four months ended 30 April 2017 and 2018, certain of the Group's bank loans were secured by personal guarantee from Mr. Ma and Ms. Cheng Lihong as set out in Note 25.

(ii) Corporate guarantee provided by a related company

During the year ended 31 December 2015 and 2016, certain of the Group's bank loans were secured by corporate guarantee from a related company as set out in Note 25. As at 31 December 2016, the corporate guarantee was released.

(iii) Corporate guarantee provided to a related company controlled by Mr. Ma

During the years ended 31 December 2015, 2016 and 2017, the subsidiary operating in the PRC has provided a corporate guarantee of RMB13,800,000 to a related company as set out in Note 30(d). As at 31 December 2017, the corporate guarantee was released.

(c) Key management compensation

Key management include directors compensation paid or payable to key management for employee services is shown below:

	Year ended 31 December			Four months ended 30 April	
	2015	**2016**	**2017**	**2017**	**2018**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(unaudited)	
Wages and salaries	465	1,738	2,373	787	795
Pension costs - defined contribution plan	111	122	219	67	71
	576	1,860	2,592	854	866

29 Dividend

No dividend has been paid or declared by the Company since its incorporation.

30 Benefits and interests of directors

(a) Directors' emoluments

The remuneration of each director is set out below:

Name of Director	Fees	Salary	Discretionary bonus	Allowances and benefits in kind	Employer's contribution to pension scheme	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
For the year ended 31 December 2015						
Directors						
- Ma Fujun	—	180	—	—	48	228
- Cheng Bin	—	120	39	—	32	191
- Chen Xiaoyuan	—	115	11	—	31	157
	—	415	50	—	111	576

Name of Director	Fees	Salary	Discretionary bonus	Allowances and benefits in kind	Employer's contribution to pension scheme	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
For the year ended 31 December 2016						
Directors						
- Ma Fujun	—	182	550	—	47	779
- Cheng Bin	—	122	434	—	31	587
- Chen Xiaoyuan	—	177	241	—	42	460
	—	481	1,225	—	120	1,826

Name of Director	Fees	Salary	Discretionary bonus	Allowances and benefits in kind	Employer's contribution to pension scheme	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
For the year ended 31 December 2017						
Directors						
- Ma Fujun	—	360	500	—	73	933
- Cheng Bin	—	250	396	—	61	707
- Chen Xiaoyuan	—	250	206	—	66	522
	—	860	1,102	—	200	2,162

Name of Director	Fees	Salary	Discretionary bonus	Allowances and benefits in kind	Employer's contribution to pension scheme	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
For the four months ended 30 April 2018						
Directors						
- Ma Fujun	—	120	167	—	25	312
- Cheng Bin	—	83	132	—	22	237
- Chen Xiaoyuan	—	83	69	—	22	174
	—	286	368	—	69	723

Name of Director	Fees	Salary	Discretionary bonus	Allowances and benefits in kind	Employer's contribution to pension scheme	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
For the four months ended 30 April 2017 (Unaudited)						
Directors						
- Ma Fujun	—	120	167	—	23	310
- Cheng Bin	—	83	132	—	21	236
- Chen Xiaoyuan	—	83	69	—	21	173
	—	286	368	—	65	719

Mr. Ma Fujun, Mr. Cheng Bin and Ms. Chen Xiaoyuan were appointed as executive directors of the Company on 28 February 2018. They were also directors of certain subsidiaries of the Company and/or employees of the Group during the Track Record Period and the Group paid emoluments to them in their capacity as the directors of these subsidiaries and/or employees of the Group before their appointment as executive directors of the Company.

Mr. Wu Chi-luen, Mr. Chow Kit Ting and Mr. Chan Chung Kik Lewis were appointed as independent non-executive directors of the Company on 25 July 2018. During the Track Record Period, the independent non-executive directors have not yet been appointed and received nil directors' remuneration in the capacity of directors.

During the Track Record Period, none of the directors of the Company (i) received or paid any remuneration in respect of accepting office; (ii) received or paid emoluments in respect of services in connection with the management of the affairs of the Company or its subsidiaries undertaking; and (iii) waived or has agreed to waive any emolument.

(b) Directors' retirement benefits and termination benefits

During the Track Record Period, no emoluments, retirement benefits, payments or benefits in respect of termination of directors' services were paid or made, directly or indirectly, to the directors; nor are any payable.

(c) Consideration provided to third parties for making available directors' services

During the Track Record Period, no consideration was provided to third parties for making available directors' services.

(d) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

Name of the borrower	Nature of connection	Nature of guarantee or security	Maximum liability that may be incurred under the guarantee: Individually in aggregate at the beginning of the year	Individually in aggregate at the end of the year	During the year	Amounts/Aggregate amounts paid or liability/aggregate liabilities incurred during the financial year for the purpose of fulfilling the guarantee or discharging the security
			RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
For the year ended 31 December 2015:						
Shenzhen Qianhai Yufa Technology Company Limited* (深圳市前海宇發科技有限公司)	Controlled body corporate of Mr. Ma	Guarantee	—	13,800	13,800	—
For the year ended 31 December 2016:						
Shenzhen Qianhai Yufa Technology Company Limited* (深圳市前海宇發科技有限公司)	Controlled body corporate of Mr. Ma	Guarantee	13,800	13,800	13,800	—
For the year ended 31 December 2017:						
Shenzhen Qianhai Yufa Technology Company Limited* (深圳市前海宇發科技有限公司)	Controlled body corporate of Mr. Ma	Guarantee	13,800	—	13,800	—

* *For identification purpose only*

			Maximum liability that may be incurred under the guarantee			
Name of the borrower	**Nature of connection**	**Nature of guarantee or security**	**Individually in aggregate at the beginning of the year**	**Individually in aggregate at the end of the year**	**During the year**	**Amounts/ Aggregate amounts paid or liability/ aggregate liabilities incurred during the financial year for the purpose of fulfilling the guarantee or discharging the security**
			RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
For the four months ended 30 April 2018:						
Shenzhen Qianhai Yufa Technology Company Limited* (深圳市前海宇發科技有限公司)	Controlled body corporate of Mr. Ma	Guarantee	—	—	—	—
For the four months ended 30 April 2017 (Unaudited):						
Shenzhen Qianhai Yufa Technology Company Limited* (深圳市前海宇發科技有限公司)	Controlled body corporate of Mr. Ma	Guarantee	13,800	13,800	13,800	—

Except for guarantee provided by the Group to Shenzhen Qianhai Yufa Technology Company Limited* (深圳市前海宇發科技有限公司) which was controlled by Mr. Ma, there are no loans, quasi-loans or other dealings in favour of the directors, their controlled bodies corporate and connected entities.

* *For identification purpose only*

(e) Directors' material interests in transactions, arrangements or contracts

Save as disclosed elsewhere in the Historical Financial Information, no significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the Track Record Period or at any time during the Track Record Period.

31 Assets pledged as securities

The carrying amounts of assets pledged as securities for current borrowings are:

	Notes	As at 31 December			As at 30 April
		2015	**2016**	**2017**	**2018**
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Current					
Floating charge					
Pledged bank deposits		615	1,490	—	4,045
Trade receivables		2,578	—	—	—
Inventories		2,050	4,326	—	8,466
Total current assets pledged as security		5,243	5,816	—	12,511
Non-current					
Floating charge					
Properties, plant and equipment		7,597	5,391	4,731	4,631
Total non-current assets pledged as security		7,597	5,391	4,731	4,631
Total assets pledged as security		12,840	11,207	4,731	17,142

32 Interests in subsidiaries

	As at 31 December 2017	As at 30 April 2018
	RMB'000	*RMB'000*
Equity investment at cost (Note a)	—	—
Amounts due from subsidiaries (Note b)	19,949	19,949
	19,949	19,949

Note:

(a) The balance represents the Company's 100% interest amounting to 1 USD in Total United Holdings Limited as detailed in Note 1.2.

(b) The amounts due from subsidiaries represent the purchase consideration for acquisition of Shenzhen Hengchang Sheng and Eternity Technology Limited, which the Company settled on behalf of Agreeable Company Limited and Total United Holdings Limited respectively. These amounts are unsecured, interest-free, with no fixed repayment terms. Settlement of these amounts are neither planned nor likely to occur the foreseeable future. As a result, these amounts are considered part of the Company's net investment in Agreeable Company Limited and Total United Holdings Limited.

33 Amounts due from subsidiaries and amount due to a subsidiary

Amounts due from subsidiaries and amount due to a subsidiary were unsecured, interest free and repayable on demand. Their carrying amounts approximated their fair values and were denominated in HK$ and RMB, respectively.

34 Reserve movements of the Company

	Capital reserve	Exchange reserve	Total reserve
	RMB'000	*RMB'000*	*RMB'000*
At 15 March 2017 (Date of incorporation)	—	—	—
Other comprehensive losses			
Currency translation differences	—	(187)	(187)
Total other comprehensive losses	—	(187)	(187)
Transactions with owners			
Capitalisation of loans from shareholders (Note a & Note 1.2(j))	19,692	—	19,692
Total transactions with owners	19,692	—	19,692
At 31 December 2017	19,692	(187)	19,505
At 1 January 2018	19,692	(187)	19,505
Other comprehensive losses			
Currency translation differences	—	(213)	(213)
Total other comprehensive losses	—	(213)	(213)
At 30 April 2018	19,692	(400)	19,292

Note:

(a) During the year ended 31 December 2017, loans from shareholders amounting to HK$22,640,000 (approximately RMB19,692,000) were capitalised in capital reserve.

35 Subsequent events

Save as disclosed elsewhere in this report, the following significant event took place subsequent to 30 April 2018:

Pursuant to the written resolutions passed by the shareholders on 25 July 2018, conditional on the share premium account of the Company being credited as a result of the [REDACTED] by the Company pursuant to the [REDACTED], the directors were authorised to capitalise an amount of HK$[REDACTED] standing to the credit of the share premium account of the Company by applying such sum in paying up in full at par [REDACTED] shares, such shares to be allotted and issued to the shareholders whose names appear on the register of members of the Company at the close of business on 25 July 2018 (or as they may direct) in proportion to their then existing shareholdings in the Company, each ranking equally in all respects with the then existing issued shares.

III SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company or any of subsidiaries now comprising the Group in respect of any period subsequent to 30 April 2018. No dividend or distribution has been declared, made or paid by the Company or any of subsidiaries now comprising the Group in respect of any period subsequent to 30 April 2018.