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F8 ENTERPRISES (HOLDINGS) GROUP LIMITED

F 8 企 業 (控 股) 集 團 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8347)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2018

The board (the “**Board**”) of directors (the “**Directors**”) of F8 Enterprises (Holdings) Group Limited (the “**Company**”) is pleased to announce the unaudited results of the Company for the six months ended 30 September 2018. This announcement, containing the full text of the 2018/2019 interim report of the Company, complies with the relevant requirements of the Rules (the “**GEM Listing Rules**”) Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) in relation to information to accompany preliminary announcement of interim results. Printed version of the Company’s 2018/2019 interim report will be delivered to the shareholders of the Company and available for viewing on the GEM website at www.hkgem.com and of the Company at www.f8.com.hk on or before 14 November 2018.

By Order of the Board
F8 Enterprises (Holdings) Group Limited
Fong Chun Man
Chairman

Hong Kong, 9 November 2018

As at the date of this announcement, the chairman and the executive Director of the Company is Mr. FONG Chun Man, the executive Directors of the Company are Ms. LO Pui Yee, Mr. CHAN Chi Fai and Mr. Li Hok Yin; and the independent non-executive Directors of the Company are Mr. CHUI Chi Yun, Robert, Mr. KWONG Yuk Lap and Mr. WANG Anyuan.

This announcement, for which the Directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website (www.hkgem.com) for at least 7 days from the date of its posting. This announcement will also be published on the Company’s website at www.f8.com.hk

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This report, for which the directors (the "Directors") of F8 Enterprises (Holdings) Group Limited (the "Company") collectively and individually accept full responsibilities, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM (the "GEM Listing Rules") of the Stock Exchange for the purpose of giving information with regard to the Company and its subsidiaries (together the "Group"). The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, there are no other matters the omission of which would make any statement herein or this report misleading.

香港聯合交易所有限公司(「聯交所」) GEM 之特色

GEM 之定位乃為中小型公司提供一個上市之市場，該等公司相比於聯交所上市之其他公司帶有較高投資風險。有意投資者應了解投資於該等公司的潛在風險，並應經過審慎周詳考慮後方作出投資決定。

由於GEM上市公司普遍為中小型公司，在GEM買賣的證券可能會較於聯交所主板買賣的證券承受較大的市場波動風險，同時無法保證於GEM買賣的證券會有高流通市場。

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

本報告乃遵照聯交所GEM證券上市規則(「GEM上市規則」)的規定而提供有關F8企業(控股)集團有限公司(「本公司」)及其附屬公司(統稱「本集團」)之資料。本公司之董事(「董事」)願就本報告所載資料共同及個別承擔全部責任。董事在作出一切合理查詢後，確認就其所知及所信，本報告所載資料在各重要方面均屬準確完備，沒有誤導或欺詐成份，本報告無遺漏任何其他事項，足以令致本報告或其所載任何陳述產生誤導。

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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Fong Chun Man (*Chairman*)
Ms. Lo Pui Yee (*Vice Chairlady*)
Mr. Chan Chi Fai (*Chief Executive Officer*)
Mr. Li Hok Yin

Independent non-executive Directors

Mr. Chui Chi Yun, Robert
Mr. Kwong Yuk Lap
Mr. Wang Anyuan

AUDIT COMMITTEE

Mr. Chui Chi Yun, Robert (*Chairman*)
Mr. Kwong Yuk Lap
Mr. Wang Anyuan

REMUNERATION COMMITTEE

Mr. Wang Anyuan (*Chairman*)
Mr. Chui Chi Yun, Robert
Mr. Fong Chun Man

NOMINATION COMMITTEE

Mr. Kwong Yuk Lap (*Chairman*)
Mr. Chui Chi Yun, Robert
Mr. Fong Chun Man

AUTHORISED REPRESENTATIVES

Mr. Fong Chun Man
Ms. Lo Pui Yee

COMPLIANCE OFFICER

Mr. Fong Chun Man

COMPANY SECRETARY

Ms. Leung Yin Fai (*HKICPA, ACCA, CPA Australia*)

REGISTERED OFFICE

Cricket Square, Hutchins Drive
P. O. Box 2681, Grand Cayman
KY1-1111, Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 3304, 33/F, Tower 1, Enterprise Square Five,
38 Wang Chiu Road, Kowloon Bay, Kowloon, Hong Kong

董事會

執行董事

方俊文先生 (*主席*)
勞佩儀女士 (*副主席*)
陳志輝先生 (*行政總裁*)
李學賢先生

獨立非執行董事

崔志仁先生
鄭旭立先生
王安元先生

審核委員會

崔志仁先生 (*主席*)
鄭旭立先生
王安元先生

薪酬委員會

王安元先生 (*主席*)
崔志仁先生
方俊文先生

提名委員會

鄭旭立先生 (*主席*)
崔志仁先生
方俊文先生

授權代表

方俊文先生
勞佩儀女士

合規主任

方俊文先生

公司秘書

梁燕輝女士 (*香港會計師公會、英國特許註冊會計師公會、澳大利亞註冊會計師協會*)

註冊辦事處

Cricket Square, Hutchins Drive
P.O. Box 2681, Grand Cayman
KY1-1111, Cayman Islands

香港總部及主要營業地點

香港九龍九龍灣宏照道38號
企業廣場五期一座33樓3304室

Corporate Information

公司資料

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Boardroom Share Registrars (HK) Limited
Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P. O. Box 2681, Grand Cayman
KY1-1111, Cayman Islands

COMPLIANCE ADVISER

Guotai Junan Capital Limited

AUDITORS

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

LEGAL ADVISER

D. S. Cheung & Co.

PRINCIPAL BANKER

The Hongkong and Shanghai Banking Corporation Limited

COMPANY WEBSITE

www.f8.com.hk

香港股份過戶登記分處

寶德隆證券登記有限公司
香港北角電氣道148號21樓2103B室

開曼群島股份過戶登記總處

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P.O. Box 2681, Grand Cayman
KY1-1111, Cayman Islands

合規顧問

國泰君安融資有限公司

核數師

國衛會計師事務所有限公司
執業會計師

法律顧問

張岱樞律師事務所

主要往來銀行

香港上海滙豐銀行有限公司

公司網站

www.f8.com.hk

Highlight 摘要

The Group recorded a revenue of approximately HK\$126.2 million for the six months ended 30 September 2018, representing an increase of approximately HK\$53.8 million or 74.3% as compared to the six months ended 30 September 2017.

The Group recorded a profit attributable to the owners of the Company of approximately HK\$4.6 million for the six months ended 30 September 2018, representing an increase of approximately HK\$7.8 million as compared to the Group's net loss of approximately HK\$3.2 million for the six months ended 30 September 2017.

The increase of the Group's profit for the six months ended 30 September 2018 was mainly due to the increase of gross profit for the six months ended 30 September 2018 as compared with the gross profit for the six months ended 30 September 2017; and the recognition of the Listing expenses of approximately HK\$7.0 million in connection with the listing of the Company's shares on GEM (the "Listing") for the six months ended 30 September 2017 but no such expenses for the six months ended 30 September 2018. Excluding the one-off Listing expenses, the profit attributable to the owners of the Company would have been HK\$4.6 million and HK\$3.8 million for the six months ended 30 September 2018 and 2017 respectively, representing an increase of approximately 21.1% as compared to the six months ended 30 September 2017.

The Board does not recommend the payment of any dividend for the six months period ended 30 September 2018.

截至2018年9月30日止六個月，本集團錄得收益約126.2百萬港元，較截至2017年9月30日止六個月增加約53.8百萬港元或74.3%。

截至2018年9月30日止六個月，本集團錄得本公司擁有人應佔溢利約4.6百萬港元，較截至2017年9月30日止六個月本集團虧損淨額約3.2百萬港元增加約7.8百萬港元。

本集團截至2018年9月30日止六個月的溢利增加主由於截至2018年9月30日止六個月的毛利較截至2017年9月30日止六個月的毛利增加；及於截至2017年9月30日止六個月就本公司股份於GEM上市（「上市」）確認上市開支約7.0百萬港元，但截至2018年9月30日止六個月並無有關開支。扣除一次性上市開支後，截至2018年及2017年9月30日止六個月，本公司擁有人應佔溢利分別為4.6百萬港元及3.8百萬港元，較截至2017年9月30日止六個月增加約21.1%。

董事會不建議派付截至2018年9月30日止六個月期間的任何股息。

The board of Directors (the “Board”) of the Company is pleased to report the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively referred to as the “Group”) for the three months and six months ended 30 September 2018 (the “Reporting Period”), together with the respective unaudited comparative figures for the corresponding periods in 2017, as follows:

本公司董事會(「董事會」)欣然報告本公司及其附屬公司(統稱「本集團」)截至2018年9月30日止三個月及六個月(「報告期」)的未經審核簡明綜合中期業績，連同2017年同期的相關未經審核比較數字如下：

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

未經審核簡明綜合損益及其他全面收益表

For the six months ended 30 September 2018 截至2018年9月30日止六個月

		Notes 附註	Three months ended 30 September 截至9月30日止三個月		Six months ended 30 September 截至9月30日止六個月	
			2018 2018年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 2017年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 2018年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 2017年 HK\$'000 千港元 (Unaudited) (未經審核)
Revenue	收益	3	76,183	34,549	126,248	72,367
Cost of sales	銷售成本		(69,779)	(28,706)	(114,090)	(61,930)
Gross profit	毛利		6,404	5,843	12,158	10,437
Other gains and losses	其他收益及虧損	5	73	(231)	1,396	(37)
Administrative expenses	行政開支		(3,625)	(2,748)	(6,338)	(11,850)
Other operating expenses	其他營運開支		(1,040)	(413)	(1,681)	(772)
Profit/(loss) from operations	經營溢利/(虧損)		1,812	2,451	5,535	(2,222)
Finance costs	融資成本	6	-	(6)	(2)	(71)
Profit/(loss) before taxation	除稅前溢利/(虧損)		1,812	2,445	5,533	(2,293)
Income tax expenses	所得稅開支	8	(406)	(758)	(966)	(956)
Profit/(loss) for the period	期內溢利/(虧損)		1,406	1,687	4,567	(3,249)
Other comprehensive income/(loss) for the period	期內其他全面 收益/(虧損)					
<i>Item that may be reclassified to profit or loss:</i>	<i>可能重新分類至 損益的項目</i>					
Exchange differences on translating of foreign operations	換算國外業務產生的 匯兌差額		18	-	18	-
Other comprehensive income/(loss) for the period	期內其他全面 收益/(虧損)		18	-	18	-

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

未經審核簡明綜合損益及其他全面收益表

For the six months ended 30 September 2018 截至2018年9月30日止六個月

		Three months ended 30 September 截至9月30日止三個月		Six months ended 30 September 截至9月30日止六個月		
		2018 2018年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 2017年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 2018年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 2017年 HK\$'000 千港元 (Unaudited) (未經審核)	
		Notes 附註				
Total comprehensive income/ (loss) for the period attributable to the owners of the Company	本公司擁有人應佔期內全面收益/(虧損)總額		1,424	1,687	4,585	(3,249)
Profit/(loss) for the period attributable to the owners of the Company	本公司擁有人應佔期內溢利/(虧損)		1,406	1,687	4,567	(3,249)
Earnings/(loss) per share attributable to the owners of the Company	本公司擁有人應佔每股盈利/(虧損)					
Basic and diluted (HK cents)	基本及攤薄(港仙)	10	0.18	0.21	0.57	(0.41)

Unaudited Condensed Consolidated Statement of Financial Position

未經審核簡明綜合財務狀況表

As at 30 September 2018 於2018年9月30日

			As at 30 September 2018 於2018年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	As at 31 March 2018 於2018年 3月31日 HK\$'000 千港元 (Audited) (經審核)
	Notes 附註			
Non-current assets		非流動資產		
Property, plant and equipment	11	物業、廠房及設備	11,094	12,385
Intangible assets	12	無形資產	11,518	–
Goodwill	13	商譽	9,968	–
			32,580	12,385
Current assets		流動資產		
Inventories		存貨	585	341
Trade receivables	14	貿易應收款項	74,884	66,650
Deposits and prepayments		按金及預付款項	1,350	2,959
Financial assets at fair value through profit or loss	15	按公平值計入損益的 金融資產	2,266	1,105
Pledged bank deposits		已抵押銀行存款	4,000	4,000
Cash and bank balances		現金及銀行結餘	4,866	13,179
			87,951	88,234
Current liabilities		流動負債		
Trade and bills payables	16	貿易應付款項及應付票據	4,661	3,609
Accruals, receipts in advance and deposits received		應計費用、預收款項及 已收按金	8,541	3,040
Bank borrowings	17	銀行借款	4,080	–
Obligations under finance leases	18	融資租賃承擔	–	188
Tax payables		應付稅項	3,230	4,825
			20,512	11,662
Net current assets		流動資產淨值	67,439	76,572
Total assets less current liabilities		資產總值減流動負債	100,019	88,957
Non-current liabilities		非流動負債		
Contingent consideration payable		應付或然代價	3,598	–
Deferred tax liabilities		遞延稅項負債	4,062	1,183
			7,660	1,183
Net assets		資產淨值	92,359	87,774
Capital and reserves		資本及儲備		
Share capital	19	股本	8,000	8,000
Reserves		儲備	84,359	79,774
Total equity		權益總額	92,359	87,774

Unaudited Condensed Consolidated Statement of Changes in Equity

未經審核簡明綜合權益變動表

For the six months ended 30 September 2018 截至2018年9月30日止六個月

		Share capital	Share premium	Exchange reserve	Other reserve	Capital contribution reserve	Retained earnings	Total
		股本	股份溢價	匯兌儲備	其他儲備	資本實繳儲備	保留盈利	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
		(Note i)	(Note ii)	(Note iii)	(Note iv)	(Note v)		
		(附註 i)	(附註 ii)	(附註 iii)	(附註 iv)	(附註 v)		
At 1 April 2017 (Audited)	於2017年4月1日(經審核)	-	-	-	-	24,652	4,660	29,312
Loss and total comprehensive expense for the period	期內虧損及全面開支總額	-	-	-	-	-	(3,249)	(3,249)
Capitalisation issue	資本化發行	6,000	(6,000)	-	-	-	-	-
Issue of shares upon share offer	根據股份發售發行股份	2,000	62,000	-	*	-	-	64,000
Expenses in connection with the issue of shares	股份發行相關開支	-	(6,779)	-	-	-	-	(6,779)
At 30 September 2017 (Unaudited)	於2017年9月30日(未經審核)	8,000	49,221	-	*	24,652	1,411	83,284
At 1 April 2018 (Audited)	於2018年4月1日(經審核)	8,000	49,221	-	*	24,652	5,901	87,774
Exchange differences on translating of foreign operations	換算國外業務產生的匯兌差額	-	-	18	-	-	-	18
Profit and total comprehensive income for the period	期內溢利及全面收益總額	-	-	-	-	-	4,567	4,567
Total comprehensive income for the period	期內全面收益總額	-	-	18	-	-	4,567	4,585
At 30 September 2018 (Unaudited)	於2018年9月30日(未經審核)	8,000	49,221	18	*	24,652	10,468	92,359

Note:

- (i) On 12 April 2017, 200,000,000 shares of HK\$0.01 each of the Company were allotted and issued at a price of HK\$0.32 per Share by way of Shares Offer.
- (ii) Share premium represents the excess of shares issue over the par value.
- (iii) The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations.
- (iv) Other reserve of the Group represents the difference between the total equity of the subsidiaries and the aggregated share capital of the subsidiaries pursuant to the Reorganisation where the transfer of the subsidiaries to the Company are satisfied by issue of new shares from the Company. The balance was approximately HK\$8.
- (v) Capital contribution reserve represents the amount of the financial impact arisen from the transfer of business from Great Wall (International) Oil Company (Sole Proprietorship Business) to Great Wall (International) Oil Limited.

* The balance was approximately HK\$8

附註：

- (i) 於2017年4月12日，本公司以股份發售方式，按每股股份0.32港元的價格配發及發行200,000,000股每股面值0.01港元的股份。
- (ii) 股份溢價指股份發行超過面值的金額。
- (iii) 外匯儲備包括因換算海外業務財務報表而產生的所有匯兌差額。
- (iv) 本集團的其他儲備指該等附屬公司的權益總額與附屬公司根據重組應佔的股本總額之間的差額(將附屬公司轉撥至本公司通過本公司發行新股撥付)。結餘約為8港元。
- (v) 資本實繳儲備指長城(國際)石油公司(獨資經營業務)向長城(國際)石油有限公司轉讓業務產生的財務影響涉及的金額。

* 結餘約為8港元

Unaudited Condensed Consolidated Statement of Cash Flows

未經審核簡明綜合現金流量表

For the six months ended 30 September 2018 截至2018年9月30日止六個月

		Six months ended 30 September	
		截至9月30日止六個月	
		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Net cash used in operating activities	經營活動所用現金淨額	(2,191)	(5,669)
Net cash used in investing activities	投資活動所用現金淨額	(10,014)	(10,164)
Net cash generated from financing activities	融資活動所得現金淨額	3,892	52,786
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物的(減少)/增加淨額	(8,313)	36,953
Cash and cash equivalents at the beginning of the period	期初現金及現金等價物	13,179	560
Cash and cash equivalents at the end of the period	期末現金及現金等價物	4,866	37,513

Notes to the Unaudited Condensed Consolidated Financial Statements

未經審核簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

1 GENERAL INFORMATION

The Company was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liability on 30 March 2016. The registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and principal place of business in Hong Kong is Unit 3304, 33/F, Tower 1, Enterprise Square Five, 38 Wang Chiu Road, Kowloon Bay, Kowloon, Hong Kong. The Company's immediate and ultimate holding company is Grand Tycoon Limited, a company incorporated in the British Virgin Islands ("BVI"). Grand Tycoon Limited is controlled by Mr. Fong Chun Man ("Mr. Fong"), a Director of the Company.

The Company is an investment holding company and its subsidiaries are principally engaged in the business of the sale and transportation of diesel oil and related products in Hong Kong as well as health food distribution in the People's Republic of China (the "PRC").

The unaudited condensed consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is the functional currency of the Company and its principal subsidiaries and all values are rounded to the nearest thousands (HK\$'000), except when otherwise stated.

2 BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

(a) Basis of preparation

The unaudited condensed consolidated interim financial statements (the "Interim Financial Statements") have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Listing Rules and Hong Kong Accounting Standard (the "HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the applicable disclosure requirements of GEM Listing Rules.

1 一般資料

本公司於2016年3月30日根據公司法在開曼群島註冊成立為獲豁免有限公司。本公司的註冊辦事處為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands及香港的主要營業地點為香港九龍九龍灣宏照道38號企業廣場五期一座33樓3304室。本公司的直接及最終控股公司為宏亨有限公司，該公司於英屬處女群島（「英屬處女群島」）註冊成立。宏亨有限公司由本公司董事方俊文先生（「方先生」）控制。

本公司為投資控股公司，其附屬公司主要在香港從事銷售及運送柴油燃料及相關產品業務以及在中華人民共和國（「中國」）從事健康食品分銷業務。

除另有所指外，未經審核簡明綜合財務報表以本公司及其主要附屬公司的功能貨幣港元（「港元」）呈列，而所有價值湊整至最接近千位（千港元）。

2 編製基準及主要會計政策

(a) 編製基準

未經審核簡明綜合中期財務報表（「中期財務報表」）已根據上市規則附錄16之適用披露規定及香港會計師公會（「香港會計師公會」）頒佈之香港會計準則（「香港會計準則」）第34號「中期財務報告」以及GEM上市規則之適用披露規定編製。

Notes to the Unaudited Condensed Consolidated Financial Statements

未經審核簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

2 BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES (Continued)

(a) Basis of preparation (Continued)

The unaudited condensed consolidated interim financial information should be read in conjunction with the audited annual financial statements included in the annual report of the Company dated 22 June 2018 (the “**2018 Annual Report**”). The accounting policies adopted are consistent with those applied in the Group’s audited annual financial statements for the year ended 31 March 2018, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the HKICPA, except the new and revised HKFRSs which are effective for the financial year beginning from 1 April 2018. The adoption of these new and revised HKFRSs has not had material impact on the unaudited condensed consolidated interim financial information. The Group has not early applied the new and revised HKFRSs that have been issued by the HKICPA but are not yet effective. Details of accounting policies are set out in note 2(b).

The Interim Financial Statements has been prepared under the historical cost basis except for investment properties and certain financial instruments, which are measured at fair values.

2 編製基準及主要會計政策(續)

(a) 編製基準(續)

未經審核簡明綜合中期財務資料應與本公司日期為2018年6月22日的年報(「**2018年報**」)所載經審核年度財務報表一併閱讀。所採納會計政策與本集團截至2018年3月31日止年度經審核年度財務報表所用者一致，按照香港會計師公會頒佈的香港財務報告準則(「**香港財務報告準則**」)編製，惟自2018年4月1日開始的財政年度生效的新訂及經修訂香港財務報告準則除外。採納該等新訂及經修訂香港財務報告準則對未經審核簡明綜合中期財務資料並無重大影響。本集團並無提前應用新訂及經修訂香港財務報告準則，有關準則由香港會計師公會頒佈，惟尚未生效。有關會計政策詳情載於附註2(b)。

中期財務報表乃按歷史成本基準編製，惟不包括按公平值計量的投資物業及若干金融工具。

Notes to the Unaudited Condensed Consolidated Financial Statements

未經審核簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

2 BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES (Continued)

(b) Application of new and revised HKFRSs

The Group has adopted the following revised Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, HKASs and Interpretations) issued by the HKICPA for the first time for these Interim Financial Statements.

Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts
HKFRS 9	Financial Instruments
HKFRS 15 and amendments to HKFRS 15	Revenue from Contracts with Customers
Amendments to HKAS 28	As part of the Annual Improvements to HKFRS Standards 2014–2016 Cycle
Amendments to HKAS 40	Transfers of Investment Property
Amendments to HKFRSs	Annual Improvements to HKFRSs 2014–2016 Cycle
HK(IFRIC) Interpretation 22	Foreign Currency Transactions and Advance Consideration

The adoption of the revised HKFRSs has had no significant financial effect on these Interim Financial Statements and there have been no significant changes to the accounting policies applied in these Interim Financial Statements.

2 編製基準及主要會計政策 (續)

(b) 應用新訂及經修訂香港財務報告準則

就該等中期財務報表而言，本集團已首次採納以下由香港會計師公會頒佈的經修訂香港財務報告準則（「香港財務報告準則」，包括所有香港財務報告準則、香港會計準則及詮釋）。

香港財務報告準則第2號(修訂)	以股份為基礎之付款交易之分類與計量
香港財務報告準則第4號(修訂)	對香港財務報告準則第4號保險合約應用香港財務報告準則第9號財務工具
香港財務報告準則第9號	財務工具
香港財務報告準則第15號及香港財務報告準則第15號(修訂)	來自客戶合約之收入
香港會計準則第28號(修訂)	2014年至2016年週期香港財務報告準則之年度改進部分
香港會計準則第40號(修訂)	轉讓投資物業
香港財務報告準則(修訂)	2014年至2016年週期香港財務報告準則之年度改進
香港(國際財務報告詮釋委員會)一詮釋第22號	外幣交易及預付代價

採納經修訂香港財務報告準則對該等中期財務報表並無重大財務影響，而該等中期財務報表所採用之會計政策亦無重大變動。

Notes to the Unaudited Condensed Consolidated Financial Statements

未經審核簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

3 REVENUE

Revenue represents the net invoiced value of goods sold, after allowances for returns and trade discounts.

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

3 收益

收益指已售貨品的發票淨值(扣除退貨撥備及交易折扣)。

本集團於報告期間的收益分析如下：

		Three months ended 30 September 截至9月30日止三個月		Six months ended 30 September 截至9月30日止六個月	
		2018 2018年 HK\$'000 千港元 (unaudited) (未經審核)	2017 2017年 HK\$'000 千港元 (unaudited) (未經審核)	2018 2018年 HK\$'000 千港元 (unaudited) (未經審核)	2017 2017年 HK\$'000 千港元 (unaudited) (未經審核)
Diesel oil	柴油	60,336	33,581	108,164	70,653
Marine diesel oil	船用柴油	1,443	562	3,511	1,011
Lubricant oil	潤滑油	675	406	844	703
		62,454	34,549	112,519	72,367
Sales of healthy food	健康食品銷售	13,729	–	13,729	–
		76,183	34,549	126,248	72,367

Notes to the Unaudited Condensed Consolidated Financial Statements

未經審核簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

4 SEGMENT INFORMATION

Segment information reported to the board of directors of the company, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. This is also the basis upon which the Group is organised and managed.

Segment revenues and results

The following is an analysis of the Group's turnover and results by reportable and operating segment:

4 分部資料

分部資料向本公司董事會(即主要營運決策者)匯報,以分配資源並評核側重於所交付或提供貨品或服務的類型的分部表現。此亦為本集團組織及管理的基準。

分部收益及業績

以下為按可呈報及經營分部對本集團營業額及業績的分析:

		Sale and transportation of diesel oil Six months ended 30 September 柴油銷售及運輸 截至9月30日止六個月		Sale of healthy food Six months ended 30 September 健康食品銷售 截至9月30日止六個月		Total Six months ended 30 September 總計 截至9月30日止六個月	
		2018	2017	2018	2017	2018	2017
		2018年	2017年	2018年	2017年	2018年	2017年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)
Revenue	收益	112,519	72,367	13,729	–	126,248	72,367
Segment results	分部業績	12,484	10,437	(326)	–	12,158	10,437
Other gains and losses	其他收益及虧損					1,396	(37)
Finance costs	融資成本					(2)	(71)
Unallocated corporate expenses	未分配公司開支					(8,019)	(12,622)
Profit/(loss) before taxation	除稅前溢利/(虧損)					5,533	(2,293)
Income tax expenses	所得稅開支					(966)	(956)
Profit/(loss) for the period	期內溢利/(虧損)					4,567	(3,249)

Notes to the Unaudited Condensed Consolidated Financial Statements

未經審核簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

4 SEGMENT INFORMATION (Continued)

Geographical information

The Group's operation is located in Hong Kong and the PRC during the six months ended 30 September 2018 (six months ended 30 September 2017: Hong Kong). The Group's revenue from external customers based on the location of customers are detailed below:

		Three months ended 30 September 截至9月30日止三個月		Six months ended 30 September 截至9月30日止六個月	
		2018 2018年 HK\$'000 千港元 (unaudited) (未經審核)	2017 2017年 HK\$'000 千港元 (unaudited) (未經審核)	2018 2018年 HK\$'000 千港元 (unaudited) (未經審核)	2017 2017年 HK\$'000 千港元 (unaudited) (未經審核)
Hong Kong	香港	62,454	34,549	112,519	72,367
PRC	中國	13,729	–	13,729	–
		76,183	34,549	126,248	72,367

Information about major customers

Revenues from customers contributing over 10% of the total revenue of the Group during the reporting period are as follows:

有關主要客戶的資料

於報告期間，客戶貢獻佔本集團總收益超過10%的收益如下：

		Three months ended 30 September 截至9月30日止三個月		Six months ended 30 September 截至9月30日止六個月	
		2018 2018年 HK\$'000 千港元 (unaudited) (未經審核)	2017 2017年 HK\$'000 千港元 (unaudited) (未經審核)	2018 2018年 HK\$'000 千港元 (unaudited) (未經審核)	2017 2017年 HK\$'000 千港元 (unaudited) (未經審核)
Customer A	客戶A	16,457	*	23,830	*
Customer B	客戶B	*	*	*	8,863
Customer C	客戶C	9,270	*	16,518	*

* The customer contributed less than 10% of the total revenue of the Group.

* 客戶收入貢獻佔本集團總收益少於10%。

Notes to the Unaudited Condensed Consolidated Financial Statements

未經審核簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

5 OTHER GAINS AND LOSSES

5 其他收益及虧損

	Three months ended 30 September		Six months ended 30 September	
	截至9月30日止三個月	截至9月30日止六個月	截至9月30日止三個月	截至9月30日止六個月
	2018	2017	2018	2017
	2018年	2017年	2018年	2017年
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	(未經審核)	(未經審核)	(未經審核)	(未經審核)
Gain on disposal of property, plant and equipment	–	300	–	300
Exchange gain	12	28	12	28
Bank interest income (Note)	–	–	–	194
Net unrealised gain/(loss) on financial assets at fair value through profit or loss	–	(559)	1,263	(559)
Sundry income	61	–	121	–
	73	(231)	1,396	(37)

Note: Bank interest income mainly represents interest generated from the share offer fund deposited in bank.

附註：銀行利息收入主要指存入銀行的股份發行基金產生的利息。

6 FINANCE COSTS

6 融資成本

	Three months ended 30 September		Six months ended 30 September	
	截至9月30日止三個月	截至9月30日止六個月	截至9月30日止三個月	截至9月30日止六個月
	2018	2017	2018	2017
	2018年	2017年	2018年	2017年
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
	(未經審核)	(未經審核)	(未經審核)	(未經審核)
Interest expenses on bank borrowings wholly repayable within five years	–	–	–	53
Interest expenses on bank overdrafts	–	–	–	4
Interest expenses on obligations under finance leases	–	6	2	14
	–	6	2	71

Notes to the Unaudited Condensed Consolidated Financial Statements

未經審核簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

7 PROFIT/(LOSS) BEFORE TAXATION

7 除稅前溢利／(虧損)

		Three months ended 30 September 截至9月30日止三個月		Six months ended 30 September 截至9月30日止六個月	
		2018 2018年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 2017年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 2018年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 2017年 HK\$'000 千港元 (Unaudited) (未經審核)
Profit/(loss) before taxation for the period has been arrived at after charging/(crediting):	期內除稅前溢利／(虧損)已扣除／(計入)下列各項：				
Directors' emoluments	董事薪酬	580	366	1,133	879
Other staff costs:	其他員工成本：				
— Salaries and other benefits	— 薪金及其他福利	1,706	1,041	2,694	2,034
— Retirement benefits scheme contributions	— 退休福利計劃供款	125	55	185	115
		1,831	1,096	2,879	2,149
Auditors' remuneration	核數師薪酬	150	150	300	300
Cost of inventories recognised as expenses	確認為開支的存貨成本	68,062	27,857	111,058	60,104
Depreciation of property, plant and equipment	物業、廠房及設備折舊				
— Cost of sales	— 銷售成本	506	199	1,125	455
— Administrative expenses	— 行政開支	104	88	205	106
		610	287	1,330	561
Gain on disposal of property, plant and equipment	出售物業、廠房及設備的收益	—	300	—	300
Operating lease rental expenses in respect of office premises	就辦公處的經營租賃租金開支	527	615	942	1,030
Listing expenses (Note)	上市開支(附註)	—	—	—	6,972

Note: The Listing expenses are included in "Administrative expenses".

附註：上市開支計入「行政開支」。

Notes to the Unaudited Condensed Consolidated Financial Statements

未經審核簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

8 INCOME TAX EXPENSES

8 所得稅開支

		Three months ended 30 September 截至9月30日止三個月		Six months ended 30 September 截至9月30日止六個月	
		2018 2018年 HK\$'000 千港元 (unaudited) (未經審核)	2017 2017年 HK\$'000 千港元 (unaudited) (未經審核)	2018 2018年 HK\$'000 千港元 (unaudited) (未經審核)	2017 2017年 HK\$'000 千港元 (unaudited) (未經審核)
Current tax	即期稅項				
— Hong Kong profits tax	— 香港利得稅	457	758	1,017	956
Deferred tax	遞延稅項				
— Current period credit	— 當期信貸	(51)	—	(51)	—
		406	758	966	956

Pursuant to the enactment of two-tiered profit tax rates by the Inland Revenue Department (“IRD”) from the year of assessment 2018/19 onwards, the Group’s first HK\$2 million of assessable profits under Hong Kong profits tax during the period ended 30 September 2018 is subject to a tax rate of 8.25%. The Group’s remaining assessable profits above HK\$2 million will continue to be subject to a tax rate of 16.5%. The Group has provided at the rate of 16.5% to the estimated assessable profit for the six months ended 30 September 2017.

根據稅務局(「稅務局」)所制定自二零一八/一九課稅年度起的雙層利得稅稅率，本集團截至2018年9月30日止期間於香港利得稅下首2百萬港元的應課稅溢利按8.25%的稅率課稅。本集團2百萬港元以上的餘下應課稅溢利將繼續按16.5%的稅率課稅。本集團已就截至2017年9月30日止六個月的估計應課稅溢利按16.5%的稅率計提撥備。

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands and the British Virgin Islands.

根據開曼群島及英屬處女群島的規則及法規，本集團毋須繳納任何開曼群島及英屬處女群島的所得稅。

9 DIVIDENDS

The Board does not recommend a payment of any dividend for the six months ended 30 September 2018 (six months ended 30 September 2017: Nil).

9 股息

董事會不建議派付截至2018年9月30日止六個月(截至2017年9月30日止六個月：無)的任何股息。

Notes to the Unaudited Condensed Consolidated Financial Statements

未經審核簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

10 EARNINGS/(LOSS) PER SHARE

The calculation of basic and diluted earnings per share attributable to owners of the Company is based on the following data:

10 每股盈利／(虧損)

本公司擁有人應佔每股基本及攤薄盈利乃按以下數據計算：

		Three months ended 30 September 截至9月30日止三個月		Six months ended 30 September 截至9月30日止六個月	
		2018 2018年 HK\$'000 千港元 (unaudited) (未經審核)	2017 2017年 HK\$'000 千港元 (unaudited) (未經審核)	2018 2018年 HK\$'000 千港元 (unaudited) (未經審核)	2017 2017年 HK\$'000 千港元 (unaudited) (未經審核)
Earnings/(Loss)	盈利／(虧損)				
Profit/(Loss) and total comprehensive income/(loss) for the period attributable to owners of the Company	本公司擁有人應佔期內溢利／(虧損)及全面收益／(虧損)總額	1,406	1,687	4,567	(3,249)
Number of shares	股份數目	'000	'000	'000	'000
Weighted average number of ordinary shares for the purpose of calculation basic earnings per share	計算每股基本盈利的普通股加權平均數	800,000	800,000	800,000	787,978

For the six months ended 30 September 2018 and 2017, the calculation of basic earnings/(loss) per share attributable to the owners of the Company was based on (i) the profit/(loss) attributable to the owners of the Company and (ii) the weighted average number of ordinary shares issued during the period.

The diluted earnings/(loss) per share is equal to the basic earnings/(loss) per share as there were no dilutive potential ordinary share in issue during the six months ended 30 September 2018 and 2017.

截至2018年及2017年9月30日止六個月，本公司擁有人應佔每股基本盈利／(虧損)乃基於(i)本公司擁有人應佔溢利／(虧損)；及(ii)期內已發行普通股加權平均數計算。

由於截至2018年及2017年9月30日止六個月不存在攤薄潛在普通股，故每股攤薄盈利／(虧損)與每股基本盈利／(虧損)相同。

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11 MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

During the current interim period, the Group acquired property, plant and equipment of approximately HK\$0.1 million. During the six months ended 30 September 2017, the Group acquired and disposed property, plant and equipment of approximately HK\$1.3 million and HK\$0.7 million, respectively.

Assets pledged as security

As at 30 September 2018, the Group had fully settled the finance leases (Note 18) granted. Hence, no motor vehicles have been pledged. As 31 March 2018, the motor vehicles with carrying amount of approximately HK\$0.2 million have been pledged to secure finance leases granted to the Group.

12 INTANGIBLE ASSETS

		Distribution right 分銷權 HK\$'000 千港元
Cost	成本	
As at 1 April 2018	於2018年4月1日(經審核)	–
Addition	添置	11,722
As at 30 September 2018 (Unaudited)	於2018年9月30日(未經審核)	11,722
Accumulated amortisation and impairment	累計攤銷及減值	
As at 1 April 2018	於2018年4月1日(經審核)	–
Amortisation expenses during the period	期內攤銷開支	204
As at 30 September 2018 (Unaudited)	於2018年9月30日(未經審核)	204
Carrying amount	賬面值	
As at 30 September 2018 (Unaudited)	於2018年9月30日(未經審核)	11,518
As at 31 March 2018 (Audited)	於2018年3月31日(經審核)	–

Note: The intangible assets represents the distribution right allows the China Forest Food Group to sell the FORESTFARM branded products through JD.com and TMALL.com.

The useful lives are used in the calculation of amortization of distribution right is 9.58 years from the date of acquisition. The net carrying amount will therefore be amortised over the remaining useful lives of 9.4 years and less impairment loss.

11 物業、廠房及設備的變動

於本中期期間，本集團收購物業、廠房及設備約0.1百萬港元。截止2017年9月30日止六個月，本集團收購及出售物業、廠房及設備分別約1.3百萬港元及0.7百萬港元。

作為抵押品質押的資產

於2018年9月30日，本集團已全數清償所授予的融資租賃(附註18)。因此，已概無抵押任何汽車。於2018年3月31日，已抵押賬面值約0.2百萬港元的汽車，以確保本集團獲授融資租賃。

12 無形資產

附註：無形資產乃指允許中國森林食品集團可透過JD.com及TMALL.com銷售天然林場品牌產品的分銷權。

用於計算分銷權攤銷的使用年限為自購置日起計9.58年。因此，賬面淨值將於剩餘可使用年期9.4年內攤銷並減去減值虧損。

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13 GOODWILL

13 商譽

		HK\$'000 千港元
Cost	成本	
As at 1 April 2018	於2018年4月1日	–
Addition	添置	9,968
As at 30 September 2018 (Unaudited)	於2018年9月30日(未經審核)	9,968
Impairment	減值	
As at 1 April 2018	於2018年4月1日	–
Impairment for the period	期內減值	–
As at 30 September 2018 (Unaudited)	於2018年9月30日(未經審核)	–
Carrying amount	賬面值	
As at 30 September 2018 (Unaudited)	於2018年9月30日(未經審核)	9,968
As at 31 March 2018 (Audited)	於2018年3月31日(經審核)	–

Goodwill has been allocated for impairment testing purposes to the following cash-generating units:

- sales of healthy food

商譽已就減值測試目的分配至以下現金產生單位：

- 健康食品銷售

14 TRADE RECEIVABLES

14 貿易應收款項

		As at 30 September 2018 於2018年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	As at 31 March 2018 於2018年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Trade receivables	貿易應收款項	74,884	66,650

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14 TRADE RECEIVABLES (Continued)

(a) Ageing analysis

The following is an analysis of trade receivables by age, presented based on the invoice date and net of allowance for doubtful debts, at the end of the reporting periods:

		As at 30 September 2018 於2018年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	As at 31 March 2018 於2018年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Within 30 days	30日內	15,600	16,942
31 to 60 days	31至60日	16,553	8,300
61 to 90 days	61至90日	13,878	12,266
91 to 120 days	91至120日	6,590	7,086
Over 120 days	120日以上	22,263	22,056
		74,884	66,650

The Group's average credit term with its customers is, in general, 3 days to 120 days. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management.

(b) Impaired trade receivables

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivables from the date credit was initially granted up to the end of the reporting period. Accordingly, the directors believe that there is no further credit provision required in excess of the impairment of trade receivables during the reporting period.

The Group's policy for impairment loss on trade receivables is based on an evaluation of collectability and ageing analysis of the receivables which requires the use of judgment and estimates. Provisions are applied to the receivables when there are events or changes in circumstances indicate that the balances may not be collectible. The management closely reviews the trade receivables balances and any overdue balances on an ongoing basis and assessments are made by the management on the collectability of overdue balances.

14 貿易應收款項(續)

(a) 賬齡分析

以下為於報告期末按發票日期呈列的貿易應收款項(扣除呆賬撥備)賬齡分析：

本集團與其客戶之間的平均信貸期一般為3日至120日。本集團致力對尚未收回的應收款項維持嚴格控制。逾期結餘由高級管理層定期審閱。

(b) 減值貿易應收款項

於釐定貿易應收款項的可收回性時，本集團考慮貿易應收款項自信貸初始授出日期起直至報告期末信貸質素的任何變動。因此，董事相信，無須於報告期間計提超出貿易應收款項減值之進一步信貸撥備。

本集團對貿易應收款項減值虧損採取任何政策時，均會以評估應收款項的可收回性及賬齡分析(當中須要使用判斷及估計)為依據。當發生事件或環境發生變動，顯示餘款可能無法收回時，即對應收款項作出撥備。管理層持續密切審閱貿易應收款項結餘及任何逾期結餘，並對收回逾期結餘的可能性作出評估。

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14 TRADE RECEIVABLES (Continued)

(c) Ageing analysis of trade receivables which are past due but not impaired

The ageing analysis of trade receivables that were neither individually nor collectively considered to be impaired are as follows:

		As at 30 September 2018 於2018年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	As at 31 March 2018 於2018年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Within 30 days	30日內	2,470	5,686
31 to 60 days	31至60日	3,298	8,191
61 to 90 days	61至90日	3,817	3,792
91 to 120 days	91至120日	2,444	2,880
Over 120 days	120日以上	8,245	8,586
		20,274	29,135

Trade receivables that were neither past due nor impaired relate to customers and debtors for whom there was no recent history of default.

Trade receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

14 貿易應收款項(續)

(c) 逾期末減值貿易應收款項賬齡分析

並未個別或整體被視為減值的貿易應收款項賬齡分析如下：

未逾期或未減值的貿易應收款項與近期並無拖欠記錄的客戶及債務人有關。

已逾期但未減值的貿易應收款項涉及多名與本集團有良好往績記錄的獨立客戶。基於過往經驗，管理層相信，毋須就該等結餘作出減值撥備，原因是信貸質素並無重大變動，且結餘仍被視為可全數收回。

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15 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

15 按公平值計入損益的金融資產

		As at 30 September 2018 於2018年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	As at 31 March 2018 於2018年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Listed securities	上市證券		
— Equity securities listed in Malaysia	於馬來西亞上市的股本證券	2,266	1,105

Financial assets at fair value through profit or loss are stated at fair value which are determined by reference to quoted market bid prices.

按公平值計入損益的金融資產以公平值計量，並經參照市場的買盤報價釐定。

16 TRADE AND BILLS PAYABLES

16 貿易應付款項及應付票據

		As at 30 September 2018 於2018年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	As at 31 March 2018 於2018年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Trade payables	貿易應付款項	4,661	3,609
Bills payables	應付票據	—	—
		4,661	3,609

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16 TRADE AND BILLS PAYABLES (Continued)

The average credit term from suppliers is up to 3 to 60 days. The following is an ageing analysis of trade and bills payables presented based on the invoice date at the end of the reporting period:

16 貿易應付款項及票據 (續)

供應商給予的平均信貸期為3至60日。以下為於報告期末按發票日期呈列的貿易應付款項及應付票據賬齡分析：

		As at 30 September 2018 於2018年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	As at 31 March 2018 於2018年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Within 30 days	30日內	4,296	2,808
31 to 60 days	31至60日	194	801
61 to 90 days	61至90日	171	-
91 to 120 days	91至120日	-	-
Over 120 days	120日以上	-	-
		4,661	3,609

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17 BANK BORROWINGS

17 銀行借款

	As at 30 September 2018 於2018年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	As at 31 March 2018 於2018年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Secured bank borrowings (Notes (i) and (ii)) 已抵押銀行借款(附註(i)及(ii))	4,080	–

Secured term loan from bank that repayable within the period of:

須於以下期間內償還的有抵押銀行定期貸款：

	As at 30 September 2018 於2018年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	As at 31 March 2018 於2018年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Less than one year 一年內	4,080	–
More than 1 year but within 2 years 超過一年但少於兩年	–	–
More than 2 years but within 5 years 超過兩年但少於五年	–	–
	4,080	–
Less: Amount classified as current liabilities 減：分類為流動負債		
Secured Term loan due within one year or contain a repayment on demand clause 一年內到期或載有須應 要求時償還條款的已抵押 定期貸款	(4,080)	–
Amounts classified as non-current liabilities 分類為非流動負債的款項	–	–

Notes:

- (i) The bank borrowings of the Group as at 30 September 2018 was secured by personal guarantee of an executive Director of the Company, Mr. Fong, and a property owned by the executive Director of the Company, Mr. Fong.
- (ii) The bank borrowings of the Group with financial institutions amounted to approximately HK\$4,000,000, carried at floating interest rate ranging from 4.25% to 6.00% per annum for the six months ended 30 September 2018.

附註：

- (i) 本集團於2018年9月30日的銀行借款由本公司執行董事方先生的個人擔保及本公司執行董事方先生擁有的物業作抵押。
- (ii) 本集團向金融機構的銀行借款金額約4,000,000港元。截至2018年9月30日止六個月，浮動利率分別介乎每年4.25%至6.00%。

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18 OBLIGATIONS UNDER FINANCE LEASES

The Group leases certain of its property, plant and equipment under finance leases.

18 融資租賃承擔

本集團根據融資租約租賃其若干物業、廠房及設備。

		As at 30 September 2018 於2018年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	As at 31 March 2018 於2018年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Minimum lease payments under finance leases	融資租賃的最低租賃款項		
— Within one year	— 一年內	—	190
— In the second to fifth years, inclusive	— 第二至第五年(包括首尾兩年)	—	—
		—	190
Less: Future finance charges	減：日後融資費用	—	(2)
Present value of lease obligations	租賃承擔現值	—	188

		As at 30 September 2018 於2018年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	As at 31 March 2018 於2018年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Present value of minimum lease payments	最低租賃款項現值		
— Within one year	— 一年內	—	188
— In the second to fifth years, inclusive	— 第二至第五年(包括首尾兩年)	—	—
		—	188
Less: Amounts due for settlement within one year	減：一年內到期清償的款項	—	188
Amounts due for settlement after one year	一年後到期清償的款項	—	—

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18 OBLIGATIONS UNDER FINANCE LEASES

(Continued)

The Group has leased the motor vehicles under finance leases and the lease term are in the range from 2 to 3 years. During the reporting period, the annual effective interest rates of the obligations under finance leases was 3.83% per annum. The obligations under finance leases are denominated in Hong Kong dollars and its carrying amount approximate its fair value. The Group's obligations under finance leases are secured by the lessors' title to the leased assets and personal guarantee by an executive Director of the Company, Mr. Fong.

As at 30 September 2018, the Group had fully settled the finance leases payables and the lessor's charge over the leased assets was released. As at 31 March 2018, the finance leases payables of the Group with carrying amounts of approximately HK\$0.2 million were secured by the lessor's charge over the leased assets with carrying amount of approximately HK\$0.2 million.

18 融資租賃承擔(續)

本集團已根據融資租賃租賃汽車，租賃期介乎2至3年。於報告期間，融資租賃承擔實際年利率為3.83%。融資租賃承擔以港元計值，其賬面值與其公平值相若。本集團融資租賃承擔乃以出租人於租賃資產的所有權及本公司執行董事方先生的個人擔保作抵押。

於2018年9月30日，本集團已全數清償融資租賃應付款項，而出租人對租賃資產的押記已獲解除。於2018年3月31日，本集團賬面值約0.2百萬港元的融資租賃應付款項由出租人就賬面值約0.2百萬港元的租賃資產的押記作抵押。

19 SHARE CAPITAL

19 股本

		Number of shares	HK'000
		股份數目	千港元
Authorised:	法定：		
Ordinary shares of HK\$0.01 each	每股0.01港元的普通股		
At 1 April 2017, 31 March 2018,	於2017年4月1日、2018年3月31日、		
1 April 2018 and	2018年4月1日及		
30 September 2018	2018年9月30日	2,000,000,000	20,000
		Number of shares	HK'000
		股份數目	千港元
Issued and fully paid:	已發行及繳足：		
At 1 April 2017, 31 March 2018,	於2017年4月1日、2018年3月31日、		
1 April 2018 and	2018年4月1日及		
30 September 2018	2018年9月30日	800,000,000	8,000

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20 ACQUISITION OF SUBSIDIARIES

On 17 May 2018 and 11 July 2018, the Company entered into the 1st sale and purchase agreement (the "1st Acquisition Agreement") and 2nd sale and purchase agreement (the "2nd Acquisition Agreement") with the vendor and agreed to acquire the entire equity interest in China Forest Food Limited and its subsidiaries ("China Forest Food Group"), with total cash consideration of RMB12,000,000 (equivalent to approximately HK\$13,612,000). The cash consideration with the amounting of approximately RMB8,500,000 (equivalent to approximately HK\$10,014,000) was paid on the completion date and the remaining cash consideration with amounting of RMB3,500,000 (equivalent to approximately HK\$3,970,000) shall be payable upon the fulfillment of profit guarantee for the years ending 30 June 2019 and 30 June 2020 respectively. The principal activity of the China Forest Food Group is provision of distribution of healthy food. Pursuant to the 1st Acquisition Agreement and 2nd Acquisition Agreement, the vendor guaranteed a net profit after taxation of not less than RMB5,000,000 (equivalent to approximately HK\$5,753,000) for the period from 17 May 2018 to 30 June 2019 and for period from 1 July 2019 to 30 June 2020 shall be not less than RMB10,000,000 (equivalent to approximately HK\$11,505,000). The acquisition was completed on 31 July 2018.

The carrying amount and fair value of net liabilities acquired as following:

20 收購附屬公司

於2018年5月17日及2018年7月11日，本公司與賣家訂立第一份買賣協議（「第一份買賣協議」）及第二份買賣協議（「第二份買賣協議」）並同意收購中國森林食品有限公司及其附屬公司（「中國森林食品集團」）全部股本權益，總現金代價為人民幣12,000,000元（相當於約13,612,000港元）。現金代價約人民幣8,500,000元（相當於約10,014,000港元）已於完成日期支付，而餘下現金代價人民幣3,500,000元（相當於約3,970,000港元）須於實現分別截至2019年6月30日止年度及截至2020年6月30日止年度的溢利保證後予以支付。中國森林食品集團的主要業務為提供健康食品分銷。根據第一份買賣協議及第二份買賣協議，賣方保證自2018年5月17日起至2019年6月30日止期間及自2019年7月1日起至2020年6月30日止期間的除稅後純利分別不會低於人民幣5,000,000元（相當於約5,753,000港元）及人民幣10,000,000元（相當於約11,505,000港元）。收購事項已於2018年7月31日完成。

所收購的負債淨值的賬面值及公平值如下：

	HK\$'000 千港元
Net liabilities acquired:	
Property, plant and equipment (Note 11)	39
Intangible asset (Note 12)	11,722
Inventories	1
Trade and bills receivables	2,596
Prepayments, deposits and other receivables	97
Cash and cash equipment	1,710
Trade and bills payables	(1,243)
Accruals, receipts in advance and other payables	(4,698)
Amount due to a related company	(3,650)
Deferred tax liabilities	(2,930)
	<u>3,644</u>
Goodwill (Note 13)	9,968
	<u>13,612</u>

所收購的負債淨值：

物業、廠房及設備(附註11)	39
無形資產(附註12)	11,722
存貨	1
貿易應收款項及應收票據	2,596
預付款項、按金及其他應收款項	97
現金及現金等價物	1,710
貿易應付款項及應付票據	(1,243)
應計費用、預收款項及其他應付款項	(4,698)
應付關聯公司款項	(3,650)
遞延稅項負債	(2,930)

商譽(附註13)

9,968

13,612

Notes to the Unaudited Condensed Consolidated Financial Statements

未經審核簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

20 ACQUISITION OF SUBSIDIARIES (Continued)

Total consideration satisfied by:

		HK\$'000 千港元
Cash consideration paid	已付現金代價	10,014
Contingent consideration payable	應付或然代價	3,598
Total consideration	總代價	13,612

Note:

The China Forest Food Group owned the distribution right allows the China Forest Food Group to sell the FORESTFARM branded products through JD.com and TMALL.com, both of which are one of the largest e-commerce distribution channels in the PRC, during the period from 1 March 2018 to 29 February 2028. In return, Forest Food SZ shall pay a royalty fee to Forest Farm on a basis of 5% of monthly online sales from flagship stores at JD.com and TMALL.com. The FORESTFARM branded products have obtained Chinese Forest Food Certification granted by China Eco Development Association and approved by the Ministry of Civil Affairs of the People's Republic of China.

The carrying amount of the distribution right of approximately HK\$11,722,000 represents the fair value of the distribution right and is calculated using the Income Approach. The fair value assessment was carried out by Royson Valuation Advisory Limited, an independent professional valuer.

Net cash outflow on acquisition of subsidiaries

		HK\$'000 千港元
Consideration paid or payable in cash	已付或應付現金代價	10,014
Less: Cash and cash equivalents balance acquired	減：已收購現金及現金等價物結餘	(1,710)
Net cash outflow	現金流出淨額	8,304

Impact of acquisition on the results of the Group

Revenue of HK\$13,729,000 and loss of HK\$864,000 contributed by China Forest Food Group were recognised in the Group's loss for the period ended 30 September 2018.

20 收購附屬公司(續)

總代價以下列方式結清：

	HK\$'000 千港元
Cash consideration paid	10,014
Contingent consideration payable	3,598
Total consideration	13,612

附註：

自2018年3月1日起至2028年2月29日止期間，中國森林食品集團擁有分銷權，允許中國森林食品集團透過JD.com及TMALL.com(兩者均為中國最大型電子商務分銷渠道之一)銷售天然林場品牌產品。就此，Forest Food SZ將向Forest Farm支付按於JD.com及TMALL.com的旗艦店的每月線上銷售額5%的基準計算的特許費。天然林場品牌產品已獲中國林業生態發展促進會授予及中華人民共和國民政部批准的中國森林食品認證。

分銷權的賬面值約為11,722,000港元，相當於分銷權的公平值，並以收益法計算。公平值評估乃由獨立專業估值師匯辰評估諮詢有限公司進行。

收購附屬公司的現金流出淨額

	HK\$'000 千港元
Consideration paid or payable in cash	10,014
Less: Cash and cash equivalents balance acquired	(1,710)
Net cash outflow	8,304

收購事項對本集團業績的影響

中國森林食品集團貢獻的收益13,729,000港元及虧損864,000港元已於本集團截至2018年9月30日止期間的虧損中確認。

Notes to the Unaudited Condensed Consolidated Financial Statements

未經審核簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

21 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

The fair value of financial assets and financial liabilities are determined as follows:

- (i) The fair value of financial assets and financial liabilities with standard terms and conditions and traded in active markets are determined with reference to quoted market bid prices and ask prices respectively, and
- (ii) The fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models (e.g. discounted cash flow analysis using observable and/or unobservable inputs).

The Company uses the following hierarchy for determining and disclosing the fair values of financial instruments:

- (i) Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets and liabilities.
- (ii) Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- (iii) Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

21 金融工具的公平值計量

金融資產及金融負債的公平值按以下方式釐定：

- (i) 具有標準條款及條件並於活躍市場買賣的金融資產及金融負債的公平值乃分別參考市場所報的買入價及賣出價釐定；及
- (ii) 其他金融資產及金融負債的公平值乃根據公認定價模式(如使用可觀察及/或不可觀察數據進行的貼現現金流量分析)釐定。

本公司使用以下層級制度釐定及披露金融工具公平值：

- (i) 第1級公平值計量乃按於活躍市場就相同資產或負債的報價(未經調整)計算得出。
- (ii) 第2級公平值計量乃按第1級報價以外，從資產或負債可直接(即價格)或間接(即由價格得出)觀察到的輸入數據計算得出。
- (iii) 第3級公平值計量乃以包含並非根據可觀察市場數據的資產或負債的輸入數據(不可觀察輸入數據)的估值方法計算得出。

Notes to the Unaudited Condensed Consolidated Financial Statements

未經審核簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

21 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

Fair value of the Group's financial assets and liabilities are measured at fair value on a recurring basis.

21 金融工具的公平值計量(續)

本集團的金融資產及負債公平值乃按經常性基準以公平值計量。

Financial assets/ financial liabilities 金融資產／金融負債	Fair value as at 公平值		Fair value hierarchy 公平值層級	Valuation Techniques and key inputs 估值技術及主要 輸入數據	Significant unobservable inputs 重大不可觀察輸入數據
	As at 30 September 2018 於2018年 9月30日 HK\$'000 千港元	As at 31 March 2018 於2018年 3月31日 HK\$'000 千港元			
Financial assets at FVTPL: 按公平值計入損益的金融 資產：					
Equity securities Listed in Malaysia 於馬來西亞上市的股本證券	2,266	1,105	Level 1 第1級	Quoted bid prices in an active market 於活躍市場所報的買入價	N/A 不適用
Contingent consideration payable 應付或然代價	3,598	–	Level 3 第3級	Discounted cash flow was used by captured the present value of the expected future economic benefits that will flow of the group arising form the contingent consideration 使用貼現現金流量法獲 得因或然代價而產生將 流入本集團的預期未來 經濟利益的現值	Discount rate of 21% determined usage of weight average cost of capital model and probability adjustment on the occurrence of the expected event 使用資本模型的加權平 均成本及發生預期事件 的可能性調整釐定的貼 現率21%

Notes to the Unaudited Condensed Consolidated Financial Statements

未經審核簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

22 PLEDGE OF ASSETS

At the end of the reporting period, the following assets with the carrying amounts have been pledged to secure the obligations under finance leases granted to the Group or borrowings of the Group:

		As at 30 September 2018 於2018年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	As at 31 March 2018 於2018年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Pledged bank deposits	已抵押銀行存款	4,000	4,000
Property, plant and equipment	物業、廠房及設備	-	228

23 CAPITAL COMMITMENTS

During the six months ended 30 September 2018 and 2017, the Group had no capital expenditure contracted but not provided for in respect of acquisition of property, plant and equipment.

22 資產抵押

於報告期末，已將以下賬面值資產作抵押，以取得向本集團授出的融資租賃承擔或本集團借款：

23 資本承擔

於截至2018年及2017年9月30日止六個月，本集團並無就收購物業、廠房及設備已訂約但未撥備的資本開支。

Notes to the Unaudited Condensed Consolidated Financial Statements

未經審核簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

24 MATERIAL RELATED PARTY TRANSACTIONS

Save as disclosed in elsewhere in the unaudited condensed consolidated financial statements, the Group had also entered into the following material related party transaction during the reporting period:

(a) Transactions with related parties

Name of the related parties 關聯方名稱	Nature of transaction 交易性質	Six months ended 30 September 截至9月30日止六個月	
		2018 2018年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 2017年 HK\$'000 千港元 (Unaudited) (未經審核)
Yuk Shing Engineering Co., Limited (Note (i)) 鈺成工程有限公司(附註(i))	Sales of products 產品銷售	1,399	805
Kit Ho Engineering Limited (Note (ii)) 傑浩工程有限公司(附註(ii))	Sales of products 產品銷售	7	720
Kit Ho Earth Works Limited (Note (iii)) 傑浩土力營造有限公司(附註(iii))	Sales of products 產品銷售	1,076	602

(b) Balances with related parties

Name of the related parties 關聯方名稱	Nature of transaction 交易性質	As at 30 September 2018 於2018年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	As at 31 March 2018 於2018年 3月31日 HK\$'000 千港元 (Audited) (未經審核)
Yuk Shing Engineering Co., Limited (Note (i)) 鈺成工程有限公司(附註(i))	Trade receivables 貿易應收款項	243	361
Kit Ho Earth Works Limited (Note (iii)) 傑浩土力營造有限公司(附註(iii))	Trade receivables 貿易應收款項	747	152

24 重大關聯方交易

除未經審核簡明綜合財務報表其他地方所披露者外，於報告期間，本集團亦已訂立以下重大關聯方交易：

(a) 與關連方的交易

(b) 與關連方的結餘

Notes to the Unaudited Condensed Consolidated Financial Statements

未經審核簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

24 MATERIAL RELATED PARTY TRANSACTIONS

(Continued)

(b) Balances with related parties (Continued)

Notes:

- (i) A close family member of an executive Director of the Company has beneficial interest in Yuk Shing Engineering Co., Limited.
- (ii) A close family member of an executive Director of the Company is the director of Kit Ho Engineering Limited.
- (iii) A brother of an executive Director of the Company has beneficial interests in Kit Ho Earth Works Limited (formerly known as Yuk Shing Asia Construction Limited).

(c) Personal guaranteed provided by key management

The obligations under finance leases, bank borrowings and bank overdrafts of the Group as at 30 September 2018 and 31 March 2018 were secured by personal guarantee of an executive Director of the Company, Mr. Fong, and a property owned by Mr. Fong.

(d) Compensation of key management personnel

The Directors of the Company are identified as key management members of the Group and the compensation of Directors during the reporting period is set out in Note 7.

24 重大關連方交易 (續)

(b) 與關連方的結餘 (續)

附註：

- (i) 本公司一名執行董事的一名緊密家庭成員於鈺成工程有限公司擁有實益權益。
- (ii) 本公司一名執行董事的一名緊密家庭成員為傑浩工程有限公司的董事。
- (iii) 本公司一名執行董事的一名兄弟於傑浩土力營造有限公司(前稱為鈺成亞洲建設有限公司)擁有實益權益。

(c) 由主要管理人員提供的個人擔保

本集團於2018年9月30日及2018年3月31日的融資租賃承擔、銀行借款及銀行透支由本公司執行董事方先生作出的個人擔保及方先生擁有的物業作抵押。

(d) 主要管理人員的補償

本公司董事獲確定為本集團的主要管理人員，於報告期間的董事補償載於附註7。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

The Group principally carries on the business of the sale and transportation of diesel oil and related products in Hong Kong. The Group also supplies marine diesel oil used for construction vessels and lubricant oil used for construction machinery and vehicles. Most of the Group's customers are construction companies which require diesel oil to operate their construction machinery and vehicles. The Group had a fleet of eleven diesel tank wagons of various capacity and a marine oil barge as at 30 September 2018.

During the three months ended 30 September 2018, the Company and Virtue Ever Limited has entered into acquisition agreement for the acquisition of 100% equity interest in the China Forest Food Limited ("China Forest Food"). China Forest Food has become a wholly-owned subsidiary of the Company and the financial statements of China Forest Food had consolidated into the consolidated financial statements of the Group. Hence, the Group's business is extended to the health food distribution in the PRC.

Sale and transportation of diesel oil and related products business

The Group has recorded a revenue of approximately HK\$112.5 million for the six months ended 30 September 2018, representing approximately 89.1% of total revenue and an increase of approximately HK\$40.1 million or 55.4% as compared to the six months ended 30 September 2017. The increase was mainly due to increase in demand from customers upon the commencement of customer's project in November 2017 and the demand of marine diesel oil from a new customer.

Sale of health food business

The Group has recorded a revenue of approximately HK\$13.7 million for the six months ended 30 September 2018, representing approximately 10.9% of total revenue.

Meanwhile, the Group has executed strict control on costs and expenses. The Group recorded a profit attributable to the owners of the Company of approximately HK\$4.6 million for the six months ended 30 September 2018. The increase was mainly due to the increase of gross profit for the six months ended 30 September 2018 as compared with the gross profit for the six months ended 30 September 2017; and the recognition of the Listing expenses of approximately HK\$7.0 million in connection with the Listing for the six months ended 30 September 2017 but no such expenses for the six months ended 30 September 2018. Excluding the one-off Listing expenses, the profit attributable to the owners of the Company would have been HK\$4.6 million and HK\$3.8 million for the six months ended 30 September 2018 and 2017, respectively, representing an increase of approximately 21.1% as compared to the six months ended 30 September 2017.

業務回顧

本集團主要在香港進行柴油及相關產品的銷售及運輸業務。本集團亦提供工程船舶的船用柴油以及工程機器及汽車的潤滑油。本集團的客戶大多數為需要柴油以操作其工程機械及汽車的工程公司。本集團於2018年9月30日擁有十一架不同容量的柴油貯槽車及一艘船用柴油駁船。

於截至2018年9月30日止三個月，本公司與永德有限公司就收購中國森林食品有限公司（「中國森林食品」）100%股本權益訂立收購協議。中國森林食品已成為本公司全資附屬公司，且中國森林食品的財務報表將綜合計入本集團的綜合財務報表。自此，本集團的業務擴展至中國的健康食品分銷。

柴油及相關產品的銷售及運輸

截至2018年9月30日止六個月，本集團錄得收益約112.5百萬港元，佔總收益約89.1%，較截至2017年9月30日止六個月增加約40.1百萬港元或55.4%。有關收益增加乃主要由於客戶需求在客戶項目於2017年11月展開後增加及新客戶對船用柴油的需求增加所致。

健康食品的銷售業務

截至2018年9月30日止六個月，本集團錄得收益約13.7百萬港元，佔總收益約10.9%。

同時，本集團對各項成本及費用進行嚴格監控。截至2018年9月30日止六個月，本集團錄得本公司擁有人應佔溢利約4.6百萬港元。有關增幅主要由於截至2018年9月30日止六個月的毛利較截至2017年9月30日止六個月的毛利增加；及於截至2017年9月30日止六個月就上市確認上市開支約7.0百萬港元，但截至2018年9月30日止六個月並無有關開支。扣除一次性上市開支後，截至2018年及2017年9月30日止六個月，本公司擁有人應佔溢利分別為4.6百萬港元及3.8百萬港元，較截至2017年9月30日止六個月增加約21.1%。

Management Discussion and Analysis

管理層討論及分析

FUTURE PROSPECTS

The Board believes that market trend of sales of diesel oil and marine diesel oil market in Hong Kong remains optimistic mainly due to the stable and high level investment in public infrastructure including the railway network, development of marine construction projects including Central Wanchai Bypass and Island Eastern Corridor Link and the Hong Kong International Airport's third runway project together with the recovery of logistics industry in Hong Kong, coupled with the opening of Hong Kong-Zhuhai-Macau Bridge which is expected to drive up logistics companies' demand for diesel oil and marine diesel oil.

In view of the challenging business environment and keen competition in the diesel oil sales market in Hong Kong, our Group will continue to deploy more resources on talent recruitment and strengthen our business development and marketing strategy on diesel oil and will also proactively seek potential business opportunities that will broaden our sources of income and enhance value to the shareholders.

Moreover, with the living standard continuing to rise, consumers are getting more and more concerned about health and environmental protection. Health products have therefore become a popular choice for consumers who want to keep healthy and increase their immunity. The Board believes that the health food distribution business has great potential to grow. By entering into the transactions, it will further enhance the overall growth of the Group and diversify the risk and business of the Group, and hence, to provide a stable return to the Group.

未來前景

董事會認為香港柴油及船用柴油市場的銷售的市場趨勢仍樂觀，主要由於公共基建(包括鐵路網絡)的投資穩定維持於較高水平、海事工程項目(包括中環灣仔繞道及東區走廊連接路以及香港國際機場第三跑道項目)的開發以及香港物流業的復甦所致，加上港珠澳大橋啟用，預計將可帶動物流公司對柴油及船用柴油的需求。

鑒於香港柴油銷售市場營商環境挑戰重重且競爭激烈，本集團將繼續投放更多資源於招募人才以及加強於柴油方面的業務發展及市場營銷策略，並將積極尋找可擴大本集團收入來源及增加股東價值的潛在商機。

此外，隨著生活水平持續上升，消費者愈發關注健康及環保。因此，對希望保持健康及提升免疫力的消費者而言，健康產品已成為人氣之選。董事會認為，健康食品分銷業務發展潛力龐大。透過訂立有關交易，將進一步提升本集團的整體增長，分散本集團風險，令業務多元化，並因而為本集團帶來穩定回報。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW

Revenue

The Group's revenue increased by approximately HK\$53.8 million or approximately 74.3% from approximately HK\$72.4 million for the six months ended 30 September 2017 to approximately HK\$126.2 million for the six months ended 30 September 2018.

Revenue from the sales of diesel oil, marine oil and lubricant oil accounted for approximately HK\$108.2 million, HK\$3.5 million and HK\$0.8 million, representing approximately 85.7%, 2.7% and 0.6%, respectively, of the Group's total revenue for the six months ended 30 September 2018. For the six months ended 30 September 2017, the revenue from the sales of diesel oil, marine oil and lubricant oil accounted for approximately HK\$70.7 million, HK\$1.0 million and HK\$0.7 million, representing approximately 97.6%, 1.4% and 1.0%, respectively, of the Group's total revenue. Sales of diesel oil remained the largest contributor to the Group's revenue. The increase was mainly due to the increase in demand upon the commencement of customer's project in November 2017.

The increase in the Group's revenue was primarily due to the increase in the Group's sales of diesel oil and marine diesel oil. Increase in demand of marine diesel oil was attributable to the demand of a new customer during the six months ended 30 September 2018.

Revenue from the sales of healthy food accounted for approximately HK\$13.7 million, representing approximately 10.9% of the Group's total revenue for the six months ended 30 September 2018.

Cost of sales

Cost of the sale and transportation of diesel oil and related products business primarily consists of diesel oil costs, marine diesel oil costs, lubricant oil costs, direct labour costs and depreciation. The purchase cost for the diesel oil, marine diesel oil costs and lubricant oil costs depends on the domestic purchase price offered by the Group's oil suppliers, with reference to the price indices such as Europe Brent spot crude price.

For the six months ended 30 September 2018, the Group's cost of sales was approximately HK\$100 million, representing an increase of approximately 61.5% from approximately HK\$61.9 million for the six months ended 30 September 2017. Such increase was in line with the overall increase in revenue.

Cost of healthy food distribution business mainly consists of food procurement costs, direct labour costs and depreciation. For the six months ended 30 September 2018, the Group's cost of sales was approximately HK\$14.1 million.

財務回顧 收益

本集團的收益由截至2017年9月30日止六個月約72.4百萬港元增加約53.8百萬港元或約74.3%至截至2018年9月30日止六個月約126.2百萬港元。

來自柴油、船用柴油及潤滑油銷售的收益分別約為108.2百萬港元、3.5百萬港元及0.8百萬港元，分別佔截至2018年9月30日止六個月本集團總收益約85.7%、2.7%及0.6%。截至2017年9月30日止六個月，來自柴油、船用柴油及潤滑油銷售的收益分別約為70.7百萬港元、1.0百萬港元及0.7百萬港元，分別佔本集團總收益約97.6%、1.4%及1.0%。柴油銷售仍是本集團收益的最大貢獻者。增加主要由於客戶項目於2017年11月展開後需求增加所致。

本集團收益增加乃主要由於本集團柴油及船用柴油銷售增加所致。船用柴油需求增加乃由於截至2018年9月30日止六個月新客戶的需求所致。

來自健康食品銷售的收益約為13.7百萬港元，佔截至2018年9月30日止六個月本集團總收益約10.9%。

銷售成本

銷售及運送柴油及相關產品業務的成本主要包括柴油成本、船用柴油成本、潤滑油成本、直接勞工成本及折舊。柴油採購成本、船用柴油成本及潤滑油成本取決於本集團燃油供應商提供的當地採購價，並經參考歐洲布倫特原油現貨價格等價格指標。

截至2018年9月30日止六個月，本集團的銷售成本約為100百萬港元，較截至2017年9月30日止六個月約61.9百萬港元增加約61.5%。銷售成本增加與收益整體增加情況一致。

健康食品分銷業務的成本主要包括食品採購成本、直接員工成本及折舊。截至2018年9月30日止六個月，本集團的銷售成本約為14.1百萬港元。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW (Continued)

Gross profit and gross profit margin

The gross profit represented the Group's revenue less cost of sales. The Group's gross profit slightly increased by approximately HK\$1.8 million from approximately HK\$10.4 million for the six months ended 30 September 2017 to HK\$12.2 million for the six months ended 30 September 2018. The Group's gross profit margin decreased from 14.4% for the six months ended 30 September 2017 to 9.6% for the six months ended 30 September 2018.

Profit/(loss) for the period

As a result of the foregoing, the Group's net profit increased by approximately HK\$7.8 million from a loss of approximately HK\$3.2 million to a profit of approximately HK\$4.6 million for the six months ended 30 September 2018, and the Group's net profit margin increased from net loss margin approximately 4.5% to net profit margin of 3.6% during the same periods. The increase in the net profit and net profit margin for the six months ended 30 September 2018 was mainly due to the decrease in the recognition of Listing expenses during the Reporting Period.

LIQUIDITY AND CAPITAL RESOURCES

Financial Resources and Liquidity

The Group finance its operations through cash generated from operating activities and interest-bearing bank borrowings. The Group recorded net current assets of approximately HK\$67.4 million as at 30 September 2018.

As at 30 September 2018, the Group's current assets amounted to approximately HK\$88.0 million and the Group's current liabilities amounted to approximately HK\$20.6 million. Current ratio was approximately 4.3 as at 30 September 2018. Current ratio is calculated based on total current assets at the end of the period divided by total current liabilities at the end of the period. Gearing ratio was approximately 4.4% as at 30 September 2018 which was calculated based on the total debt at the end of the period divided by total equity at the end of the period.

As at 30 September 2018, the maximum limit of the banking facilities available to the Group was amounted to approximately HK\$20.0 million and HK\$4.1 million of the banking facilities was utilized.

財務回顧(續)

毛利及毛利率

毛利指本集團的收益減銷售成本。本集團的毛利由截至2017年9月30日止六個月約10.4百萬港元輕微增加約1.8百萬港元至截至2018年9月30日止六個月的12.2百萬港元。本集團的毛利率由截至2017年9月30日止六個月的14.4%減少至截至2018年9月30日止六個月的9.6%。

期內溢利／(虧損)

由於上述原因，本集團的純利由虧損約3.2百萬港元增加約7.8百萬港元至截至2018年9月30日止六個月的溢利約4.6百萬港元，而本集團的純利率於同期由淨虧損率約4.5%增加至錄得純利率3.6%。截至2018年9月30日止六個月純利及純利率增加主要由於於報告期間確認上市開支減少所致。

流動資金及資本資源

財務資源及流動資金

本集團經營活動的資金來源為經營活動產生的現金及計息銀行借款。於2018年9月30日，本集團錄得流動資產淨值約67.4百萬港元。

於2018年9月30日，本集團的流動資產約為88.0百萬港元，而本集團的流動負債則約為20.6百萬港元。於2018年9月30日，流動比率約為4.3倍。流動比率乃根據期末的總流動資產除以期末的總流動負債計算。於2018年9月30日，資產負債比率約為4.4%，乃按期末總債務除以期末總權益計算。

於2018年9月30日，本集團可用的銀行融資上限約為20.0百萬港元，而4.1百萬港元的銀行融資已獲動用。

Management Discussion and Analysis

管理層討論及分析

LIQUIDITY AND CAPITAL RESOURCES (Continued)

Financial Resources and Liquidity (Continued)

The bank borrowings were denominated in Hong Kong dollars, repayable within 90 days or on demand and interest-bearing from 4.25% to 6.00% per annum. As at 30 September 2018, all the bank borrowings were interest-bearing carried at floating interest rate ranging from 4.25% to 6.00% per annum and the Group's pledged short-term bank deposits in the amount of HK\$4.0 million, personal guarantee of an executive director, Mr. Fong and a property owned by the executive director, Mr. Fong were pledged as security for the Group's banking facilities.

CAPITAL STRUCTURE

For the six months ended 30 September 2018, the capital structure of the Group consisted of equity attributable to the owners of the Company of approximately HK\$92.4 million. The share capital of the Group only comprises of ordinary shares.

The Shares were listed on the GEM of the Stock Exchange on the Listing Date. There has been no change in the capital structure of the Group since then.

FOREIGN CURRENCY EXPOSURE RISKS

The Group operates mainly in Hong Kong and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the distribution of health food transactions settled in Renminbi and financial assets with Malaysian ringgit. Foreign exchange risk arises when future commercial transactions, recognised assets and liabilities are denominated in a currency that is not the group entities' functional currency. The Group however did not engage in any derivatives agreements and did not commit to any financial instrument to hedge its foreign exchange exposure during the six months ended 30 September 2018.

TREASURY POLICIES

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the six months ended 30 September 2018. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

流動資金及資本資源(續)

財務資源及流動資金(續)

銀行借款以港元計值，須於九十日內或按要求償還，並按年利率4.25%至6.00%計息。於2018年9月30日，所有銀行借款均按浮動年利率介乎4.25%至6.00%計息，而本集團的已抵押短期銀行存款4.0百萬港元、本公司執行董事方先生所作的個人擔保及方先生擁有的物業已質押，作為本集團銀行融資的抵押品。

資本架構

截至2018年9月30日止六個月，本集團的資本架構包括本公司擁有人應佔權益約92.4百萬港元。本集團的股本僅包括普通股。

股份於上市日期於聯交所GEM上市。自此，本集團資本架構並無發生變動。

外匯風險

本集團主要於香港經營業務，並面臨各種貨幣風險所產生之外匯風險，風險主要涉及以人民幣結算的分銷健康食品交易及馬來西亞令吉之金融資產。外匯風險於未來商業交易、已確認資產及負債以並非集團實體功能貨幣的貨幣計值時產生。然而，於截至2018年9月30日止六個月期間，本集團概無訂立任何衍生工具協議，且無承諾使用任何金融工具對沖外匯風險。

庫務政策

本集團已對其庫務政策採取審慎的財務管理方針，故於截至2018年9月30日止六個月整段期間內均得以維持穩健的流動資金狀況。本集團致力透過持續進行的信貸評估以及評估其客戶的財務狀況降低信貸風險。為管理流動資金風險，董事會密切監視本集團的流動資金狀況，以確保本集團資產、負債及其他承擔的流動資金架構可滿足其不時的資金要求。

Management Discussion and Analysis

管理層討論及分析

SIGNIFICANT INVESTMENTS AND FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

With the living standard continuing to rise, consumers are getting more and more concerned about health and environmental protection. Health products have therefore become a popular choice for consumers who want to keep healthy and increase their immunity. The Board believes that the health food distribution business has great potential to grow.

On 17 May 2018 and 11 July 2018, the Company and Virtue Ever has entered into the 1st Acquisition Agreement and 2nd Acquisition Agreement for the acquisition of entire equity interest in the China Forest Food Group respectively, with total cash consideration of RMB12,000,000 (equivalent to approximately HK\$13,612,000). The cash consideration with the amounting of approximately RMB8,500,000 (equivalent to approximately HK\$10,014,000) was paid on the completion date and the remaining cash consideration with amounting of RMB3,500,000 (equivalent to approximately HK\$3,970,000) shall be payable upon the fulfillment of profit guarantee for the year ending 30 June 2019 and 30 June 2020 respectively. The completion of acquisitions under 1st Acquisition Agreement and the 2nd Acquisition Agreement were subject to certain customary conditions precedent to be fulfilled. Details are set out in the announcements of the Company dated 17 May 2018 and 11 July 2018 respectively.

All the conditions under the 2nd Acquisition Agreement have been satisfied and the completion of the 2nd Acquisition took place on 31 July 2018. As a result, China Forest Food has become a wholly-owned subsidiary of the Company and the financial statements of China Forest Food will be consolidated into the consolidated financial statements of the Group. Details are set out in the announcement of the Company dated 3 August 2018.

During the six months ended 30 September 2018, the Group did not have any significant investment, material acquisitions nor disposals of subsidiaries and affiliated companies save as disclosed from above and for those reorganisation activities done for the purpose of Listing as set out in the paragraph headed "Reorganisation" under the section headed "History and Development, Reorganisation and Group Structure" in the Prospectus.

MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES OR JOINT VENTURES

Save as disclosed above, there were no other significant investments held, material acquisitions or disposals of subsidiaries, associates or joint ventures during the six months ended 30 September 2018.

重大投資以及有關重大投資及資本資產的未來計劃

隨著生活水平持續上升，消費者愈發關注健康及環保。因此，對希望保持健康及提升免疫力的消費者而言，健康產品已成為人氣之選。董事會認為，健康食品分銷業務發展潛力龐大。

於2018年5月17日及2018年7月11日，本公司與永德已分別訂立第一份收購協議及第二份收購協議，以收購中國森林食品集團的全部股本權益，總現金代價為人民幣12,000,000元（相當於約13,612,000港元）。現金代價約人民幣8,500,000元（相當於約10,014,000港元）已於完成日期支付，而餘下現金代價人民幣3,500,000元（相當於約3,970,000港元）須於實現分別截至2019年6月30日止年度及2020年6月30日的溢利保證後予以支付。完成第一份收購協議及第二份收購協議項下的收購事項須待達成若干慣常先決條件後，方可作實。詳情分別載於本公司日期為2018年5月17日及2018年7月11日的公佈。

第二份收購協議項下的所有條件已獲達成，且第二個收購事項完成已於2018年7月31日作實。因此，中國森林食品已成為本公司全資附屬公司，且中國森林食品的財務報表將於本集團的綜合財務報表綜合入賬。詳情載於本公司日期為2018年8月3日的公佈。

於截至2018年9月30日止六個月，除上文所披露者及招股章程「歷史與發展、重組及集團架構」一節「重組」一段所載為上市而進行的重組活動外，本集團並無涉及任何附屬公司及聯屬公司的重大投資、重大收購或出售。

附屬公司、聯營公司或合營企業的重大收購及出售

除上文所披露者外，於截至2018年9月30日止六個月，本集團並無持有其他重大投資、附屬公司、聯營公司或合營企業的重大收購或出售。

Management Discussion and Analysis

管理層討論及分析

CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

As at 30 September 2018, save as disclosed below in “Use of Proceeds” the Group did not have any other material capital commitments or any material contingent liabilities.

DIVIDENDS

The Board did not recommend a payment of any dividend for the six months ended 30 September 2018 and 2017.

PLEDGE OF ASSETS

As at 30 September 2018, the Group’s pledged short-term bank deposits in the amount of HK\$4.0 million was pledged as security for the Group’s banking facilities.

COMPARISON OF IMPLEMENTATION PLANS FOR BUSINESS STRATEGIES WITH ACTUAL IMPLEMENTATION PROGRESS

The following is a comparison of the Group’s implementation plans for its business strategies up to 30 September 2018 as set out in the section headed “Future Plans and Use of Proceeds” in the Prospectus with the Group’s actual implementation progress:

資本承擔及或然負債

於2018年9月30日，除下文「所得款項用途」所披露者外，本集團並無任何其他重大資本承擔或任何重大或然負債。

股息

董事會不建議就截至2018年及2017年9月30日止六個月派付任何股息。

資產抵押

於2018年9月30日，本集團的已抵押短期銀行存款4.0百萬港元已抵押，作為本集團銀行融資的抵押品。

業務策略推行計劃與實際推行進度的比較

以下為本集團如招股章程「未來計劃及所得款項用途」一節所載直至2018年9月30日的業務策略推行計劃與本集團實際推行進度的比較：

Business strategy 業務策略	Implementation plan from 1 April 2017 to 30 September 2018 2017年4月1日至2018年9月30日的推行計劃	Actual implementation progress up to 30 September 2018 直至2018年9月30日的實際推行進度
Expansion and enhancement of our fleet of diesel tank wagons 擴充及改善柴油貯槽車車隊	<ul style="list-style-type: none"> Purchase three new diesel tank wagons. 購買三部新柴油貯槽車。 Replace three existing diesel tank wagons. 取代三部現有的柴油貯槽車。 Continue to evaluate the effectiveness and operating efficiency of new diesel tank wagons and assess our need for additional diesel tank wagons in view of our business development. 繼續評估新柴油貯槽車的有效性、運行效率，並評估我們因應業務發展對更多柴油貯槽車的需要。 	<ul style="list-style-type: none"> Two new diesel tank wagons had been purchased and one existing diesel tank wagon had been replaced. The delivery of the rest of new diesel tank wagons will be completed on the end of December 2018. 已購買兩部新柴油貯槽車及已取代一部現有的柴油貯槽車。餘下的新柴油貯槽車將於2018年12月底完成交付。 The effectiveness and operating efficiency of new diesel tank wagons has been closely evaluated. 已密切評估新柴油貯槽車的有效性、運行效率。

Management Discussion and Analysis

管理層討論及分析

COMPARISON OF IMPLEMENTATION PLANS FOR BUSINESS STRATEGIES WITH ACTUAL IMPLEMENTATION PROGRESS (Continued)

業務策略推行計劃與實際推行進度的比較(續)

Business strategy 業務策略	Implementation plan from 1 April 2017 to 30 September 2018 2017年4月1日至2018年9月30日的推行計劃	Actual implementation progress up to 30 September 2018 直至2018年9月30日的實際推行進度
Development and expansion of our marine bunkering business 發展及擴充海上供油業務	<ul style="list-style-type: none"> • Carry out preparatory work including entering into a formal contract with an independent barge supplier for the design and manufacture of the marine diesel oil barge and commence application for licences and permits requisite to the purchase of the marine diesel oil barge and the buoy. • 進行籌備工作，包括就設計及製造船用柴油駁船與一間獨立駁船供應商訂立正式合約，並開始申請購買船用柴油駁船及浮泡所需的牌照及許可證。 • Monitor the progress of building of the marine diesel oil barge. • 監控建造船用柴油駁船的進度。 • Commence trial and full operation of the marine diesel oil barge. • 開展船用柴油駁船的全面試運行。 • Carry out marketing and promotional activities and negotiate with potential customers to secure purchase orders for marine diesel oil. • 進行市場推廣及宣傳活動，並與潛在客戶進行磋商以獲得船用柴油的採購訂單。 • Evaluate the effectiveness and operating efficiency of the marine diesel oil barge. • 評估船用柴油駁船的有效性及其運行效率。 	<ul style="list-style-type: none"> • The Group had carried out preparatory work including entering into a formal contract with an independent barge supplier for the design and manufacture of the marine diesel oil barge and commenced application for licences and permits requisite to the purchase of the marine diesel oil barge and the buoy. • 本集團已進行籌備工作，包括就設計及製造船用柴油駁船與一間獨立駁船供應商訂立正式合約，並開始申請購買船用柴油駁船及浮泡所需的牌照及許可證。 • The Group has closely monitored the progress of building of the marine diesel oil barge. • 本集團已密切監控建造船用柴油駁船的進度。 • The Group had commenced operation of the marine diesel oil barge in July 2018. • 本集團已於2018年7月開展船用柴油駁船的運行。 • The Group had carried out marketing and promotional activities and negotiate with potential customers to secure purchase orders for marine diesel oil. • 本集團已進行市場推廣及宣傳活動，並與潛在客戶進行磋商以獲得船用柴油的採購訂單。 • The effectiveness and operating efficiency of the marine diesel oil barge had been evaluated from time to time. • 已不時評估船用柴油駁船的有效性及其運行效率。

Management Discussion and Analysis

管理層討論及分析

COMPARISON OF IMPLEMENTATION PLANS FOR BUSINESS STRATEGIES WITH ACTUAL IMPLEMENTATION PROGRESS (Continued)

業務策略推行計劃與實際推行進度的比較(續)

Business strategy 業務策略	Implementation plan from 1 April 2017 to 30 September 2018 2017年4月1日至2018年9月30日的推行計劃	Actual implementation progress up to 30 September 2018 直至2018年9月30日的實際推行進度
Upgrading our information technology and systems 提升資訊科技及系統	<ul style="list-style-type: none"> • Purchase and upgrade new office administrative information technology systems. • 購買及升級新辦公室行政資訊科技系統。 • Continue to review and maintain the performance of the information technology systems. • 繼續審閱及維持資訊科技系統的表現。 	<ul style="list-style-type: none"> • Minor upgrade of information technology systems had been done. The Group was still in negotiation with the potential suppliers on the requirements and specification of the new office administrative information technology system. • 已完成資訊科技系統的次要升級。本集團仍就新辦公室行政資訊科技系統的要求及規格與潛在供應商進行磋商。 • The Group closely monitors and maintains the performance of the information technology systems • 本集團密切監控及維持資訊科技系統的表現。

Management Discussion and Analysis

管理層討論及分析

COMPARISON OF IMPLEMENTATION PLANS FOR BUSINESS STRATEGIES WITH ACTUAL IMPLEMENTATION PROGRESS (Continued)

業務策略推行計劃與實際推行進度的比較(續)

Business strategy 業務策略	Implementation plan from 1 April 2017 to 30 September 2018 2017年4月1日至2018年9月30日的推行計劃	Actual implementation progress up to 30 September 2018 直至2018年9月30日的實際推行進度
Strengthening our manpower 加強我們的人手	<ul style="list-style-type: none"> • Recruit three drivers and three logistics assistants to strengthen our workforce required for our fleet of diesel tank wagons. • 聘請三名司機及三名物流助理，以加強我們柴油貯槽車車隊所需的人。 • Recruit one safety supervisor to enhance our occupational safety management. • 聘請一名安全監工，以加強職業安全管理。 • Recruit (i) seafarers including two coxswains, two technical operators, four sailors, (ii) one administration staff, (iii) one operation manager and (iv) one independent consultant to cope with our marine bunkering business. • 為配合海上供油業務而聘請(i)海員，包括兩名舵手、兩名技術操作員、四名水手；(ii)一名行政人員；(iii)一名操作經理；及(iv)一名獨立顧問。 • Evaluate the performance of the newly recruited staff and assess our need to recruit additional staff in view of our business development. • 評估新入職員工的表現，並評估我們因應業務發展對招聘更多員工的需要。 • Provide training to our existing and newly recruited staff and/or sponsor our staff to attend training courses on occupational health and safety. • 為現有及新入職員工提供培訓及／或資助員工參加職業健康與安全的培訓。 	<ul style="list-style-type: none"> • One logistics assistant was hired, the recruitment of the rest of staff will be hired around October 2018. • 已聘請一名物流助理，其他員工將於2018年10月前後招聘。 • Safety supervisor was hired through job reallocation. • 安全監工已透過職位重新分配聘請。 • The Group contracted with a service company to operate the marine bunkering business. • 本集團與服務公司訂立合約以經營海上供油業務。 • The Group evaluates and assesses the performance of our manpower continuously so as to facilitate the group's business development. • 本集團持續評估及評價人手的表現，以促進集團業務發展。 • Training courses and on-the-job training have been provided to staff. • 已向員工提供培訓課程及在職培訓。

Management Discussion and Analysis

管理層討論及分析

USE OF PROCEEDS

As disclosed in the 2018 Annual Report of the Company, the actual net proceeds (the “**Net Proceeds**”) from the Share Offer (after deduction of the underwriting commission and Listing related expenses) were approximately HK\$45.1 million, which was less than the estimated Net Proceeds of approximately HK\$50.9 million as set out in the Prospectus and the allotment results announcement of the Company dated 11 April 2017.

Set out below is the actual use of the Net Proceeds up to 30 September 2018:

所得款項用途

誠如本公司2018年年報所披露，股份發售實際所得款項淨額（「**所得款項淨額**」）（經扣除包銷佣金及上市相關開支後）約為45.1百萬港元，低於招股章程及本公司日期為2017年4月11日的配發結果公佈所載估計所得款項淨額約50.9百萬港元。

以下載列直至2018年9月30日的所得款項淨額的實際用途：

	Planned use of total Net Proceeds	Approximate percentage of total Net Proceeds	Actual use of Net Proceeds up to 30 September 2018	Unused total Net Proceeds up to 30 September 2018	
	總所得款項淨額計劃用途	佔總所得款項淨額概約百分比	直至2018年9月30日的所得款項淨額實際用途	直至2018年9月30日的尚未使用總所得款項淨額	
	HK\$ million 百萬港元	%	HK\$ million 百萬港元	HK\$ million 百萬港元	
Purchase of diesel tank wagons (Note 1)	購買柴油貯槽車(附註1)	7.8	17.3%	3.7	4.1
Purchase of marine diesel oil barge (Note 2)	購買船用柴油駁船(附註2)	14.0	31.0%	8.5	5.5
Further strengthen our manpower (Note 3)	進一步加強人手(附註3)	6.1	13.6%	1.5	4.6
Upgrade of our information technology systems (Note 4)	提升資訊科技系統(附註4)	3.6	7.9%	0.1	3.5
Working capital necessary for the operation of the new diesel tank wagons and marine bunkering business (Note 5)	營運新柴油貯槽車及海上供油業務所需的營運資金(附註5)	9.1	20.2%	2.8	6.3
Working capital	營運資金	4.5	10.0%	4.5	–
Total	總計	45.1	100.0%	21.1	24.0

Management Discussion and Analysis

管理層討論及分析

USE OF PROCEEDS (Continued)

Note:

- 1 Two new diesel tank wagons had been purchased and one existing diesel tank wagon had been replaced up to 30 September 2018.
- 2 Marine diesel oil barge has been delivered in November 2017 and had commenced operation in July 2018.
- 3 The Group has been actively involved in the recruitment and selection of suitable candidates through various means including job advertisements in major newspapers.
- 4 The Group was still in negotiation with the potential suppliers on the requirements and specification of the new office administrative information technology system.
- 5 The Group contracted with a service company to operate the marine bunkering business.

Save as disclosed above, the Group will apply the net proceeds received from the Share Offer in the manners consistent with the proposed applications set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus. The implantation plans for business strategies and use of Net Proceeds as stated in the Prospectus were based on the best estimation and assumption of future market conditions made by the Group at the time of preparing the Prospectus. The Group implemented its business strategies and applied the Net Proceeds based on the actual development of the Group's business and industry, as well as market conditions.

FINANCIAL ASSETS

As at 30 September 2018, the Group had invested a total amount of approximately HK\$2.6 million in a company listed in Bursa Malaysia Berhad. As at 30 September 2018, this investment was reflected at fair value, and a net unrealised gain of approximately HK\$1.3 million was recorded.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 September 2018, the Group engaged a total of 53 employees (22 employees as at 31 March 2018) including the Directors. For the six months ended 30 September 2018, total staff costs amounted to approximately HK\$4.0 million (six months ended 30 September 2017: approximately HK\$3.0 million). Remuneration (including employees' benefits) is maintained within the market level and reviewed on a periodic basis. Employees' salary and relevant benefits are determined on the basis of performance, qualification, experience, positions and the Group's business performance.

所得款項用途(續)

附註：

- 1 截至2018年9月30日，已購買兩部新柴油貯槽車及已取代一部現有的柴油貯槽車。
- 2 船用柴油駁船已於2017年11月交付並於2018年7月開始運行。
- 3 本集團透過多種方式(包括在各大報章刊登廣告)積極招聘及甄選合適人選。
- 4 本集團仍就新辦公室行政資訊科技系統的要求及規格與潛在供應商進行磋商。
- 5 本集團與服務公司訂立合約以經營海上供油業。

除上文所披露者外，本集團將按照與招股章程「未來計劃及所得款項用途」一節所載的擬定用途一致的方式動用從股份發售所收取的所得款項淨額。招股章程所載的業務策略推行計劃及所得款項淨額用途乃基於本集團於編製招股章程時對未來市況作出的最佳估計及假設。本集團根據本集團業務及行業的實際發展狀況以及市況推行其業務策略及動用所得款項淨額。

金融資產

於2018年9月30日，本集團於一間馬來西亞交易所上市公司的投資總額約為2.6百萬港元。於2018年9月30日，此項投資已於公平值反映，並錄得未變現收益淨額約1.3百萬港元。

僱員及薪酬政策

於2018年9月30日，連董事在內，本集團共有53名僱員(2018年3月31日：22名僱員)。截至2018年9月30日止六個月，總員工成本約4.0百萬港元(2017年9月30日止六個月：約3.0百萬港元)。薪酬待遇(包括僱員福利)維持在市場水平，並會定期檢討。僱員薪酬及相關福利乃按其表現、資歷、經驗、職位以及本集團業務表現而釐定。

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管理層討論及分析

ENVIRONMENT POLICIES AND PERFORMANCE

The principal activity of the sale and transportation of diesel oil and related products business of the Group is governed by Hong Kong environmental laws and regulations including the Air Pollution Control Ordinance and the Water Pollution Control Ordinance in Hong Kong.

These laws and regulations cover a broad range of environmental matters, including air pollution, noise and gas emissions, leakage of oil products or other hazardous substances. The Group recognises the importance of environmental protection and has implemented various environmental protection measures in order to minimise the operation impact on the environment and natural resources.

For the health food distribution business in the PRC, the “FORESTFOOD” branded products which have achieved Chinese Forest Food Certification granted by China Eco Development Association and approved by the Ministry of Civil Affairs of the People’s Republic of China.

The Group will continue to monitor the business operations in order to ensure that it does not have only significant adverse effect on the environment and that the Group’s environment protection measures are adequate to ensure compliance with all applicable current Hong Kong and the PRC laws or regulations.

As at the date of this report, no prosecution, penalty or punishment has been imposed upon the Group for the violation of any environmental laws or regulations.

As from 30 September 2018 to the date of this report, save as disclosed in this report, the Board is not aware of any significant events requiring disclosure that have occurred.

環境政策及表現

本集團銷售及運送柴油及相關產品的主要業務受香港環保法律及法規規管，包括香港空氣污染管制條例及水污染管制條例。

該等法律及法規涵蓋範圍廣泛的環境事務，包括空氣污染、噪音及氣體排放、石油產品洩漏或其他危害物質。本集團認同環境保護的重要性，並已實施多項環境保護措施以將業務對環境及天然資源的影響降至最低。

就健康食品分銷業務而言，「森林食品」品牌產品已獲中國林業生態發展促進會授予及中華人民共和國民政部批准的中國森林食品認證。

本集團將持續監察業務運營，以確保其並無對環境造成重大不利影響，而本集團有充足的環境保護措施以確保遵守所有適用現行香港及中國法律及法規。

於本報告日期，本集團概無因違反任何環境法律或法規而遭受檢控、罰款或處罰。

於2018年9月30日至本報告日期，除本報告所披露者外，據董事會所知，並無發生任何須予披露的重大事件。

Management Discussion and Analysis

管理層討論及分析

SIGNIFICANT INVESTMENT, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES

On 17 May 2018 and 11 July 2018, the Company entered into the 1st sale and purchase agreement (the "1st Acquisition Agreement") and 2nd sale and purchase agreement (the "2nd Acquisition Agreement") with the vendor and agreed to acquire the entire equity interest in China Forest Food Limited and its subsidiaries ("China Forest Food Group"), with total cash consideration of RMB12,000,000 (equivalent to approximately HK\$13,612,000). The cash consideration with the amounting of approximately RMB8,500,000 (equivalent to approximately HK\$10,014,000) was paid on the completion date and the remaining cash consideration with amounting of RMB3,500,000 (equivalent to approximately HK\$3,970,000) shall be payable upon the fulfillment of profit guarantee for the years ending 30 June 2019 and 30 June 2020 respectively. The principal activity of the China Forest Food Group is provision of distribution of healthy food. Pursuant to the 1st Acquisition Agreement and 2nd Acquisition Agreement, the vendor guaranteed a net profit after taxation of not less than RMB5,000,000 (equivalent to approximately HK\$5,753,000) for the period from 17 May 2018 to 30 June 2019 and for period from 1 July 2019 to 30 June 2020 shall be not less than RMB10,000,000 (equivalent to approximately HK\$11,505,000). The acquisition was completed on 31 July 2018.

As a result, China Forest Food has become a wholly-owned subsidiary of the Company and the financial statements of China Forest Food will be consolidated into the consolidated financial statements of the Group. Details are set out in the announcement of the Company dated 3 August 2018.

附屬公司的重大投資、重大收購及出售

於2018年5月17日及2018年7月11日，本公司與賣家訂立第一份買賣協議（「第一份買賣協議」）及第二份買賣協議（「第二份買賣協議」）並同意收購中國森林食品有限公司及其附屬公司（「中國森林食品集團」）全部股本權益，總現金代價為人民幣12,000,000元（相當於約13,612,000港元）。現金代價約人民幣8,500,000元（相當於約10,014,000港元）已於完成日期支付，而餘下現金代價人民幣3,500,000元（相當於約3,970,000港元）須於實現分別截至2019年6月30日止年度及截至2020年6月30日止年度的溢利保證後予以支付。中國森林食品集團的主要業務為提供健康食品分銷。根據第一份買賣協議及第二份買賣協議，賣方保證自2018年5月17日起至2019年6月30日止期間及自2019年7月1日起至2020年6月30日止期間的除稅後純利分別不會低於人民幣5,000,000元（相當於約5,753,000港元）及人民幣10,000,000元（相當於約11,505,000港元）。收購事項已於2018年7月31日完成。

因此，中國森林食品已成為本公司全資附屬公司，且中國森林食品的財務報表將綜合計入本集團的綜合財務報表。詳情載於本公司日期為2018年8月3日的公佈。

Management Discussion and Analysis

管理層討論及分析

OTHER INFORMATION

Purchase, Sale or Redemption of the Company's Listed Securities

For the six months ended 30 September 2018, there has been no purchase, sale or redemption of any Company's listed securities.

Interests and short positions of Directors and chief executive in the shares, underlying shares and debentures of the Company and its associated corporations

As at 30 September 2018, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or (ii) to be entered into the register required to be kept therein, pursuant to section 352 of the SFO, or (iii) to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by Directors to be notified to the Company and the Stock Exchange, were as follows:

其他資料

購買、出售或贖回本公司上市證券

於截至2018年9月30日止六個月，概無購買、出售或贖回本公司任何上市證券。

董事及最高行政人員於本公司及其相聯法團的股份、相關股份及債權證中的權益及淡倉

於2018年9月30日，董事及本公司最高行政人員於本公司或其相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份或債權證中擁有(i)根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益及淡倉(包括根據證券及期貨條例有關條文被當作或視為擁有的權益及淡倉)或(ii)根據證券及期貨條例第352條須列入該條規定存置的登記冊的權益及淡倉，或(iii)根據GEM上市規則第5.46至5.67條有關須知會本公司及聯交所的董事證券交易須知會本公司及聯交所的權益及淡倉如下：

Name of Directors 董事姓名	Capacity/nature of interest 身份／權益性質	Number of shares held 持有股份數量	Percentage of shareholding 持股百分比
Mr. Fong Chun Man	Interest in a controlled corporation (Note 1)	448,000,000 (Long position)	56%
方俊文先生	受控制法團權益(附註1)	448,000,000 (好倉)	56%
Ms. Lo Pui Yee	Interest of spouse (Note 2)	448,000,000 (Long position)	56%
勞佩儀女士	配偶權益(附註2)	448,000,000 (好倉)	56%
Mr. Li Hok Yin	Beneficial owner	136,676,000 (Long position)	17.08%
李學賢先生	實益擁有人	136,676,000 (好倉)	17.08%

Management Discussion and Analysis

管理層討論及分析

OTHER INFORMATION (Continued)

Interests and short positions of Directors and chief executive in the shares, underlying shares and debentures of the Company and its associated corporations (Continued)

Notes:

1. The shares are held by Grand Tycoon Limited, the equity interest of which is owned as to 100% by Mr. Fong Chun Man. Mr. Fong Chun Man is deemed to be interested in all the shares held by Grand Tycoon Limited for the purpose of Part XV of SFO.
2. Ms. Lo Pui Yee is the spouse of Mr. Fong Chun Man and is therefore deemed to be interested in all the shares which Mr. Fong Chun Man is interested for the purpose of Part XV of the SFO.

Save as disclosed above, as at 30 September 2018, none of the Directors and the chief executive of the Company has any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part V of the SFO (including interests and/or short positions which they were taken or deemed to have under such provisions of the SFO), or (ii) to be entered into the register required to be kept therein, pursuant to section 352 of the SFO, or (iii) to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by directors to be notified to the Company and the Stock Exchange.

其他資料(續)

董事及最高行政人員於本公司及其相聯法團的股份、相關股份及債權證中的權益及淡倉(續)

附註：

1. 該等股份由宏亨有限公司持有，其100%股權由方俊文先生擁有。就證券及期貨條例第XV部而言，方俊文先生被視為於宏亨有限公司持有的全部股份中擁有權益。
2. 勞佩儀女士為方俊文先生的配偶，因此就證券及期貨條例第XV部而言，勞佩儀女士被視為於方俊文先生持有權益的全部股份中擁有權益。

除上文所披露者外，於2018年9月30日，概無董事及本公司最高行政人員於本公司或其相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份或債權證中擁有(i)根據證券及期貨條例第V部第7及8分部須知會本公司及聯交所的任何權益或淡倉(包括根據證券及期貨條例被當作或視為擁有的權益及/或淡倉)，或(ii)須列入根據證券及期貨條例第352條須存置的登記冊內的權益或淡倉，或(iii)根據GEM上市規則第5.46至5.67條有關須知會本公司及聯交所的董事證券交易須知會本公司及聯交所的權益或淡倉。

Management Discussion and Analysis

管理層討論及分析

OTHER INFORMATION (Continued)

Interests and short positions of the substantial shareholders and other persons in the shares, underlying shares and debentures of the Company and its associated corporations

As at 30 September 2018, so far as it is known to the Directors, the following persons (not being a Director or chief executive of the Company) had or were deemed to have interests in shares or underlying shares which (i) were recorded in the register required to be kept by the Company under Section 336 of the SFO, or (ii) which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO and the GEM Listing Rules or, (iii) who will be, directly or indirectly, be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of our Group.

其他資料(續)

主要股東及其他人士於本公司及其相聯法團的股份、相關股份及債權證中的權益及淡倉

於2018年9月30日，據董事所知，下列人士(董事或本公司最高行政人員除外)於股份或相關股份中擁有或被視為擁有權益，而(i)須記存於本公司根據證券及期貨條例第336條規定須存置的登記冊，或(ii)根據證券及期貨條例第XV部第2及3分部條文及GEM上市規則須予披露，或(iii)將直接或間接於附帶權利可於所有情況下在本集團任何成員公司的股東大會上表決的任何類別股本面值中擁有10%或以上權益。

Name of Shareholders 股東姓名／名稱	Capacity/nature of interest 身份／權益性質	Number of shares held 持有股份數量	Percentage of shareholding 持股百分比
Grand Tycoon Limited	Beneficial owner (Note 1)	448,000,000 (Long position)	56%
宏亨有限公司	實益擁有人(附註1)	448,000,000 (好倉)	56%
Ms. Lo Pui Yee	Interest of spouse (Note 2)	448,000,000 (Long position)	56%
勞佩儀女士	配偶權益(附註2)	448,000,000 (好倉)	56%
Mr. Li Hok Yin	Beneficial owner	136,676,000 (Long position)	17.08%
李學賢先生	實益擁有人	136,676,000 (好倉)	17.08%
Ms. Cheung Yee Lok	Interest of spouse (Note 3)	136,676,000 (Long position)	17.08%
張依樂女士	配偶權益(附註3)	136,676,000 (好倉)	17.08%

Notes:

- The shares are held by Grand Tycoon Limited, the equity interest of which is owned as to 100% by Mr. Fong Chun Man. Mr. Fong Chun Man is deemed to be interested in all the shares held by Grand Tycoon Limited for the purpose of Part XV of SFO.
- Ms. Lo Pui Yee is the spouse of Mr. Fong Chun Man and is therefore deemed to be interested in all the shares which Mr. Fong Chun Man is interested for the purpose of Part XV of the SFO.
- Ms. Cheung Yee Lok is the spouse of Mr. Li Hok Yin and is therefore deemed to be interested in all the shares which Mr. Li Hok Yin is interested for the purpose of Part XV of the SFO.

附註：

- 該等股份由宏亨有限公司持有，其100%股權由方俊文先生擁有。就證券及期貨條例第XV部而言，方俊文先生被視為於宏亨有限公司持有的全部股份中擁有權益。
- 勞佩儀女士為方俊文先生的配偶。因此就證券及期貨條例第XV部而言，勞佩儀女士被視為於方俊文先生持有權益的全部股份中擁有權益。
- 張依樂女士為李學賢先生的配偶。因此就證券及期貨條例第XV部而言，張依樂女士被視為於李學賢先生持有權益的全部股份中擁有權益。

Save as disclosed above, as at 30 September 2018, the Directors have not been notified by any person who had interests or short positions in the shares, underlying shares or debentures of the Company as recorded in the register required to be kept pursuant to Section 336 of the SFO, or which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO.

除上文披露者外，於2018年9月30日，概無任何人士已經知會董事於本公司股份、相關股份或債權證中擁有權益或淡倉，而有關權益或淡倉須記存於根據證券及期貨條例第336條規定須存置的登記冊，或根據證券及期貨條例第XV部第2及3分部條文而須予披露。

Management Discussion and Analysis

管理層討論及分析

OTHER INFORMATION (Continued)

Share Option Scheme

The Company has conditionally adopted the share option scheme in which certain eligible participants including, among others, the Directors and employees of the Group may be granted options to subscribe for Shares on 23 March 2017 (the “**Adoption Date**”). The share option scheme became unconditional upon the Listing Date. Under the terms of the Scheme, the Board may, at its discretion, grant options to eligible participants to subscribe for Shares.

No share options were granted since the Adoption Date up to 30 September 2018, and there was no share option outstanding as at 30 September 2018. As at 30 September 2018, the Company had 80,000,000 shares available for issue under the Scheme, representing 10% of the existing issued share capital of the Company as at the date of this report.

Competing Interests

The Directors confirm that none of the Controlling Shareholders or the Directors and their respective close associates (as defined in the GEM Listing Rules) is interested in any business apart from the business operated by our Group which competes or is likely to compete, directly or indirectly, with our Group’s business during the Reporting Period and up to the date of this report.

Interests of the Compliance Adviser

In accordance with Rule 6A.19 of the GEM Listing Rules, the Company has appointed Guotai Junan Capital Limited (“**Guotai Junan**”) to be the compliance adviser. As informed by Guotai Junan, neither Guotai Junan nor any of its directors or employees or close associates had any interest in the share capital of the Company or any member of the Group (including options or rights to subscribe for such securities, if any) or otherwise in relation to the Company which is required to be notified to the Company pursuant to Rule 6A.32 of the GEM Listing Rules except for the participation of Guotai Junan as the sponsor in relation to the Listing and the compliance adviser agreement entered into between the Company and Guotai Junan on 8 September 2016.

其他資料(續)

購股權計劃

本公司已於2017年3月23日(「**採納日期**」)有條件採納購股權計劃，其中若干合資格參與者(其中包括本集團董事及僱員)可能會獲授購股權以認購股份。購股權計劃於上市日期後變為無條件。根據該計劃的條款，董事會可酌情向合資格參與者授予購股權以認購股份。

自採納日期起直至2018年9月30日，概無授出任何購股權，而於2018年9月30日亦無任何購股權尚未行使。於2018年9月30日，本公司根據該計劃擁有可供發行股份80,000,000股，佔本公司於本報告日期的現有已發行股本10%。

競爭權益

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

合規顧問的權益

根據GEM上市規則第6A.19條之規定，本公司已委聘國泰君安融資有限公司(「**國泰君安**」)為合規顧問。誠如國泰君安所告知，國泰君安及其任何董事或僱員或緊密聯繫人概無於本公司或本集團任何成員公司的股本中擁有任何權益(包括購股權或可認購有關證券的權利(如有))或擁有與本公司有關且根據GEM上市規則第6A.32條須知會本公司的其他權益(惟不包括國泰君安就上市作為保薦人所得參與權益及本公司與國泰君安於2016年9月8日訂立的合規顧問協議)。

Management Discussion and Analysis

管理層討論及分析

OTHER INFORMATION (Continued)

Audit Committee

The Company has established the Audit Committee on 23 March 2017 in compliance with Rules 5.28 to 5.29 of the GEM Listing Rules and with written terms of reference in compliance with the Corporate Governance Code set out in Appendix 15 of the GEM Listing Rules. The audit committee comprises three independent non-executive Directors, namely Mr. Chui Chi Yun, Robert, Mr. Wang Anyuan and Mr. Kwong Yuk Lap. Mr. Chui Chi Yun, Robert is the chairman of the audit committee and he holds the appropriate professional qualifications as required under Rules 5.05(2) and 5.28 of the GEM Listing Rules.

The unaudited condensed consolidated financial statements of the Group for the six months ended 30 September 2018 had been reviewed by the Audit Committee, which was of the opinion that the unaudited condensed consolidated financial statements have been prepared in compliance with the applicable accounting standards and the GEM Listing Rules.

Nomination Committee

The Company established a nomination committee (the “**Nomination Committee**”) on 23 March 2017 which comprised Mr. Fong Chun Man and two independent non-executive Directors, namely Mr. Kwong Yuk Lap and Mr. Chui Chi Yun, Robert. Mr. Kwong Yuk Lap is the Chairman of the Nomination Committee.

The primary function of the Nomination Committee is to review the structure, size and composition of the Board on regular basis; identify individuals suitably qualified to become Board members; assess the independence of independent non-executive Directors; and make recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors. The full terms of reference setting out details of the authority, duties and responsibilities of the Nomination Committee is available on both the GEM website and the Company’s website.

Pursuant to the terms of reference of the Nomination Committee, meeting shall be held at least once a year and additional meetings should be held if the committee shall so request.

The Nomination Committee has reviewed the structure, size and composition of the Board and the Policy as well as discussing matters regarding the retirement and re-election of Directors.

其他資料(續)

審核委員會

本公司已於2017年3月23日根據GEM上市規則第5.28及5.29條成立審核委員會，並根據GEM上市規則附錄15所載的企業管治守則備有書面職權範圍。審核委員會由三名獨立非執行董事崔志仁先生、王安元先生及鄭旭立先生組成。崔志仁先生為審核委員會主席並持有GEM上市規則第5.05(2)及5.28條所規定的合適專業資格。

本集團截至2018年9月30日止六個月的未經審核簡明綜合財務報表已由審核委員會審閱，其認為未經審核簡明綜合財務報表已按照適用會計準則及GEM上市規則編製。

提名委員會

本公司於2017年3月23日成立提名委員會(「**提名委員會**」)，由方俊文先生及兩名獨立非執行董事鄭旭立先生及崔志仁先生組成。鄭旭立先生為提名委員會主席。

提名委員會的主要職責為定期檢討董事會架構、規模及組成；物色適合且合資格成為董事會成員的人選；評核獨立非執行董事的獨立性；以及就有關董事委聘或續聘的相關事宜向董事會提供推薦意見。載列提名委員會的職權、職責及責任詳情的全部職權範圍詳情可於GEM網站及本公司網站查閱。

根據提名委員會的職權範圍，每年應至少舉行一次會議，並應按委員會的要求舉行其他會議。

提名委員會已檢討董事會架構、規模及組成以及政策，並討論有關董事退任及重選的事宜。

Management Discussion and Analysis

管理層討論及分析

OTHER INFORMATION (Continued)

Remuneration Committee

The Company established a remuneration committee (the “**Remuneration Committee**”) on 23 March 2017 in compliance with Appendix 15 of the GEM Listing Rules, which comprised two independent non-executive Directors, namely Mr. Wang Anyuan and Mr. Chui Chi Yun, Robert together with Mr. Fong Chun Man. Mr. Wang Anyuan is the Chairman of the Remuneration Committee.

The primary duties of the Remuneration Committee are to make recommendation to the Board on the overall remuneration policy and structure relating to all Directors and senior management of the Group, review and approve the management’s remuneration proposals, and ensure none of the Directors determine their own remuneration.

The full terms of reference setting out details of duties of the Remuneration Committee is available on both the GEM website and the Company’s website.

The Remuneration Committee determines Directors’ remuneration by reference to the benchmarking of the market. The Company also looks into individual Director’s competence, duties, responsibilities, performance and the results of the Group in determining the exact level of remuneration for each Director.

Pursuant to the terms of reference of the Remuneration Committee, meeting shall be held at least once a year and additional meetings should be held if the committee shall so request.

Directors’ Securities Transactions

The Company adopted a code of conduct regarding directors’ securities transactions on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiries of all Directors, the Company confirms that all of the Directors complied with such required standard of dealings and its code of conduct regarding directors’ securities transactions as at the date of this report.

其他資料(續)

薪酬委員會

本公司於2017年3月23日根據GEM上市規則附錄15成立薪酬委員會(「**薪酬委員會**」)，由兩名獨立非執行董事王安元先生及崔志仁先生與方俊文先生組成。王安元先生為薪酬委員會主席。

薪酬委員會的主要職責為就本集團全體董事及高級管理層的整體薪酬政策及架構向董事會提供推薦意見；審閱及批准管理層薪酬建議；及確保董事概無自行釐定薪酬。

載列薪酬委員會職責詳情的全部職權範圍詳情可於GEM網站及本公司網站查閱。

薪酬委員會透過參考市場基準釐定董事薪酬。本公司亦考慮董事個人能力、職責、責任、表現及本集團的業績釐定各董事的確切薪酬水平。

根據薪酬委員會的職權範圍，每年應至少舉行一次會議，並應按委員會的要求舉行其他會議。

董事的證券交易

本公司採納了董事進行證券交易的行為守則，其條款嚴謹程度不遜於GEM上市規則第5.48至5.67條所載的規定交易標準。向全體董事作出具體查詢後，本公司確認，所有董事於本報告日期均已遵守規定交易標準及本公司有關董事進行證券交易的行為守則。

Management Discussion and Analysis

管理層討論及分析

OTHER INFORMATION (Continued)

Corporate Governance

The Company is firmly committed to maintaining and ensuring a high level of corporate governance standards and will review and improve the corporate governance practices and standards constantly. During the six months ended 30 September 2018, the Company has complied with the code provisions set out in the Corporate Governance Code (the “Code Provisions”) contained in Appendix 15 of the GEM Listing Rules.

On behalf of the Board
F8 Enterprises (Holdings) Group Limited
Mr. Fong Chun Man
Chairman and executive Director

Hong Kong, 9 November 2018

As at the date of this report, the chairman and the executive Director of the Company is Mr. FONG Chun Man, the executive Directors of the Company are Ms. LO Pui Yee, Mr. CHAN Chi Fai and Mr. LI Hok Yin; and the independent non-executive Directors of the Company are Mr. CHUI Chi Yun, Robert, Mr. KWONG Yuk Lap and Mr. WANG Anyuan.

This report will remain on the GEM website at www.hkgem.com on the “Latest Company Announcements” page for at least 7 days from the date of its posting and on the Company’s website at www.f8.com.hk.

其他資料(續)

企業管治

本公司致力維持及確保高水平的企業管治標準，並會不斷檢討及改善企業管治常規及標準。本公司於2018年9月30日止六個月一直遵守GEM上市規則附錄15所載企業管治守則的守則條文(「守則條文」)。

承董事會命
F8企業(控股)集團有限公司
主席兼執行董事
方俊文先生

香港，2018年11月9日

於本報告日期，本公司主席兼執行董事為方俊文先生，本公司執行董事為勞佩儀女士、陳志輝先生及李學賢先生，以及本公司獨立非執行董事為崔志仁先生、鄭旭立先生及王安元先生。

本報告將由刊登日期起計最少一連7日於GEM網站www.hkgem.com的「最新公司公告」網頁及於本公司網站www.f8.com.hk刊登。